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| **Regional Preparatory Meeting for WTDC-17 for Europe (RPM-EUR)**  | P:\SUP\Logos\Post-150th Anniv\ITU-logo-UNblue.jpg |
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| ITU-D STUDY GROUP 1 AND POSSIBLE TRANSFER OF TOPICS TO ITU-T STUDY GROUP 3 IN ORDER TO INCREASE EFFICIENCY AND TO CORRESPOND TO THE NEEDS EXPRESSED BY DEVELOPING COUNTRIES AT WTSA-16 |

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| **Priority area:**Other proposals**Summary:**This documents deals with the relation between ITU-D and ITU-T activities in the field of economic, policy, regulatory and tariff aspects of telecommunication/ICT networks and services. Developing Country representatives at WTSA-16 expressed their preference dealing with this matter in ITU-T Study Group 3 and to elaborate appropriate ITU-T Recommendations.Please note that a formal separation between international and national telecommunication/ICT services is not anymore state of the art and consequently the mandate/scope of ITU-D Study Group 1 as well as of ITU-T Study Group 3 need an appropriate amendment.**Expected results:**Considering decisions taken at WTSA-16 and in order to avoid duplication and to ensure efficient use of the Union’s and the Membership’s resources some topics from ITU-D Study Group 1 shall be better dealt with in ITU-T Study Group 3. An amendment of ITU-D Study Group 1 scope is proposed to align future work (Questions) with state of the art practices.**References:**Resolution 2 (Rev. Dubai, 2014)  |

The up-dated mandate of **ITU-T Study Group 3** focuses on ***tariff and accounting principles*** **and** ***international telecommunication/ICT economic and policy issues*** according to **Resolution 2**. The idea of the amended title for ITU-T Study Group 3 was **to decouple tariff and accounting from economic and policy issues** – thus creating room for studying economic and policy issues for international telecommunications in general, rather than related to tariff and accounting.

**Tariff and accounting principles and international telecommunication/ICT economic and policy issues**

ITU-T Study Group 3 is responsible, inter alia, for studying international telecommunication/ICT policy and economic issues and tariff and accounting matters (including costing principles and methodologies), with a view to informing the development of enabling regulatory models and frameworks. To this end, Study Group 3 shall in particular foster collaboration among its participants with a view to the establishment of rates at levels as low as possible consistent with an efficient service and taking into account the necessity for maintaining independent financial administration of telecommunications on a sound basis. Additionally, Study Group 3 will study the economic and regulatory impact of the Internet, convergence (services or infrastructure) and new services, such as OTT, on international telecommunication services and networks.

**Figure 1:** Up-dated Mandate of ITU-T SG3 – Annex A to Resolution 2 (Rev. Hammamet, 2016)

# Point of guidance to ITU-T Study Group 3:

It should study and develop *Recommendations*, *technical papers*, *handbooks* and other publications for members to respond positively and proactively to the evolution of international telecommunication/ICT markets, in order to ensure that the policy and regulatory frameworks governing these markets remain relevant, for the benefit of users and the global economy, and to enable a policy environment for digital transformation.

In particular, Study Group 3 should ensure that tariffs[[1]](#footnote-1), economic policies and regulatory frameworks are forward-looking and serve to encourage take-up and use, industry innovation and investment. Furthermore, these frameworks need to be adequately flexible to adjust to rapidly evolving markets, emerging technologies and business models, while ensuring the necessary competitive safeguards, the protection of consumers and the maintenance of trust.

In this context, the work of Study Group 3 should also consider new and emerging technologies and services so its work will help drive new economic opportunities and enhance societal benefits in different areas including healthcare, education, and sustainable development.

Study Group 3 should study and develop appropriate instruments, with a view to creating an enabling policy environment for transformation of markets and industries, through the promotion of open, innovation-driven and accountable institutions.

New services are emerging and these services will be provided by a combination of new and traditional operators. This is changing the international telecommunication landscape and it is therefore incumbent on Study Group 3 to develop *Recommendations*, *handbooks*, and *guidelines*, to enhance the provision of such services that takes into account the cost of operation of networks and providing services. The financial consequences of such actions on accounting and settlement in relation to international telecommunication/ICT between service providers should be addressed by Study Group 3.

