

ITU-T STUDY GROUP 3

**Tariff and accounting principles
including related
telecommunication economic and
policy issues**



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Chairman, SG3

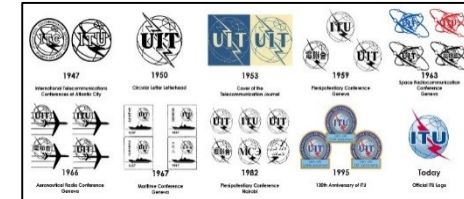
A 3D puzzle scene where several people in business attire are interacting with large white puzzle pieces. On the left, three people are stacked vertically, with the top person reaching up. In the center, a person is walking on a path of puzzle pieces. On the right, two people are standing and talking, one pointing towards the puzzle. The background is a wall of puzzle pieces, and the floor is also covered with puzzle pieces.

| *Welcome*

Overview of ITU-T SG3

ITU's long history and solid mandate in this area

- ITU's work on tariffs and interconnection dates back to the origins of the ITU and as such, it can be said that it is part of the very DNA of the organization.
- On tariff issues, **ITU-T Study Group 3** is the successor of *Committees of Rapporteurs* (later renamed study groups) dating back to **1928**, and has a long-standing mandate on economic and policy issues.



Assembly	Study Group	Name of Study Group
1926	6e Commission de Rapporteurs 7e Commission de Rapporteurs	Exploitation Trafic et exploitation
1927	6e Commission de Rapporteurs	Trafic et exploitation
1928- 1954	7e Commission de Rapporteurs	Tarification / Tarification téléphonique

Mandate of SG3 over the past 5 Study Periods (1997-2016)

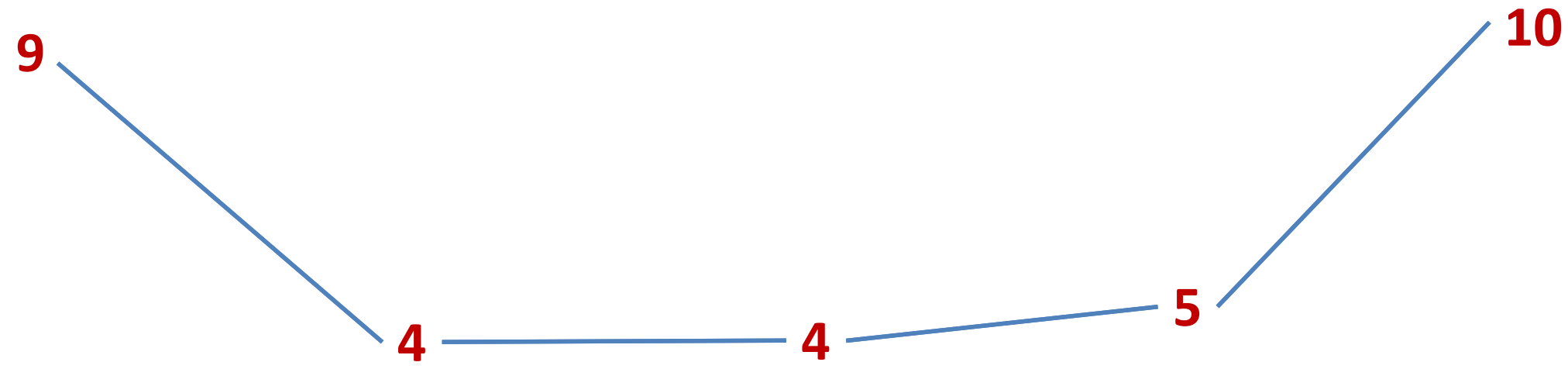
SG3 Mandate 1997-2000

- **Tariff and accounting principles** for international telecommunications services;
- Related telecommunication **economic and policy issues**,
- **Policy issues** related to **carriage and content**

