

Telecommunication Services - Understanding classification and scheduling



**ADVANCED SCHEDULING WORKSHOP FOR
SADC MEMBER STATES
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What modes of supply are relevant?

2

- An international voice telephone call from A to B
- Orascom (Egypt) invests in Telcell Zimbabwe
- Data sent from South Africa to Mauritius for on-line processing.
- All incoming and outgoing telephone calls must be routed through government-operated gateway
- Mobile roaming by a Mozambican citizen in Namibia
- V-SAT expert consultant from Zambia travels to Botswana to provide advice to a company.
- A subscriber of Orange Botswana sends out data messages from BW to a subscriber of Vodacom in ZA

Modes of supply & telecoms



	Definition	Examples
1) Cross border Supply	The suppliers are not present in the territory in which the service is supplied	International simple resale, call back services, incoming flows of telecom traffic, certain satellite services
2) Consumption abroad	The consumers obtain services outside their country of residence	Mobile roaming, Data or traffic sent out for on-line processing, Purchase abroad of transmission capacity, call back services
3) Commercial presence	The services entities are present in the territory where they supply the services	A rep office or subsidiary. Foreign equity in privatization of a PTO. Any direct or indirect investment by a foreign service supplier, incl. outgoing traffic supplied by such entities
4) Presence of natural persons	The entry and temporary stay of individuals to supply services	Consultancy or professional services, e.g contracting of foreign telecom engineers or experts Also, employment of foreign personnel by telecom service providers

Telecom and other services

4

- Customer uses a computer or other access device:

Computer services

- Logs onto internet:

communication services

- web site host receives remuneration from advertising :

advertising services

- Customer orders a product:

distribution services

- Pays for it:

Financial services

- Downloads it or has it mailed:

Courier services

Convergence

GATS Negotiations



Negotiators have noted...

- Blurring lines between telecom, computer & audiovisual *transmission* services
- Increasingly integrated service offerings
- Resulting challenges for classification scheme, overlap of different scheduled commitments, scope of regulatory obligations

Convergence GATS Negotiations



Negotiators suggest...

- ❑ Fullest possible liberalization across the broad spectrum of telecom & ICT services?
- ❑ Technology neutral telecom commitments?
- ❑ Apply reference paper to broader range of telecom services?
- ❑ More commitments on cross-border supply?

A Sample Commitment



Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
2.C. Telecommunications Services			
(a) Voice telephone services	(1) None	(1) None	Regulatory Principles, as annexed.
(b) Packet switched data transmission	(2) None	(2) None	
(c) Circuit-switched data transmission	(2) None	(2) None	
(d) Telex services	(3) None	(3) None	
(e) Telegraph services	(3) None	(3) None	
(f) Facsimile services	(4) Unbound except as indicated in Part I	(4) Unbound except as indicated in Part I	
(g) Private leased circuit services	(4) Unbound except as indicated in Part I	(4) Unbound except as indicated in Part I	
(h) Electronic mail	(4) Unbound except as indicated in Part I	(4) Unbound except as indicated in Part I	
(i) Voice mail	(4) Unbound except as indicated in Part I	(4) Unbound except as indicated in Part I	
(j) On-line information and data base retrieval	(4) Unbound except as indicated in Part I	(4) Unbound except as indicated in Part I	
(k) Electronic data interchange (EDI)	(4) Unbound except as indicated in Part I	(4) Unbound except as indicated in Part I	
(l) Enhanced/value-added facsimile service	(4) Unbound except as indicated in Part I	(4) Unbound except as indicated in Part I	
(m) Code and protocol conversion	(4) Unbound except as indicated in Part I	(4) Unbound except as indicated in Part I	
(n) On-line information and/or data processing	(4) Unbound except as indicated in Part I	(4) Unbound except as indicated in Part I	

Most common misunderstandings



9

Resale-based

Services is supplied over leased network transmission capacity. Do you *require* it for some services but *not allow* it for others? Have you phased it in?

For non-public use

Allowing closed user groups services to be SOLD to companies (third parties). NOT to be confused with: leasing of circuits restricted to self-use for intra-corporate communications.

(g) leased circuit services

Transport capacity - As defined in Chairman's Note! Relates to "supply" or sale of capacity NOT "use" or to services supplied by using or leasing capacity.

Telecom approach to scheduling:
The Chairman's Understanding
(S/GBT/W/2/Rev.1 – Attachment 5 to S/L/92)



- (a) encompasses local, long distance and international services
 - for public and non-public use;
- (b) may be provided on a facilities-basis or by resale; and
- (c) may be provided through any means of technology (e.g., cable, wireless, satellites) including all types of cable.

Spectrum Management and Scheduling



11

Members have the right to exercise spectrum/ frequency management, which may affect the number of service suppliers, in accordance with Article VI and other relevant GATS provisions and, if applicable, the Reference Paper.

