

**INTERNATIONAL STANDARDIZATION
TUTORIAL****STUDY PERIOD 2010-2013****English only
Original: English**

STUDY GROUP SPECIAL G – CONTRIBUTION 27**Source:** Argentine Republic**Title:** Funding from private sector

Abstract

New funding mechanisms are essential for the Global Telecommunication Organization (GTO) due to decentralization and the introduction of electronic working methods. The Special SG G should recommend a new mechanism of funding which includes obtaining funds from private sector entities which benefit from the work of the GTO.

1. Issues

- The current funding mechanism depends on a voluntary choice for the level of monetary contributions, or dues, by each Member State (MS).
- Sector Members (SMs) also have a voluntary choice on the level of their contributions, subject to a minimum level for each Sector.
- New funding mechanisms have been discussed by the United Nations High Commission on Structure (UNHCS) but it didn't reach any conclusions.
- One of the proposals is to enhance the funding from the private sector via a tax since many private sector companies are engaged in international telecommunications.
- However, not all private sector entities join the GTO.

2. Discussion

- Not all MSs are actively participating in the GTO and the sovereign wealth of each MS is not the same as that of other MSs.
- Most of the technology leaders are coming from the private sector.
- Private sector companies should be contributing the most since they are really pushing for their own standards to be adopted globally.
- Private sector companies collect revenues from the sale of equipment and services based on GTO standards, so it is appropriate that a portion of those revenues be taxed for the benefit of the GTO.
- Private sector companies should take the responsibility equally.

3. Proposal

Funding sources should be obtained from the private sector based on a tax on revenue from the sale of products and services incorporating GTO standards.