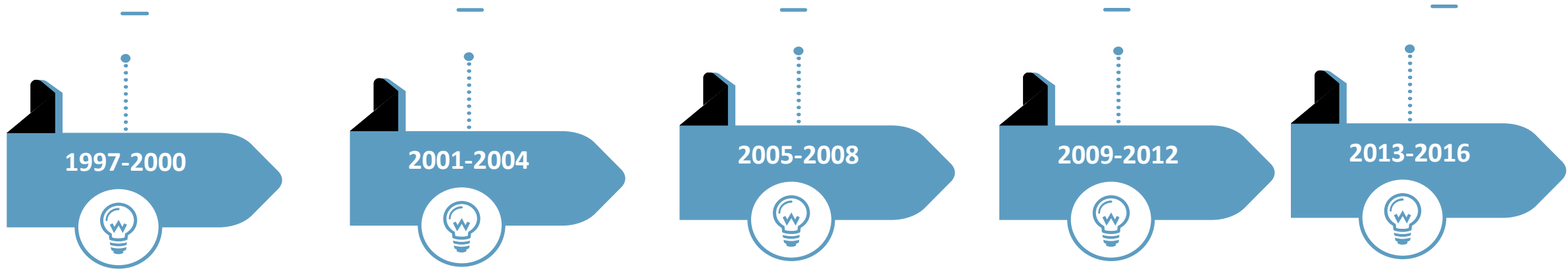
SG3 Mandate 2001-2016

- **Tariff and accounting principles** for international telecommunication services and study of related telecommunication **economic and policy issues**.
- To this end, Study Group 3 shall in particular foster collaboration among its Members 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 telecommunication on a sound basis.

ITU-T SG3 Questions over the past 5 Study Periods (1997-2016)



9 Questions 4 Questions 4 Questions 5 Questions 10 Questions





| *Study Period (2013-2016)*

Highlights of achievements

ITU-T SG3: A Truly Global and Diverse Forum

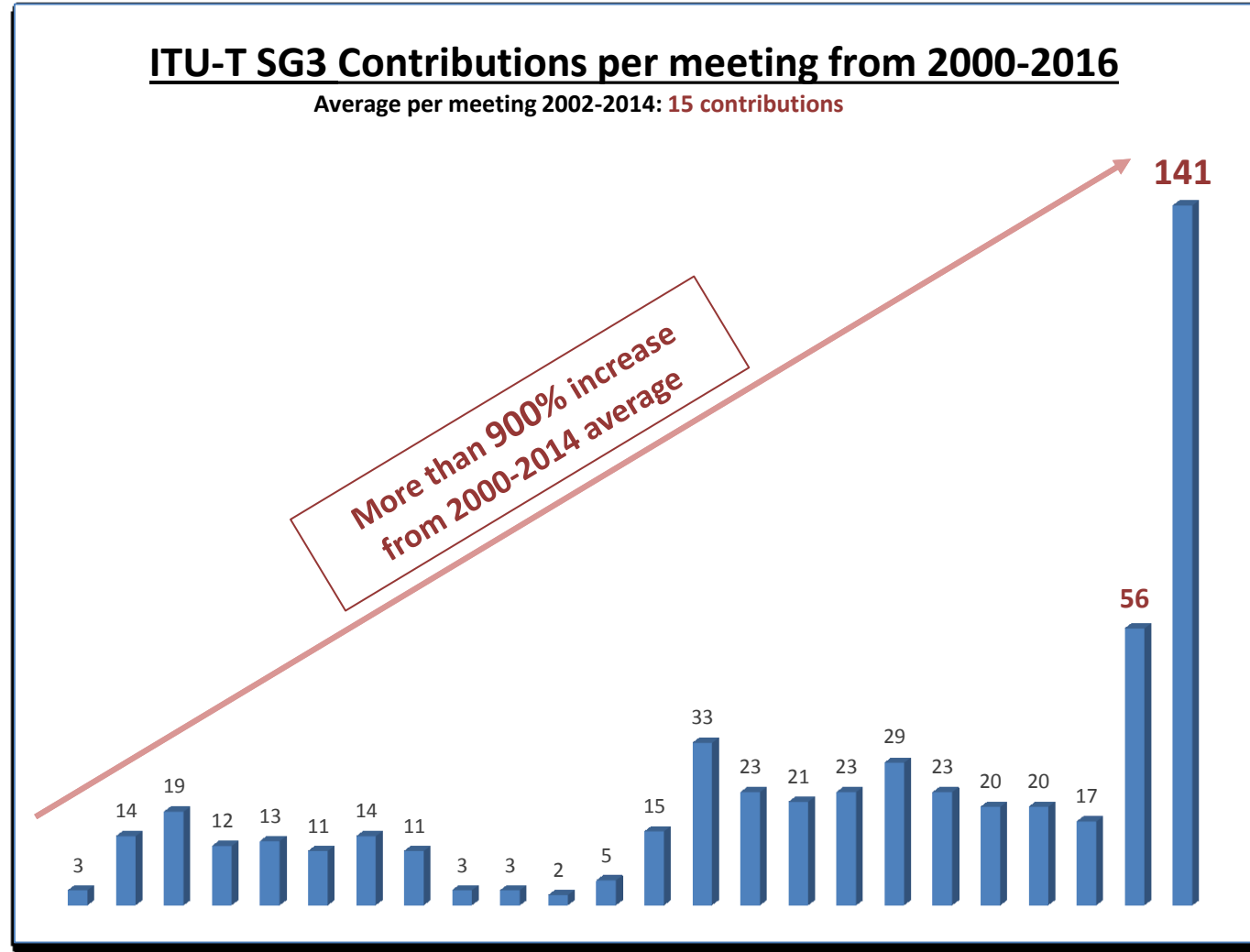
Written contributions were submitted by 76 distinct members to the last SG3 Meeting (February-March 2016)



