



SECOND MEETING OF STUDY GROUP 1: GENEVA, 30 AUGUST - 3 SEPTEMBER 1999
SECOND MEETING OF STUDY GROUP 2: GENEVA, 6 - 10 SEPTEMBER 1999

Question 12/1: Tariff policies, tariff models and methods of determining the cost of national
telecommunication services

STUDY GROUP 1

SOURCE: RAPPORTEUR FOR QUESTION 12/1

TITLE: REPORT ON QUESTION 12/1

The Rapporteur's Group on Question 12/1 held its second meeting on 31 August 1999. The meeting was opened by the Chairperson of Study Group 1, Mr. Gabrielli.

The Rapporteur, Mr. Pierre Fontaine (France), introduced the agenda which was approved. He then presented the results of the Rapporteur's Group meeting on Question 12/1 and the Joint Consultative Group on Economic Aspects of Spectrum Management which were held in Geneva on 1 and 2 March 1999 (Documents 1/053 and 1/052) and the "Interim Report on tariff policies, tariff models and methods of determining the costs of telecommunication services" (see Document 1/068). Within the framework of his presentation he called upon Mr. Tanaka to report on the documents from TSB Study Group 3 (Documents 1/060: "Current studies on Call Backs" and 1/086: "Draft Annex E to ITU-T Rec. D.140"). The Secretariat then reported on the Survey in Question 12/1: 70 responses to the Survey "Tariff policies, tariffs models and methods of determining the cost of national telecommunication services" had been received. From the answers, a database has begun to be developed.

Further in the meeting, presentations were made on the following documents: Documents 1/069, 1/085, 1/092, 1/096, 1/052, 1/058, 1/016 and its Addendum 1.

The representative of PATU made a statement which is attached at Annex 2.

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MAIN RESULTS

The Chairman said that, among others, one role of the BDT was to give to developing countries the right tool to attract investments necessary for their telecommunication development. He suggested a strong liaison between Question 12/1 and Question 11/1. In addition, the meeting stressed the need for detailed collaboration between Study Group Question 12/1 and TSB Study Group 3. It was noted that the TSB now has, in the BDT, a partner to take action.

Lively discussion took place about the most appropriate way to assist developing countries. The need for developing countries to have simple and easy to apply tariff principles was also pointed out.

The Rapporteur convened a meeting of the Joint Working Group on economic aspects of Spectrum Management. The report of this meeting is attached as Annex 1.

FUTURE WORK

The Rapporteur intended not to attach a draft table of contents, but to continue working on the current draft and to host a meeting later in 1999.

ANNEX 1

Meeting of the Joint Working Group on economic aspects of Spectrum Management

Further to the Meeting on Question 12/1, the Rapporteur convened a meeting of a working subgroup to look at the joint work of the ITU-D and ITU-R regarding the issue of the economic aspects of spectrum management. In particular, the possibility of combining the survey on Question 12/1 with the Questionnaire on National Spectrum Management developed by the ITU-R was discussed.

MAIN RESULTS

After careful consideration, it was agreed that questions 6, 7, and 8 of the Questionnaire on Question 12/1 would be reformulated and inserted into the BR Questionnaire.

It was proposed to transmit the above-mentioned integrated questionnaire with a circular letter jointly signed by the Director of the BR and the Director of the BDT.

It was agreed that Mr. Jeacock would circulate the revised joint Questionnaire during the meeting and collect any further comments from the membership.

It was agreed that in order to facilitate the answers to the Questionnaire, reference should be made to subjects under item 1.8 (studies on economic aspects of spectrum management) of Document 1/092.

The Rapporteur agreed that Questions 1 to 5 of the Questionnaire on Question 12/1 were adequately treated in the document and did not need to be reiterated.

It was agreed to keep close collaboration between the two sectors on the development of the issue.

ANNEX 2

Statement from PATU

In his intervention the PATU representative concurred with the Chairman that there is a close relationship between Q11/1 and the Q12/1, although they are different in content and should therefore be treated separately.

With regard to Q12/1, he noted that PATU had had very close association with the programme initiated by the BDT for addressing issues relating to the Accounting Rate Reform including the development of a tariff model for the African Region.

From the period ending 1998 up to May 1999 PATU had participated and contributed working papers in the following seminar and workshop programmes funded by the BDT:

- International Telecommunications Union BDT Seminar & Workshop on International Accounting Rate Reform for English Speaking African Countries, Nairobi, Kenya, November 1998
- Tariffs Model Workshops / Ndola, Zambia April 1999
- Tariffs Model Workshop / Dar-es-salam, Tanzania April 1999
- 5th African Seminar on Costs and Tariffs / Dakar, Senegal April 1999

The above activities attracted wide participation from the region and no doubt helped enhance knowledge in the important areas of tariffs and particularly the current issues pertaining to the accounting rate reform.

Through the above programme and PATU's own experience with tariffs studies, a number of issues on the ground remain to be addressed and these include:

- Urgent need to develop analytical accounting practices within Administrations.
- Development of suitable training course model in the Tariff field.
- Creation of a Network of experts within the region to handle tariff matters.
- Introduction of a simple and practical model to enhance easy application.
- Establishment of a strong linkage between BDT and TSB Study Group 3 in the area of Tariffs and Accounting Rate Reform.

While expressing appreciation to BDT for the support given so far, the possibility of further assistance should be examined in order to enhance regional expertise in Tariff and the Accounting Rate Reform.

As indicated by various speakers from other regions, regarding the development of cost models, he stated that the work on the TAF group Model is far from being completed.

Its development is currently ongoing under a restricted expert group comprising Senegal (Chairman), Guinea, Kenya, Mauritania, Uganda, Zimbabwe, PATU, BDT and the TSB.

Mr. Andrew Kawamara

Pan African Telecommunications Union -PATU-