

Opening Remarks

Seminar on Telecommunication Universal Service and Consumer Rights Protection Guishou, China, August 24~25 2005

Eun-Ju Kim
ITU Regional Office
Bangkok

Dear Excellencies, Mr. Jian Yaoping and Madam Li Xueying, Vice Ministers of the MII

Honorable, Mr. Zhang Quanshan, Vice Governor of Guishou Province

Honorable, Mr. Christian Nicolai, Undersecretary of Telecommunications, Ministry of Transport and Telecommunications of Chile,

Mr. Chen Yin, Deputy Director-General of the MII,

Distinguished speakers and participants from all the provinces in China,

Ladies and Gentlemen,

Good Morning.

I am very glad to come to China, Guishou this time, and meet many of you again, which became like an annual family re-union.

First of all, on behalf of the International Telecommunication Union – ITU Development Sector in particular, I would like to extend our cordial appreciation to the Ministry of Information Industry (MII) in China and the Government of Guishou Province for hosting this seminar on Universal Service and Consumer Rights Protection at this beautiful forest city, Guiyang, Guishou province, in China.

As many of you may already know, this is the fourth ITU seminar on telecommunication policies and regulations hosted by the MII in China. In fact, many of you may already have attended past seminars in this series. We started with only two external experts in 2001, as some of you may recall. Now it has improved not only in terms of the number of experts and observers but also in terms of the issues and areas that you want to discuss and develop – i.e.,

universal service and consumers' right. These are critical issues as your telecommunication industry is being developed and matured.

The most important target or goal for telecommunications in many countries is infrastructure development or access. China has proved to be one of the leaders in the world for the fast deployment of telecommunication infrastructure in the last one or two decades with the implementation of liberalization and privatization policies.

In my opinion, it is also vitally important to balance between the development and the protection of historic inheritances and/or natural environment in beautiful provinces like Guishou, when telecommunication facilities – especially like radio towers – are being installed for the universal service or access. Technologies can be developing and replaced by new ones. But, the inheritances and natural environment, once damaged, can be difficult recovered.

Meanwhile, many countries are facing difficulties in the form of a digital divide. This divide exists within as well as between countries, as Vice Minister has well pointed out even in China. Here, governments or regulators are looking into ways of providing universal service, through which minimum services of telecommunications and ICTs today can be accessed at affordable prices by people even in remote and rural areas as well as those underprivileged and with disabilities.

In this regard, ITU in close cooperation with the MII, undertook a project last year on “telecommunication development policy in the Western China – i.e., universal service”. According to the ITU study, it is also worth noting that the Chinese government undertook a comprehensive and systematic public consultation to prepare a strategy for achieving universal access. I am very pleased to organize this seminar this year, where we can learn the progress made from our study done last year. In fact, the expert who undertook the project is here today as a speaker. More detailed discussions on general theories and best practices are expected by both Chinese and external experts on universal service, taking into account the differing scope and definition of universal service depending on the different phases of telecommunications and ICT development.

However, I would like to point out that a regulatory framework – i.e., universal service - based simply on the WTO Reference Paper alone can not satisfy the ultimate goal of better telecommunication access and services. In other words, universal service and access can only be enjoyed by a combination of various – but localized - regulatory frameworks such as pricing, competition, spectrum

management etc. at micro sector-specific level as well as by socio-economic stability and political will under the macro econo-political regime.

Difficult issues to be tackled also include 1) whether to impose universal service funds; 2) and if so, who will contribute the funds, or how to raise the funds; 3) how to use the funds and what is the scope of coverage of the funds. ITU also assisted India on “rural universal access and services including management of the USO funds” in 2004. Thus, we invited a representative from India to share not only the result of our studies but also her experience in India, which has similarities to China in terms of population and size, as well as the digital divide between rural and urban/city areas in particular.

Dear ladies and gentlemen,

At the same time, we are facing many challenges from the liberalized telecommunication policy environment as well as from the phenomenon of convergence of information and communication technologies (ICTs). One of the main challenges is to protect the “rights of consumers” or “protection of consumers’ right” in the areas of quality of services, pricing, and protection from increasing cyber-crimes in the current competitive and converged telecommunication and ICT markets.

Therefore, I believe, it is very timely to organize this seminar through which we can share and discuss practices and experiences from various countries so that we can find ways of providing universal service and protecting the rights of consumers. Taking this opportunity, I would like to thank the many experts and officials present here that come from different stake-holders, from the ministry and operators, to consumer bodies – such as the delegate from International Telecommunications Users Group (INTUG). They also came from different regions such as Chile in America, Norway in Europe, Australia, Malaysia, and Korea in Asia.

I sincerely hope that this seminar provides you with a forum to share experiences and knowledge as well as to find ways to improve universal service and consumer protection, so that the citizens from your countries, China *inter alia*, can benefit from the effective and timely implementation of localized policies and regulations especially in un-served and under-served areas.

I sincerely wish the seminar to be another success.

Thank you very much for your kind attention and participation.