Member States, Regulators, Regional Organizations,
Operating Agencies, Research Centers, Academia, User Groups



Increase in Number and Quality of Contributions to ITU-T SG3



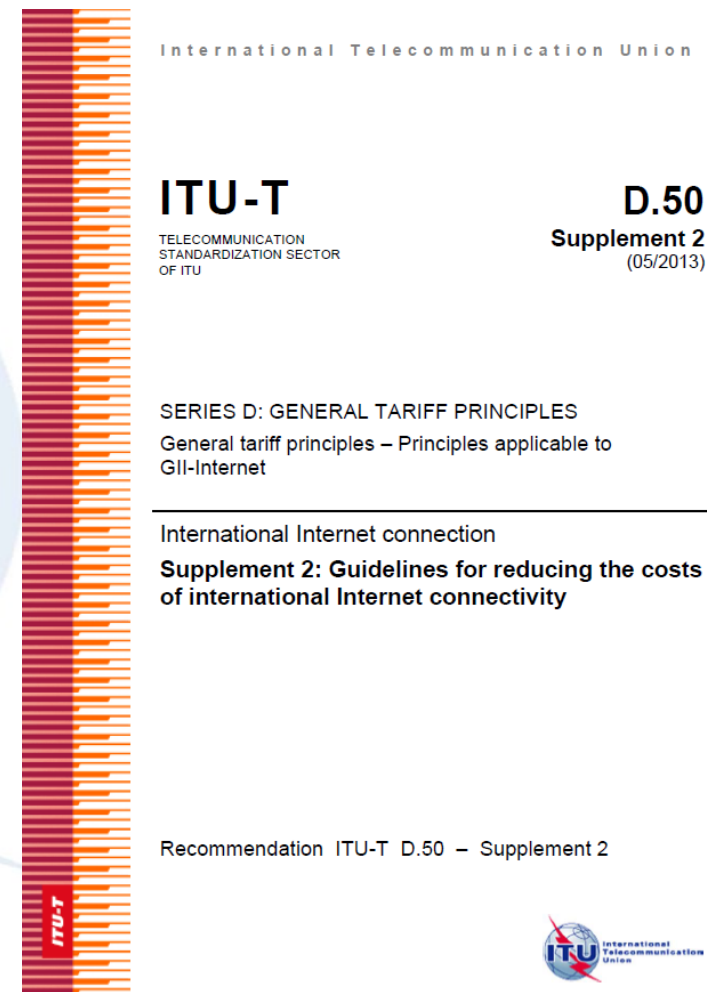
More than 900% increase from 2000-2014 average

Renewed interest driven by the approval of new Questions by TSAG in June 2015



ITU-T SG3: Supplements (2013-2016)