All study groups shall notify Study Group 3 at the earliest opportunity of any development that may have an impact on tariff and accounting principles and international telecommunication/ICT economic and policy issues.

**ITU-D Study Groups** provide an opportunity for all Member States and Sector Members (including Associates and Academia) to share experiences, present ideas, exchange views, and achieve consensus on appropriate strategies to address ICT priorities. ITU-D Study Groups are responsible for developing *Reports*, *Guidelines*, and *Recommendations* based on input received from the membership.

The scope of **ITU-D Study Group 1** on "Enabling environment for the development of telecommunications/ICTs" according to **Resolution 2** is:

* National telecommunication/ICT policy, regulatory, technical and strategy development which best enables countries to benefit from the impetus of telecommunications/ICTs, including broadband, cloud computing and consumer protection, as an engine for sustainable growth.
* Economic policies and methods of determining costs of services related to national telecommunications/ICTs.
* Access to telecommunications/ICTs for rural and remote areas.
* Access to telecommunications/ICTs services by persons with disabilities and specific needs.
* The needs of developing countries in spectrum management, including the ongoing transition from analogue to digital terrestrial television broadcasting and the use of the digital dividend, in addition to any future digital switchover

**Figure 2**: Scope of ITU-D SG1 – Annex 1 to Resolution 2 (Rev. Dubai, 2014)

**Table 1** below indicated the similarity of certain Questions dealt with in the two study groups. Further the formal separation between **international** telecommunication services and **national** telecommunication services seems to be artificial and not reflecting recent market trends. For example, many service providers offer flat rate tariffs for voice and data that include domestic use and international roaming, either at regional level or at worldwide level or flat rates for fixed phone lines that include international calls. Thus there is obviously a mixed calculation applied for these tariffs.

**Table 1: List of similar Questions for ITU-T Study Group 3 and ITU-D Study Group 1**

| **Question number** | **ITU-T Study Group 3 Question title** | **Question number** | **ITU-D Study Group 1 Question title** |
| --- | --- | --- | --- |
| Q3/3 | Study of economic and policy factors relevant to the efficient provision of **international** telecommunication services | Q4/1 | Economic policies and methods of determining the costs of services related to **national** telecommunication/ICT networks, including next-generation networks |
| Q4/3 | Regional studies for the development of cost models together with related economic and policy issues |
| Q5/3 | Terms and definitions for Recommendations dealing with tariff and accounting principles together with related economic and policy issues |
| Q9/3 | Economic and regulatory impact of the Internet, convergence (services or infrastructure) and new services, such as OTT, on **international** telecommunication services and networks | Q1/1 | Policy, regulatory and technical aspects of the migration from existing networks to broadband networks in developing countries, including next-generation networks, m-services, OTT services and the implementation of IPv6 |
| K/3(new) | Economic and policy aspects of big data and digital identity in international telecommunications services and networks | Q3/1 | Access to cloud computing: challenges and opportunities for developing countries |
|  | See Point of guidance to ITU-T Study Group 3 above | Q6/1 | Consumer information, protection and rights: Laws, regulation, economic bases, consumer networks |

A number of ITU-T Study Group 3 topics could also be dealt with in ITU-D Study Group 1 and vice-versa, **provided that the scope of the ITU-D group is amended accordingly to include the international aspect and/or the mandate of the ITU-T group is amended to include national aspects.** This makes sense taking into account recent market trends and applies to Q4/1 and Q1/1. Other Questions are similar even without amending the scope. This applies to Q3/1 and Q6/1.

Consequently, there is a need for close cross-sectorial coordination of the work distribution between the two study groups. At WTSA it has been argued that policy and tariff experts gather in ITU-T Study Group 3 and that only ITU-T Study Group 3 can elaborate Recommendations in the respective fields. Many developing countries present at WTSA seem to believe that ITU-D is not in the position to develop the standards that some countries seem to require as “core legislation” in establishing their domestic telecommunication act.

