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| **The 2nd APT Preparatory Meeting for PP-14 (PP14-2)** | | **Document:**  **PP14-2/INP-xx** | |
| 28 – 30 October 2013, Gold Coast, Australia | | **28 October 2013** | |

Chairman, Working Group 1

**issues for consideration under working group 1: ADMINISTRATION AND MANAGEMENT ISSUES**

1. **INTRODUCTION**
   1. The first APT preparatory meeting for the ITU Plenipotentiary Conference 2014 (PP-14) was held in Seoul, Republic of Korea, from 2 to 3 April 2013. This meeting established three Working Groups. Working Group 1 (WG1) will consider issues associated with the administration of the ITU, its finances and budget, and issues related to organisation and associated coordination. WG1 will prepare common proposals and positions that will be considered in Committee 6 (COM 6) of PP‑14. The Terms of Reference for WG1 are at Annex A, annotated with cross‑references to the relevant sections of this issues paper.
   2. The purpose of this issues paper is to provide a basis for discussion of these issues at the second APT preparatory meeting in October 2013. To assist with discussions, this issues paper groups various parts of the Terms of Reference together where possible. All APT member countries are encouraged to participate in these discussions and provide comments relating to this issues paper.
   3. WG1 has also been tasked with considering the work and outputs of the Council Working Groups (CWGs) with implications for financial and administrative matters of the ITU, if any. The CWGs with work relevant to the Terms of Reference of WG1 are:
2. The [Council Working Group on Financial and Human Resources](http://www.itu.int/council/groups/fin-hr/index.html) (CWG-FHR)
3. The [Council Working Group for the Elaboration of the draft Strategic Plan and draft Financial Plan of the Union for 2016-2019](http://www.itu.int/en/council/wg-sfp/Pages/default.aspx) (CWG-SFP)
4. The [Council Working Group on the Use of the six official languages of the Union](http://www.itu.int/council/groups/languages/index.html).
   1. Given the timeframe for submission of proposals on PP Decisions and Resolutions is four months later than the timeframe for proposals to amend the CS/CV, it is suggested that WG1 should focus on proposals to amend the CS/CV at the October preparatory meeting. However, possible amendments to some PP Decisions and Resolutions are covered in this paper and can be discussed at the second APT Preparatory Meeting for PP-14, depending on the wishes of APT Member countries.
   2. As yet there are no contributions or proposals to PP-14 from other regions and countries. This will be a subject for discussion at the 3rd APT Preparatory Meeting for PP‑14.
5. **DISCUSSION ON ISSUES**