Supplement	Approval date	Title
D.50, Supp 2	2013-05-31	Guidelines for reducing the costs of international internet connectivity
D.195, Supp 1	2013-05-31	Credit Management Guidelines
D.195, Supp 2	2013-05-31	DSO (Day Sales Outstanding) Management Guidelines
D.195, Supp 3	2013-05-31	Prepayment Guidelines
D.170, Supp 5	2013-05-31	Guidelines for Fraud Mitigation



Recommendations Determined by SG3 in this Study Period

New

Revised

ITU-T D.52

“Establishing and connecting regional Internet Exchange Points (IXPs) to reduce costs of international Internet connectivity”

ITU-T D.97

“Methodological principles for determining international mobile roaming rates”

ITU-T D.53

“International aspects of Universal Service”

ITU-T D.261

“Principles for market definition and identification of operators with significant market power”

ITU-T D.271

“Charging and accounting principles for Next-Generation Network (NGN)”

Other SG3 publications

The technical guide “[Guide for NRAs on International Mobile Roaming Cost analysis](#)” and the online “[ITU International Mobile Roaming Cost Analysis Tool](#)” were developed in response to calls from ITU members for greater clarity on the degree to which the prices that consumers pay for roaming services are commensurate with their costs. Following a trial of a basic version of the online cost model, it was expanded to provide regulators with a more comprehensive tool to guide analyses of potential introductions of caps on mobile roaming tariffs.

The [ITU International Mobile Roaming Cost Analysis Tool](#) is designed to help forecast the cost of international mobile roaming voice calls compared to domestic mobile voice calls. The tool is available on <http://www.itu.int/net4/roamingtool/>



Guide for NRAs on International
Mobile Roaming Cost analysis -
Technical Paper
2015

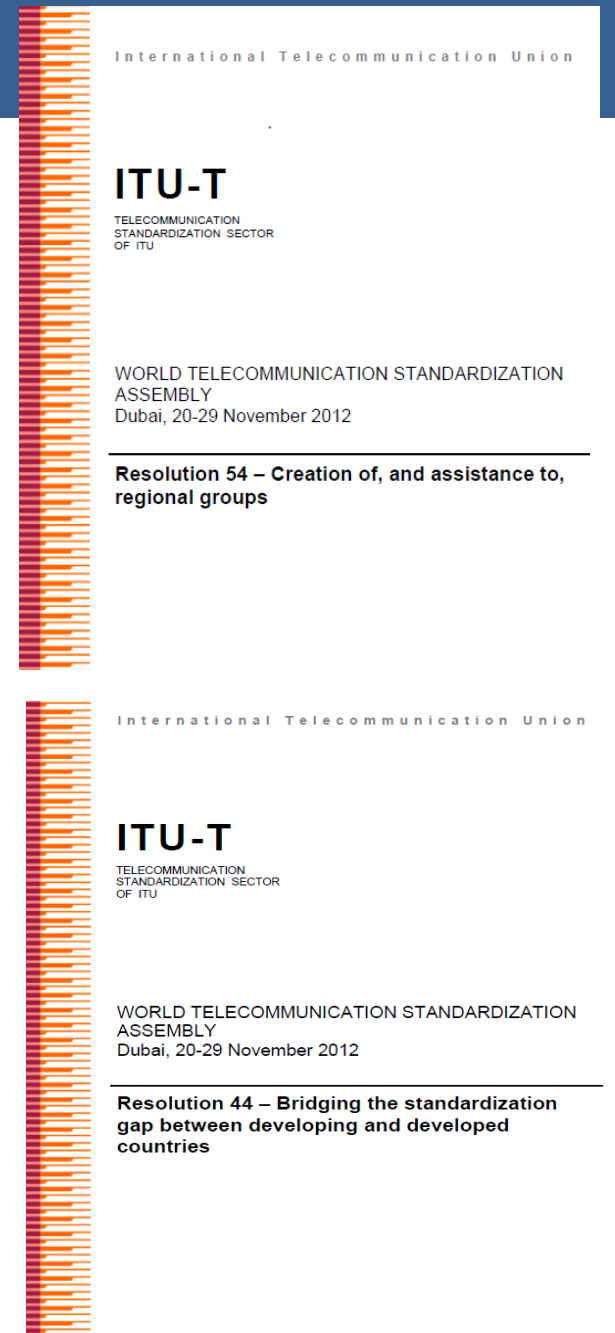


SG3 Regional Groups

Achieving the objectives as set out by the Assembly in [Resolution 54 - Creation of, and assistance to, regional groups](#) and [Resolution 44 - Bridging the standardization gap between developing and developed countries](#) SG3 established 2 Regional Groups to reach a total number of 6 Regional Groups. The new Regional groups established are:

- [ITU-T SG3 Regional Group for the Arab Region](#), SG3RG-ARB inaugural meeting was held in Manama, Bahrain, October 2013
- [ITU-T SG3 Regional Group for RCC/CIS](#), SG3RG-RCC/CIS inaugural meeting was held in Baku, Azerbaijan, December 2015

Regional Groups within ITU-T Study Groups have proven effective mechanisms to assist in bridging the standardization gap by stimulating effective participation in ITU-T Study Groups and increasing the number and quality of contributions from developing countries that could eventually lead to standards.



Location and dates of SG3 Regional Groups Meetings (2013-2016)



ITU-T SG3 Regional Group for the Arab Region (SG3 RG-ARB)

29-30 October 2013 (Manama, Bahrain)
24-25 November 2014 (Kuwait City, Kuwait)
30 November – 2 December 2015 (Manama, Bahrain)
26-29 July 2016 (Tunis, Tunisia)



ITU-T SG3 Regional Group for RCC/CIS (SG3RG-RCC/CIS)

4 December 2015 (Baku, Azerbaijan)
3-4 August 2016 (Saint Petersburg, Russian Federation)



ITU-T SG3 Regional Group for Asia and Oceania (SG3 RG-AO)

8-10 April 2013 (Tokyo, Japan)
1-2 September 2014 (Yangon, Myanmar)
29 September – 1 October 2015 (Kuala Lumpur, Malaysia)
20-23 September (New Delhi, India)

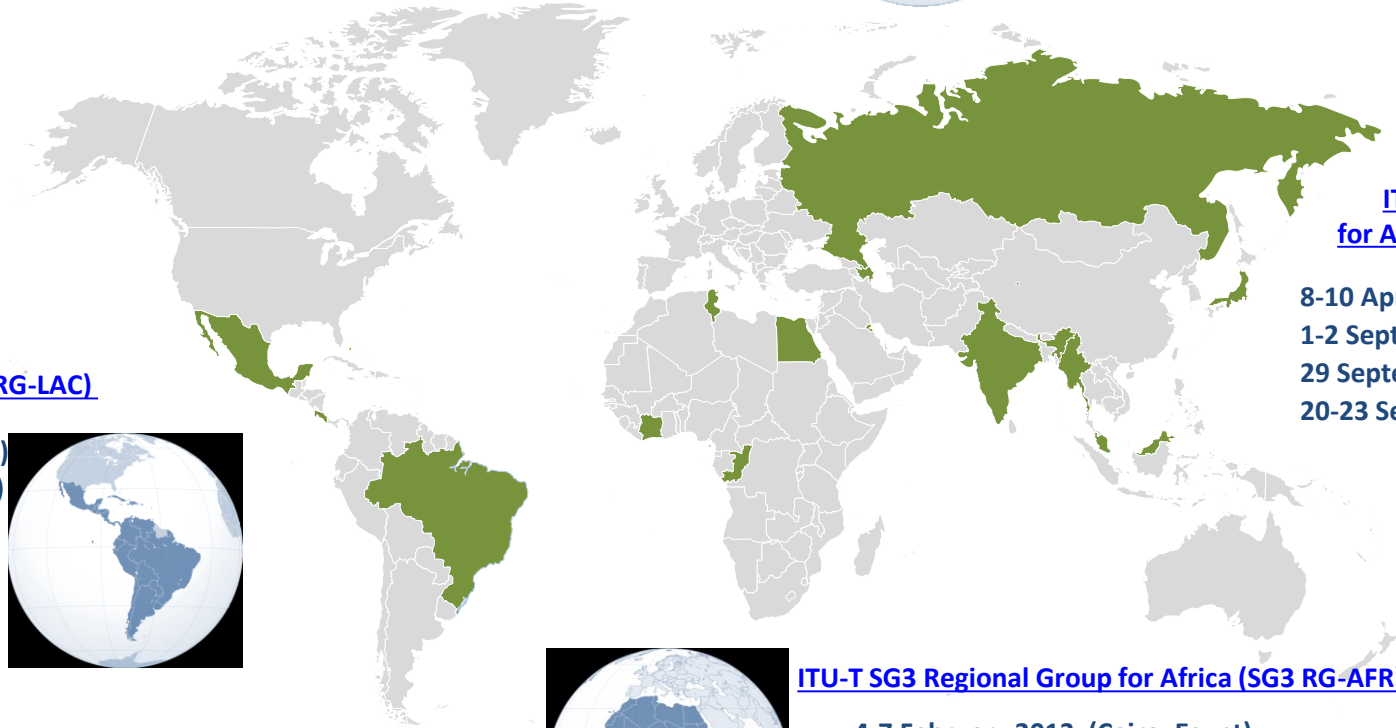
ITU-T SG3 Regional Group for Latin America and the Caribbean (SG3 RG-LAC)

