## ITU SEMINAR ON TARIFFS, REGULATORY AND WTO ISSUES AND THEIR IMPACT ON THE TRADE OF TELECOMMUNICATION SERVICES IN CENTRAL AMERICA

TEGUCIGALPA, HONDURAS 10-12 JULY 2000

## **Final Report**

**Background**. Under the request of several Central American countries and the Central American Telecommunication Commission COMTELCA, the Central American ITU Office proposed under the Valetta Action Plan for the year 2000, Chapter 2, Program 4, Activity 4.6, to hold the "Central American Seminar on Pricing, Regulatory and WTO issues and their impact on the Trade of Telecommunication Services". The Honduran Regulatory Body CONATEL requested to be the sponsor of the event, the venue Tegucigalpa and the dates between the 10<sup>th</sup> and 12<sup>th</sup> of July.

Among others, the purpose of the Seminar is to encourage the participants to present a document and exposition describing the actual situation of the country in the matters concerning the main topics of the Seminar. The ITU experts and ITU Office detects by this means the needs of technical assistance of those countries and possible BDT future actions.

**Participants.** The Central American Office proposed to COMTELCA and to CONATEL to participate in the planning and organization of the event. CONATEL requested on their behalf the participation of local telecommunication operators, therefore the Seminar was organized by ITU, CONATEL, COMTELCA and local telecommunication operators.

The invitation was extended to Administrations, Regulators, Ministries of Foreign Trade, COMTELCA, Operators and to the Central American Economic Integration System SIECA. The Seminar was inaugurated by the President of CONATEL, COMTELCA addressed the relevance of the event in the Central American context and ITU addressed the importance of the WTO and GATT in the telecommunication sector and the roll of the BDT on the matter. The list of participants is included in the Annex II.

**Contents.** The content of the Agenda was planned in terms of the requirements of the participating countries and adapted to the time available and the time dedicated to the lecture part was in accordance with the interest and the expectation of the actual situation of the sub-region. It was clear that the telecommunication sector of Central America does not participate in general of the service negotiation process carried out by the countries in the frame of the WTO.

The tariff situation is of great relevance for Central America due to the transition from the state-owned telecommunication operator model to the private environment. Several Regulatory Bodies have the task of structuring the tariff model and the Seminar had a great impact on this matter. The method and model presented by BDT during the Seminar concerning tariffs captured the attention of the participants and it is expected to have a working model of the TAL tool as soon as possible.

The large amount of questions coming from the participants was a clear indication of the interest on the subject. The organization of the event, documents, simultaneous

interpretation and complementary activities was highly complemented by the participants. The Agenda for the Seminar is attached as Annex I.

**Conclusions**. The objectives of the activity were reached as proposed in the activity plan: "To increase the participation and negotiation capabilities of the telecommunication sector of the Central American Administrations in the negotiation groups with WTO, UNCTAD, WB in the negotiation process of the GATS. The Seminar expanded the main objectives and included the tariffs issue.

The interest of the participants on the topics presented was very good and the proposal for further actions for the next year were reflected in the Conclusion of the Seminar:

- 1. To congratulate the BDT for this initiative in the efforts of integrating the telecommunication sector to the negotiation process with the Foreign Trade Commission of each country.
- 2. The topics presented in both areas WTO issues as well as Tariffs are important issues that the BDT should keep on working during the VAP scope.
- 3. To request BDT to provide the TAL application for the Central American Administration due to its immediate application.
- 4. To request to the BDT a workshop to install and to develop a study case using the TAL application.
- 5. To program a join workshop with SIECA in order to draft the "Telecommunication Annex" of each one of the countries.

**Recommendations**. The recommendations for this VAP Program derived from the request of the participants are:

- 1. To program a join workshop with SIECA in order to draft the "Telecommunication Annex" of each one of the countries.
- 2. To request BDT to provide the TAL application for the Central American Administrations due to its immediate application.
- 3. To request BDT to provide a TAL application workshop for the Central American Administrations.