* 1. **Issue 1: Management and functioning of the ITU, including human resources** 
     1. Background: This is a broad-ranging issue, and as a result, there are numerous parts of the CS and CV that are relevant to discussion of this issue. Topics that could be discussed under this item include (but are not limited to) the structure of the Union; coordination between the three Sectors, the General Secretariat and the various study groups etc; the roles of the elected officials; human resources; and the implementation of results-based management. Under Resolution 147 (Antalya, 2006), the Council conducted a study prior to PP-10 aimed at improving the efficiency of ITU management, including in relation to reporting structure in the Union, the elected officials and election procedures. PP-10 suppressed Resolution 147 and no similar study has been conducted by Council in the lead‑up to PP-14. Relevant resolutions may include Resolution 48 on “Human resources management and development”, Resolution 70 on “Gender mainstreaming in ITU and promotion of gender equality and the empowerment of women through information and communication technologies”, Resolution 145 of “Participation of observers in conferences, assemblies and meetings of the Union”, Resolution 151 on “Implementation of results-based management in ITU”, and Resolution 167 on “Strengthening ITU capabilities for electronic meetings and means to advance the work of the Union”.
     2. Current status at the ITU: the Council Working Group on Financial and Human Resources (CWG-FHR) reported to Council 2013 (refer to [document C13/13](http://www.itu.int/md/S13-CL-C-0013/en)) on a number of human resources related matters, including gender balance, performance management and recruitment. It was noted during the Council meeting that the ITU’s staff are a significant asset for the Union, given direct staff costs account for 62 per cent of the Union’s budgeted expenditure (for the 2014-2015 period). Another relevant matter discussed at Council 2013 related to remote participation in ITU meetings. Document C13/20 (Rev.1) noted that if remote participants are to have the same status and rights as onsite participants, changes would need to be made to the General Rules of Conferences, assemblies and meetings of the Union by the Plenipotentiary Conference. While not noted in that document, consideration would also need to be given to whether changes should be made to the CS/CV in relation to the definition of ‘delegate’ and ‘delegation, as well as provisions related to admission to conferences.
  2. **Issue 2: ITU financial processes and other financial matters, including income and expenditure, and the financial stability of the ITU**
     1. Background: Key provisions of the CS/CV related to the finances of the Union include Article 28 of the CS, and Articles 33 and 34 of the CV. Relevant Plenipotentiary decisions and resolutions include Decision 5 on “Income and expenditure for the Union for the period 2012-2015”, Resolution 72 on “Linking strategic, financial and operational planning in the ITU”, Resolution 91 on “Cost recovery for some ITU products and services”, and Resolution 158 on “Financial issues for consideration by the Council”.
     2. Current status at the ITU: Discussions on financial issues were a key issue at Council 2013, with attention focused on the use of the Reserve Account, the Union’s After Service Health Insurance (ASHI) liabilities, ongoing and future building maintenance costs for the Union, as well as the trend of declining revenue. As part of the 2014-2015 Budget, Council 2013 decided to establish a fund for the ASHI liabilities of CHF 4 million, within the Reserve Account. The Secretariat reported on a range of savings measures undertaken and noted it was up to Member States to suggest additional savings measures. Suggestions from Council Member States included prioritisation of ITU activities, outsourcing activities, reducing reprography costs (including for ITU News), cutting travel costs and improving electronic capabilities between offices, reducing translation costs and improving performance management for the Union’s staff.
  3. **Issue 3: the draft ITU Strategic Plan and Financial Plan**
     1. Background: The draft ITU Strategic and Financial Plans for the next four-year cycle are prepared by a Council Working Group in the lead-up to each Plenipotentiary Conference, where they are adopted. The current Strategic Plan is in Resolution 71 (Rev. Guadalajara, 2010). The current Financial Plan is in Decision 5 (Rev. Guadalajara, 2010). Other relevant Resolutions are Resolution 72 (Rev. Guadalajara, 2010) on “Linking strategic, financial and operational planning in the ITU” and Resolution 151 (Rev. Guadalajara, 2010) on “Implementation of results-based management in ITU”.
     2. Current status at the ITU: At its 2013 session, the Council established a new Council Working Group (CWG-SFP) to prepare the draft Strategic and Financial Plans for 2016‑2019. Dr (Ms) Hyangsuk Seong(Republic of Korea) is a Vice‑Chair of the Group. The CWG-SFP held its first meeting on 18 June 2013, and its next meeting will be held 13-14 November 2013. The Group is open to all Member States and Sector Members. The draft Strategic and Financial Plans will be developed through remote discussions online as well as physical meetings, for which remote participation will be available.
  4. **Issue 4: Consider the need to clarify the rights, roles and financial responsibilities of Sector Members and Associate Members**
     1. Background: Resolution 158 (Rev. Guadalajara, 2010) instructed the Council to study the methodologies for participation of Sector Members and Associates, including *inter alia* revision of the fee structure and factors to enhance their participation experience. Resolution 170 (Guadalajara, 2010) on “Admission of Sector Members from developing countries to participate in the work of the ITU Radiocommunication Sector and the ITU Telecommunication Standardization Sector” set the level of financial contribution of Sector Members from developing countries in the ITU-T and ITU-R sectors at 1/16 of the value of the contributory unit for a trial period until the PP-14. Resolution 14 (Rev. Antalya, 2006) on “Recognition of the rights and obligations of all Sector Members of the Union” is also relevant to this issue. Relevant provisions of the CS and CV include Article 3 (rights of Sector Members) and Article 28 (finances) of the CS, and Article 19 (participation of entities other than administrations), Article 20 (conduct of business of study groups) and Article 33 (finances) of the CV.
     2. Current status at the ITU: It was reported (refer to [document C13/13](http://www.itu.int/md/S13-CL-C-0013/en)) at the last meeting of the CWG-FHR that Sector Membership revenues had decreased by 30 per cent from 2002 to 2011 due to the number of full-paying industry members dropping while the number of Associates rose significantly. The fee structure is complicated, inconsistent and difficult to explain. It was suggested that a revised fee structure could include different categories to those currently existing (including removing the Associate membership option), and could either be a simplified three sector model or a single ITU Membership. After discussions, Council 2013 adopted Resolution 1360, instructing the CWG‑FHR to develop detailed recommendations on the full range of issues affecting and enhancing the future participation of Sector Members, Associates and representatives from Academia in the work of the Union, and to consider the financial implications of those recommendations. The results of this study will be reported to Council 2014.