19-22 March 2013 (Mexico City, Mexico)
13-14 March 2014 (San Jose, Costa Rica)
22-24 April 2015 (Nassau, Bahamas)
16-17 June 2016 (Brasilia, Brazil)



ITU-T SG3 Regional Group for Africa (SG3 RG-AFR)

4-7 February 2013 (Cairo, Egypt)
20-21 February 2014 (Congo, Brazzaville)
3-5 February 2015 (Sao Tome, Sao Tome and Principe)
19-21 January 2016 (Abidjan, Cote d'Ivoire)





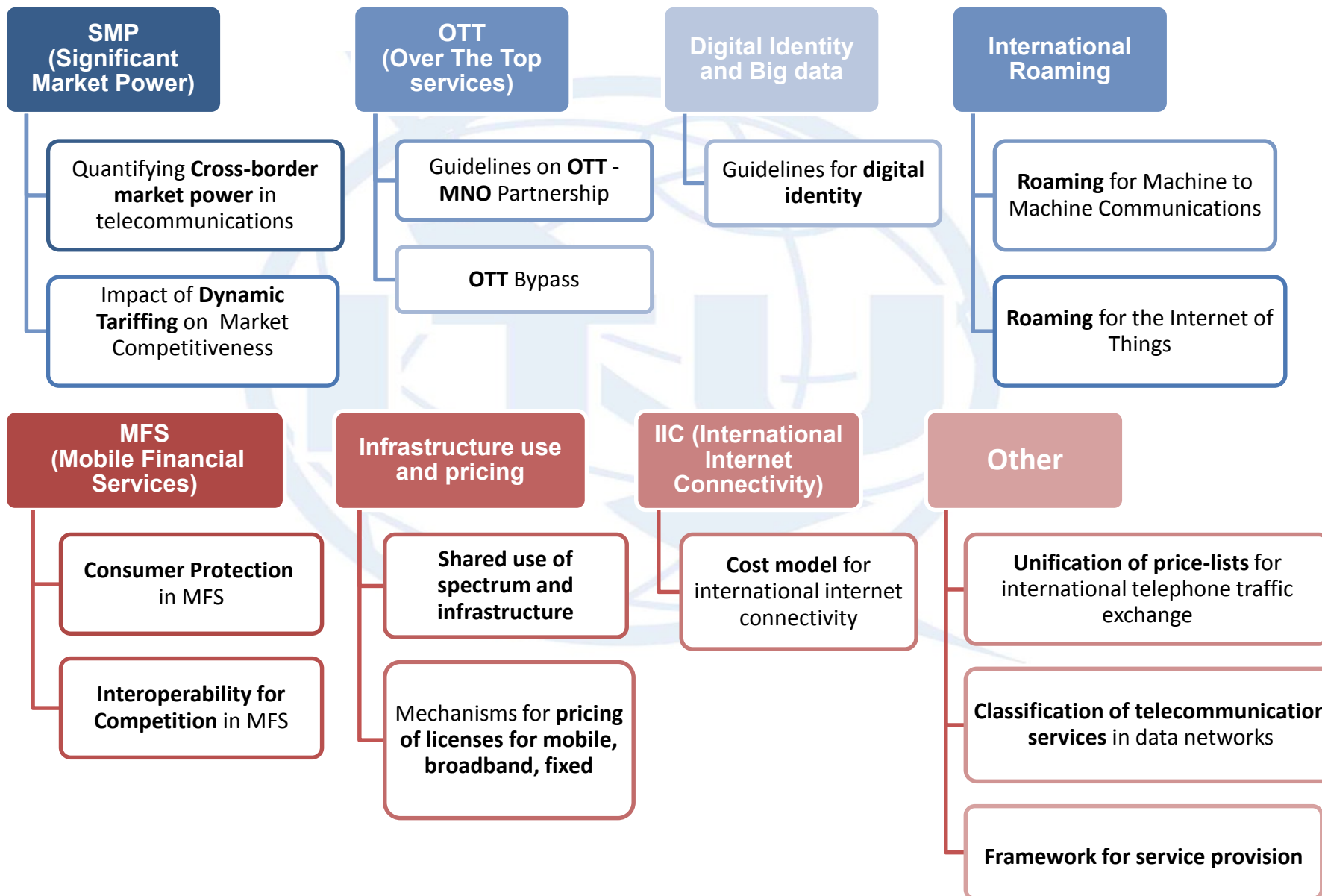
| *Study Period (2016-2020)*

Future work

For the next SP, SG3 submitted 11 Questions to WTSA-16: 10 existing and 1 new

	Question title
A/3	Development of charging and accounting/settlement mechanisms for international telecommunications services using the Next Generation Networks (NGNs), future networks, and any possible future development, including adaptation of existing D-series Recommendations to the evolving user needs
B/3	Development of charging and accounting/settlement mechanisms for international telecommunications services, other than those studied in Question 1/3, including adaptation of existing D-series Recommendations to the evolving user needs
C/3	Study of economic and policy factors relevant to the efficient provision of international telecommunication services
D/3	Regional studies for the development of cost models together with related economic and policy issues
E/3	Terms and definitions for Recommendations dealing with tariff and accounting principles together with related economic and policy issues
F/3	International Internet Connectivity including relevant aspects of IP peering, regional traffic exchange points, cost of provision of services and impact of transition from IPv4 to IPv6
G/3	International Mobile Roaming issues (including charging, accounting and settlement mechanisms and roaming at border areas)
H/3	Alternative Calling Procedures and Misappropriation and Misuse of facilities and services including CLI, CPND and OI.
