

11th World Telecommunication/ICT Indicators Symposium (WTIS-13)

Mexico City, México, 4-6 December 2013



Contribution to WTIS-13

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TITLE: Revenue and investment in telecommunications/ICT



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Revenue and investment in telecommunications/ICT

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Georgian National Communications Commission

www.ncc.ge

Outline

- Foreign direct investment (FDI) in telecommunications/ICT sectors
- Revenue and investment for the whole ICT sectors
- Revenue and investment in telecommunications
- Experience in Georgia

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FDI in telecommunications/ICT

- Data collected by heterogeneous sources:
 - Central banks (balance of payment statistics)
 - National statistical offices
 - Specific investment authorities
 - Telecom ministries and regulators (usually limited to telecommunications)

The subject should be addressed with all relevant stakeholders

- Data are not often disaggregated/complete enough to produce figures for the ICT sector

Revenue and investment for the whole ICT sector

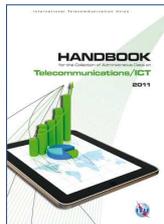
- Most telecom ministries and regulators collect data **only** from telecommunication operators and service providers
- Other sources:
 - National statistical offices
 - Central banks
 - Sector associations (e.g. IT, software)

The subject should be addressed with all relevant stakeholders

Revenue and investment in telecommunications

- Data are widely available
 - since 1960's ITU collects these data
 - 125+ countries report data
- ... but **important harmonization issues** remain in view of international comparisons

Revenue and investment in telecommunications

- Methodology
1. ITU Handbook 
- 
2. EGTI agreed on a methodological note to supplement the definitions



Methodological note



Objective: improve international data comparability

Revenue and investment in telecommunications

1. Definition of the sector

The sector includes businesses that operate, maintain and provide access to telecommunication networks.

- Resellers are included
- Transmission of TV signals is also included

But ... *activities related to the creation of content are excluded*

Revenue in telecommunications

2. ITU revenue indicators

- Breakdowns: Total / mobile
- Main issues:

Retail revenues from residential customers	YES
Retail revenues from business customers	YES
Wholesale revenues, e.g. interconnection revenues	NO
Revenues from resellers and mobile virtual operators	YES
VAT and excise taxes	NO
Corporate taxes and administrative fees, e.g. numbering fees	YES (not to be deducted from total revenues)
Revenues from device sales and rents	NO
Revenues from added value services, e.g. premium SMS	YES

Investment in telecommunications

3. ITU investment indicators

- Definition of investment
≈ gross fixed capital formation (as in SNA)

Additions less disposals of tangible fixed assets	YES
Additions less disposals of intangible fixed assets	YES
Investment from national-owned operators in the country	YES
Investment from foreign-owned operators in the country	YES
Investment from national-owned operators outside the country	NO
License fees	NO
R&D expenditures	YES

Georgian National Communications Commission (GNCC)

- GNCC is in charge of regulation of electronic communications and broadcasting
- In 2011 definitions which were used in collecting statistical data were aligned ITU standards
- GNCC collects statistical data from ALL telecom operators and broadcasters on monthly basis
- Investment data is collected annually.

Online Statistical form Screenshot for Revenue (Retail/Wholesale)

Wholesale voice service - Interconnection with resident operators-from fixed wired/wireless networks
 Wholesale voice service - Interconnection with non-resident operators
 Wholesale voice service - Interconnection with resident operators-from mobile communication networks
 Wholesale data transfer/internet service - Extended Interconnection (Peering)
 Retail service provided by using mobile communication network - Usage (Minutes) charge
 Retail service provided by using mobile communication network - Roaming

Period	Category	Description	Value 1	Value 2	Value 3
Oct-2013	Retail	Retail voice service provided by using fixed wireless network - Usage (Minutes) charge	1217904.00	219223.00	0.00
Oct-2013	Retail	Retail voice service provided by using fixed wireless network - Value added services	1365.00	246.00	0.00
Oct-2013	Retail	Data transfer/internet service provided by using fixed wireless network - Subscription Fee	326483.00	58767.00	0.00
Oct-2013	Retail	Other retail communication service - telecom equipment sale	14854.00	2674.00	0.00
Oct-2013	Retail	Data transfer/internet service provided by using fixed wireless network - Other	1732.00	312.00	0.00
Oct-2013	Retail	Retail voice service provided by using fixed wireless network - Value added services	81079.00	14594.00	0.00
Oct-2013	Retail	Retail voice service provided by fixed wired network - Other	118.00	21.00	0.00
Oct-2013	Retail	Retail voice service provided by fixed wired network - Usage (Minutes) charge	55837.00	10051.00	0.00
Oct-2013	Retail	Retail voice service provided by fixed wired network - Value added services	545.00	98.00	0.00
Oct-2013	Retail	Retail voice service provided by fixed wired network - Subscription fee	3660.00	659.00	0.00
Oct-2013	Retail	Other retail communication service - Other	6394.00	1151.00	0.00
Oct-2013	Retail	Other retail communication service - Telecommunication services fines	422.00	76.00	0.00
Oct-2013	Retail	Other retail communication service - Service using text/multimedia numbers	51695.00	10236.00	5169.00
Oct-2013	Wholesale	Other retail communication service - assignment of channel rebroadcasting rights to the third party	585109.00	105320.00	0.00
Oct-2013	Wholesale	Other wholesale service - Drainage channels of communication services	113.00	20.00	0.00
Oct-2013	Retail	Other retail communication service - Calls made from network of other authorized entities using own access code	27079.00	4874.00	0.00
Oct-2013	Retail	Other retail communication service - telecom equipment sale	171237.00	30823.00	0.00
Oct-2013	Retail	Other retail communication service - Revenue received from selling "gold numbers"	35553.00	6400.00	0.00
Oct-2013	Wholesale	Wholesale voice service - Other	324468.00	64245.00	32447.00
Oct-2013	---	Other noncommunication service - Other noncommunication service	734387.00	132190.00	0.00
Oct-2013	Wholesale	Wholesale voice service - Interconnection with resident operators-from fixed wired/wireless networks	470118.00	84851.00	47011.00

Analytical Portal

Version 0 of analytics system. This version is under development and data does not correspond to the actual figures.

ANALYTICS.GNCC.GE Broadcasting Broadcast Transit Mobile Fixed Internet Help

MOBILE COMMUNICATIONS

January, 2010 - December, 2013

Subscribers
 Retail revenue
 Outgoing traffic
 ARPU
 MOU
 Info box, Info box text details.

Retail Revenue of Mobile Network by Month

View: by company Total Export

	Jan 10	Feb 10	Mar 10	Apr 10	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10
Geocel	21,007,259	18,674,453	20,817,209	20,964,232	21,583,544	21,121,024	22,596,888	22,209,872	19,669,947	18,863,226	18,257,884	15,200,393
Magticom	20,227,028	17,289,859	19,436,971	19,056,541	18,906,387	19,363,779	21,261,559	22,091,888	18,329,913	17,827,029	16,676,437	17,946,266
Mobitel	4,445,281	4,030,231	4,772,412	4,738,855	4,883,676	5,066,308	5,747,078	6,121,487	4,949,282	4,637,289	4,396,419	4,937,281
Silknet												