  5. **Issue 5: Admission of Academia, Universities and associated research establishments to participate in the work of the three sectors of the Union**
     1. Background: The admission of Academia to participate in the work of the Union was the subject of an ACP to PP-10 (ACP/12/24), and PP-10 established a new category of participation in ITU for Academia and research institutions in Resolution 169 (Guadalajara, 2010) for a trial period until the next Plenipotentiary Conference, without any amendment to the CS/CV.
     2. Current status at the ITU: It was reported to the most recent meeting of the CWG‑FHR that take-up of Academia membership has not been as high as expected. In order to improve take-up, the ITU Secretariat recommended a comprehensive package of exclusive benefits available only through Academia membership be developed, as well as a revised pricing structure for consideration by Council and PP-14. This will be considered further by CWG-FHR (refer to Issue 4 above at section 2.4).
  6. **Issue 6: ITU TELECOM Exhibitions and Forums**
     1. Background: Resolution 11 (Rev. Guadalajara, 2010) sets out the mechanisms for organising the annual ITU Telecom events. Resolution 11 also instructs the Council and the Secretary‑General to report on the future of ITU Telecom events to PP‑14. The APT put forward ACP/12/42 to PP-10 on ITU Telecom.
     2. Current status at the ITU: Two ITU Telecom events have been held since PP-10. ITU Telecom World 2011 was held in Geneva and resulted in a deficit of CHF 2,406,757.42, while ITU Telecom World 2012 was held in Dubai and resulted in a surplus of CHF 504,458.57. The next ITU Telecom will be held in Bangkok in November 2013.
  7. **Issue 7: Independent Management Advisory Committee (IMAC)**
     1. Background: PP-10 adopted Resolution 162 (Guadalajara, 2010), setting out the Terms of Reference of the IMAC, and instructing Council to establish the IMAC on a trial basis for four years. Council was instructed to report to PP-14. The members of the IMAC were appointed by Council 2011 and it first met in February 2012. The IMAC has submitted two annual reports to Council.
     2. Current status at the ITU: At the most recent Council meeting in June 2013, Council endorsed all eight recommendations made by the IMAC. There has been some discussion of possible means of evaluating the IMAC’s effectiveness in order to assist with Council’s report to PP-14, but Council has not yet reached a decision. The IMAC has undertaken a self‑assessment which is available on its [webpage](http://www.itu.int/en/council/Pages/imac.aspx).
  8. **Issue 8: Free Online access to ITU Documents such as the Radio Regulations and associated Rules of Procedure**
     1. Background: In ACP/12/37, APT Member countries proposed to PP-10 the provision of free online access to ITU-R Recommendations. Decision 12 (Guadalajara, 2010) on “Free online access to ITU publications” sets out the decisions of PP-10 on what publications to make freely available online, and instructs the Council to undertake a holistic study of the costs and benefits of providing other texts of the Union free online. At its 2012 session, Council adopted Decision 571, in which it decided to provide free online access to the Radio Regulations to the general public for a trial period until PP-14. The 20th Radiocommunications Advisory Group (RAG) meeting in 2013 noted that free online access had not appeared to negatively impact the sales of paper or DVD versions of the Radio Regulations – on the contrary, sales had increased. Council 2013 decided to provide on a permanent basis free online access to Council Resolutions and Decisions to the ITU membership, and to the ITU-R Handbooks on radio-frequency spectrum management and the Final Reports of World Telecommunication Development Conferences to the general public. In accordance with Resolution 66 (Rev. Guadalajara, 2010) on “Documents and publications of the Union”, paper and CD/DVD copies of the publications are available on the basis of a two-tier pricing policy.
     2. Current status at the ITU: Council 2013 (in the modified Decision 571) instructed the Bureaux Directors and the Secretary-General to consider what important publications could be made available for free online access and the financial implications if they were to be made available. The report will be published before Council 2014 to assist Member States to make their proposals to PP-14, which will also need to consider whether to grant free online access to the Radio Regulations permanently.
  9. **Issue 9: Financial implications of the use of translation services**
     1. Background: at its 2005 session, Council established a Working Group on use of the six official languages of the Union. Resolution 154 (Rev. Guadalajara, 2010) resolved to take all necessary measures to maximise interpretation and the translation of ITU documentation in the six languages on an equal footing.
     2. Current status at the ITU: work in the relevant Council Working Group has stalled in recent years, and the ITU Secretariat was urged by Councillors at the 2013 Council meeting to coordinate a new Chairman for the group. In the 2014‑2015 Budget approved by Council 2013, the estimated expense of translation services is five per cent of the total Budget (CHF 18.5m of CHF 331m in total). It was reported by the ITU Secretariat that it is attempting to decrease the costs of translation by increased use of software, and outsourcing some translation activities. Comments were made suggesting further discussions of how to reduce the cost of translation, including reconsidering whether interpretation is required for all meetings.
  10. **Issue 10: Consider and review issues that could strengthen the role of the regional organisations with special focus on the APT**
      1. Background: Resolution 25 (Rev. Guadalajara, 2010) on “Strengthening the regional presence” and Resolution 58 (Rev. Guadalajara, 2010) on “Strengthening of relations between ITU and regional telecommunication organizations and regional preparations for the Plenipotentiary Conference” are relevant to discussion of this issue. Council 2012 modified Council Decision 519 to grant admission to the six principal regional telecommunication organisations, including the APT, to participate as observer Sector Members in Council sessions at the invitation of the ITU Secretary-General.
      2. Current status at the ITU: This issue was briefly discussed at Council 2013 in relation to strengthening the regional presence; however, no relevant decisions were made. There do not appear to be any proposals from Member States that are likely to be considered by PP-14 at this stage.