I/3	Economic and regulatory impact of the Internet, convergence (services or infrastructure) and new services, such as OTT, on international telecommunication services and networks
J/3	Definition of relevant markets, competition policy and identification of operators with SMP as it relates to the economic aspects of the international telecommunication services and networks
K/3	Economic and policy aspects of big data and digital identity in international telecommunications services and networks

New Work Items for SG3 agreed at its last meeting



Draft texts for possible future Recommendations from SG3 include:

"Guidance to Member States in relation to the global growth of **OTTs** in view of ensuring fair competition, consumer protection, dynamic innovation, sustainable investment and infrastructure development, accessibility and affordability of services "

"Costs, Charges and Competition for **Mobile Financial Services** "

"**Shared use of spectrum and telecommunication infrastructure** as a regulatory method for lowering the telecommunication tariffs"

Draft Baseline text for an SG3 technical report on OTT

Economic impact of over-the-top (OTT) services

- Note: The report seeks to be *descriptive* rather than *normative*. The intention is to provide clear statements on the current state of play, and to identify suitable *findings* where appropriate. *Recommendations* are beyond the scope of this report.

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“ITU-T Study Group 3 is **strengthening the ties** between ITU’s **economic and policy deliberations** and its technical standardization activity”.

“We are **innovating** to provide ITU’s standardization expert groups with **economic and policy baselines** to be considered in **the development of new technical standards.**”

Seiichi Tsugawa
ITU-T Study Group 3 Chairman

Click [here](#) for the ITU Press Release 09.03.16

ITU-T SG3
is strengthening ties
between technology,
business and policy
for a new era in
international
standardization