WTSA decision regarding ITU-T Study Group 3 stands. **In order to avoid duplication and to increase the Unions efficiency, ITU-D Study Group 1 shall at present refrain from further dealing with Q1/1 and Q4/1 and provide ITU-T Study Group 3 with appropriate liaison statements. With regard to Q3/1 and Q6/1 close coordination with ITU-T is required in order to determine exactly the work items that shall be dealt with either in ITU-D or in ITU-T.**

In this context it is useful to think about how to organize work between the two study groups. Maybe a joint meeting or back-to-back meeting of ITU-T Study Group 3 and ITU-D Study Group 1 rather than let just someone from ITU-D come and present what work is being done in ITU-D or organize cross-sectorial joint groups (Working Parties, Rapporteur Groups) dealing jointly with the similar topics. However, from an organizational point of view this seems to be difficult to realize.

In coordination with ITU-T Study Group 3 regional meetings, ITU-D organizes Regional Forums addressed to policy makers, regulators and operators in the different regions. ‘The Regional Forums are a unique platform for stakeholders to exchange information and knowledge on regulatory, economic, costing and tariff issues, and provide invaluable and effective support to the work of ITU-T Regional Study Groups’[[2]](#footnote-2) . The Development Sector also collects *regulatory* and *tariff policies* data through surveys and disseminates the data to ITU staff, ITU-Membership and the general public e.g. though the ICTEye database. ITU statistics are also disseminated through the ITU Yearbook of Statistics and ITU World Telecommunication/ICT Indicators Database, both published annually and widely respected as the world's leading sources of ICT statistics.

**ITU-D is involved in disseminating telecommunication services *regulatory*, *tariff* *and accounting*, and *economic* matters in general through meetings and conferences and in particular through projects or through direct assistance to Member States.**

Therefore, and in accordance with the mandate of ITU-D it is crucial that a number of topics – as identified in Table 1 above – are coordinated properly across the sectors.

The amendments in **Attachment** are proposed to the annexes of ITU-D Resolution 2:

**Attachment**

ANNEX 1 TO RESOLUTION 2 (Rev. bUENOS aIRES; 2017)

**Scope of ITU-D study groups**

**1 Study Group 1**

***Enabling environment for the development of telecommunications/ICTs***

- Telecommunication/ICT policy, regulatory, technical and strategy development which best enables countries to benefit from the impetus of telecommunications/ICTs, including broadband, cloud computing and consumer protection, as an engine for sustainable growth.

- Access to telecommunications/ICTs for rural and remote areas.

- Access to telecommunications/ICTs services by persons with disabilities and specific needs.

- The needs of developing countries in spectrum management, including the ongoing transition from analogue to digital terrestrial television broadcasting and the use of the digital dividend, in addition to any future digital switchover.

*Annex 1 continued*

ANNEX 2 TO RESOLUTION 2 (Rev. Buenos Aires, 2017)

Questions assigned by the World Telecommunication
Development Conference to ITU-D study groups

Study Group 1

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– **Question 2/1:** Broadband access technologies, including IMT, for developing countries

– **Question 3/1:** Access to cloud computing: Challenges and opportunities for developing countries

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– **Question 5/1:** Telecommunications/ICTs for rural and remote areas

– **Question 6/1:** Consumer information, protection and rights: Laws, regulation, economic bases, consumer networks

– **Question 7/1:** Access to telecommunication/ICT services by persons with disabilities and with specific needs

– **Question 8/1:** Examination of strategies and methods of migration from analogue to digital terrestrial broadcasting and implementation of new services

**Resolution 9:** Participation of countries, particularly developing countries, in spectrum management

*Annex 2 continued*

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1. The underlines keywords can be found again in ITU-D Study Group 1 Questions [↑](#footnote-ref-1)
2. <http://www.itu.int/en/ITU-T/studygroups/2013-2016/03/Documents/SG3Introduction.pdf> (slide 18) [↑](#footnote-ref-2)