As a result, reference to commitments "subject to availability of spectrum/ frequency" is not needed in schedules

(Chairman's note – S/GBT/W/3- Attachment 6 to S/L/92)

E.g. Monopoly - fixed voice & infrastructure

CHAIR NOTE CATEGORIES	GEOGRAPHIC MARKET			MEANS OF SUPPLY		USER-BASE		TYPE OF TECHNOLOGY			
	Local	Long distance	Inter-national	Facilities-based	Resale-based	For public use	For non public use	Wire-based	Wireless		
									mobile terrestrial	mobile satellite	fixed satellite
W/120 SERVICES											
Voice telephone	M	M	M	M	M	M	M	C	C	C	M
Packet-switched data transmission	C	C	C	M	C	C	C	C	C	C	M
Circuit-switched data transmission	C	C	C	M	C	C	C	C	C	C	M
Private leased circuit services	M	M	M	M	M	M	M	M	M	M	M
Electronic mail Voice mail On-line information and data base retrieval Electronic data interchange Enhanced/ value-added facsimile Code & protocol conversion On-line information and/or data processing	C	C	C	M	C	C	C	C	C	C	M

SADC Member States Offers

14

- Under GATS, only Mauritius, South Africa (BT, VA with limitations), Lesotho (VA only), DRC (voice only)
- GATS: Reference Paper only by South Africa (Mauritius?)
- SADC offers by DRC, Seychelles, Mauritius, Tanzania, Zambia, South Africa, Malawi
 - Some ENTs
 - Foreign capital restrictions
 - Network build-out restrictions

Any technical questions on the following offers?

15

- Mobile Cellular, including mobile data

- 1) **Through any ECNS or ECS license issued by ICASA. Only ECNS or ECS license holders have the right to construct their own infrastructure.** ~~Only through the network of Telkom monopoly or subsequent duopoly on international traffic. Telkom monopoly to terminate not later than 31.12.2003, thereafter duopoly.~~ **Resale of telecommunications services is permitted.**
- 2) None
- 3) ~~Services supplied on a duopoly basis. One additional mobile cellular licence will be granted within two years.~~
Issuing of new licenses is subject to the provisions of the Electronic Communications Act.
Foreign investment in suppliers permitted up to a cumulative maximum of 30 per cent.
- 4) Unbound, except as indicated in the horizontal section.

1) None

2) None

3) None

4) Unbound, except as indicated in the horizontal section.

~~Authorities to examine feasibility of additional suppliers by 31/12/1998.~~

Any questions?

Modes of supply: ^α		1) Cross-border ^α	2) Consumption abroad ^α	3) Commercial presence ^α	4) Presence of natural persons ^α
Sector or Subsector ^α	Limitations on Market Access ^α	Limitations on National Treatment ^α		Additional Commitments ^α	
C. → <u>Telecommunication Services</u> ¶	¶	¶		^α	
a. → Voice telephone services ¶ (CPC-7521) ¶	¶ 1) → None ¶ 2) → None ¶	¶ 1) → None ¶ 2) → None ¶			
b. → Packet-switched data → transmission services ¶ → (CPC-7523**) ¶	3) → None, except that the number of licenses for voice telephone services (CPC-7521) shall be determined on the basis of economic needs ¶	3) → None ¶ ¶			
c. → Circuit-switched data → transmission services ¶ → (CPC-7523**) ¶	4) → Unbound except as indicated in → the horizontal section ^α	¶ 4) → Unbound except as indicated in → the horizontal section ^α			
d. → Telex services ¶ (CPC-7523**) ¶					
e. → Telegraph services ¶ (CPC-7522) ¶					
f. → Facsimile services ¶ (CPC-7521**+7529**) ¶					
g. → Private leased circuit services ¶ (CPC-7522**+7523**) ^α					

Any questions

Sector/Subsector ^a	Market-Access-Limitations ^a	National-Treatment-Limitations ^a	Additional-commitments ^a
2.→ COMMUNICATIONS SERVICES^a			
B.→ TELECOMMUNICATIONS SERVICES (CPC-752)^{¶¶}			
Note: Fixed Telephony is under state monopoly ^{¶¶}			
□			
a.→ Voice Telephone Services:·· Public (CPC-7521)^{¶¶} ·· Fixed Telephony ^{¶¶} ·· Mobile Telephone ^{¶¶} ^{¶¶} ^{¶¶} □	(1)→ Unbound ^{¶¶} (2)→ None (VOIP and call-back services not permitted) ^{¶¶} (3)→ Limitation on the number of service providers for mobile services is linked to an Economic Needs Test ^{¶¶} (4)→ Unbound except as indicated in the horizontal section ^{¶¶} □	(1)→ Unbound ^{¶¶} (2)→ None ^{¶¶} (3)→ None ^{¶¶} (4)→ Unbound except as indicated in the horizontal section [□]	^{¶¶} □
a. and b. Voice and data transmission services ·· Non-public (e.g. VPN services, Inter-corporate networks)[□]	(1)→ None ^{¶¶} (2)→ None ^{¶¶} (3)→ None ^{¶¶} (4)→ Unbound except as indicated in the horizontal section ^{¶¶} □	(1)→ None ^{¶¶} (2)→ None ^{¶¶} (3)→ None ^{¶¶} (4)→ Unbound except as indicated in the horizontal section [□]	□
····· b. and c. data transmission services ·· Public (CPC-7523**)^{¶¶} ··· Fixed and mobile [□]	(1)→ None ^{¶¶} (2)→ None ^{¶¶} (3)→ None ^{¶¶} (4)→ Unbound except as indicated in the horizontal section ^{¶¶} □	(1)→ None ^{¶¶} (2)→ None ^{¶¶} (3)→ None ^{¶¶} (4)→ Unbound except as indicated in the horizontal section [□]	□
····· g. leased circuit services^{¶¶} ··· fixed, mobile and satellite (CPC·	(1)→ None ^{¶¶} (2)→ None ^{¶¶}	(1)→ None ^{¶¶} (2)→ None ^{¶¶}	□

□

- → ENT undertaken periodically and takes into account the following: Availability of Spectrum; Population levels; Per-capita income; Subscribers base; Market Penetration levels; Competition levels; National coverage; Tariff levels^{¶¶}

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