1. **POINTS TO BE CONSIDERED FOR THE ISSUES AT PP14-2 MEETING**
   1. **For Issue 1:** Discussions under this wide-ranging issue may include the possibility of proposals to amend provisions of the CS/CV or relevant Resolutions, taking into account the extensive studies that have been undertaken on certain matters in the past. In relation to human resources, APT Member countries may wish to discuss and consider submitting proposals on matters relating to human resources issues discussed in the CWG-FHR, including gender balance, performance management and recruitment. The meeting could also discuss the way forward with remote participation in the Union and whether the General Rules and/or the CS/CV may need to be changed in order to institutionalise the service and clarify the rights and status of remote participants.
   2. **For Issue 2:** The meeting could discuss the overall financial situation of the Union, and how the financial processes of the ITU could be improved. In relation to possible proposals on this issue, considerations may include: identification of current problematic financial issues and possible solutions; proposed amendments to the CS/CV to improve the ITU’s financial processes; identification of additional savings measures, which could be proposed as amendments to Decision 5; potential prioritisation of ITU activities and mechanisms to achieve this; and proposed amendments to relevant Resolutions on financial matters.
   3. **For Issue 3:** APT Member countries are invited to review the current Strategic and Financial Plan, and the documents currently available for the CWG-SFP. The meeting could discuss possible inputs to the CWG-SFP from the region. These may include principles or priorities to be included in the draft Strategic Plan, or considerations for inclusion in the draft Financial Plan. One specific issue that may be considered is the need to allocate sufficient funding in the Financial Plan for all major meetings planned within the time period.
   4. **For Issue 4:** APT Member countries may discuss the current experience of Sector Members and Associates, and the need to clarify the rights, roles and financial responsibilities of these Members. Possible proposals could be developed for amendments to Resolutions 14, 158 and 170, and to relevant articles of the CS/CV in relation to the rights, roles and financial responsibilities of Sector Members and Associates. These may include amendments to the fee structure and improving the means of attracting and retaining these Members. In addition, possible proposals could be developed for amendments to the CS/CV if it is considered desirable to make permanent the trial 1/16 contribution for Sector Members from developing countries set in Resolution 170. Member countries are also invited to review the work being undertaken in the CWG-FHR.
   5. **For Issue 5:** APT Member countries should discuss whether to support the continuation of the Academia membership category. If it is to be continued, APT Member countries may consider submitting proposals to amend the CS/CV to include this membership category, or amendments to Resolution 169, taking into consideration the study to be undertaken by the CWG‑FHR.
   6. **For Issue 6:** APT Member countries may wish to discuss amendments to Resolution 11, and possible proposals for improvements to the options for organising ITU Telecom events in the future.
   7. **For Issue 7:** APT Member countries could discuss the progress of the IMAC’s work to date and possible proposals for amendments to Resolution 162. These may relate to whether the IMAC should be maintained, either for another four years or permanently, and how the IMAC’s performance can be measured in future if it is maintained.
   8. **For Issue 8:** APT Member countries should discuss whether to support PP-14 deciding to permanently provide free online access to the Radio Regulations to the general public. In addition, the meeting could discuss the possibility of proposing principles that would set out for which publications/texts of the Union free online access should be made available, and revisions to Decision 12 and Resolution 66.
   9. **For Issue 9:** APT Member countries could discuss the financial implications of the use of translation services, and may put forward possible proposals to amend *decides* 1.2 of Decision 5, Annex 2 to Decision 5 on Measures for reducing expenditure, or Resolution 154.
   10. **For Issue 10:** APT Member countries are invited to submit contributions to the meeting on strengthening the role of the regional organisations, with special focus on the APT. Such contributions could be linked to a broader discussion of strengthening the regional presence (including in relation to Resolution 25), or take the form of proposed amendments to Resolution 58.

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**Annex A**

**Working Group 1: Administration and Management Issues**

**Terms of Reference**

*Note: The Terms of Reference below are cross-referenced to relevant sections of this issues paper in brackets, where appropriate.*

* Review and propose improvements to the management and functioning of ITU *(refer to section 2.1)*
* Review the draft ITU Strategic Plan in the context of the implementation of results-based budgeting *(refer to section 2.3)*
* Review and propose improvements in ITU financial processes *(refer to section 2.2)*
* Review Income and Expenditure and Financial Plan *(refer to sections 2.2 and 2.3)*
* Consider and review issues that could strengthen the role of the regional organizations with special focus to APT *(refer to section 2.10)*
* Review PP Decisions and Resolutions relevant to the activities of WG1 including:
  + - * ITU TELECOM Exhibitions and Forums, taking into account the experience gained since PP‑10 *(refer to section 2.6)*
      * Financial and Human Resources and other financial matters *(refer to sections 2.1 and 2.2)*
      * Independent Management Advisory Committee (IMAC) *(refer to section 2.7)*
      * Financial implication of the use of translation services *(refer to section 2.9)*
      * Free Online access to ITU Documents such as RR and associated Rules of Procedure *(refer to section 2.8)*
      * Admission of Academia, Universities and associated research establishment to participate in the work of the three sectors of the Union *(refer to section 2.5)*
    - Consider the needs to clarify the rights, roles and financial responsibilities of Sector Members and Associate Members *(refer to section 2.4)*
* Review Council decisions/discussions/recommendations on finance, Management, budget and human resources development *(all sections)*
* Consider ceiling on expenditure issues, aiming to achieve a timely response to unanticipated demand for services under the cost recovery system, as well as the financial stability of the ITU *(refer to section 2.2)*
* Review contributions and proposals to PP-14 from other regions and countries on administration, finance and budget issues; including draft financial policies and the draft financial plan *(not yet applicable)*
* Consider any other issues determined by the Group in its work for the preparation to PP-14 or referred to the Group by the APT Preparatory Meetings *(not yet applicable)*

In relation to those works, WG1 will consider the work and outputs of the Council Working Groups with implications on financial and administrative matters of the ITU, if any.