

**DECIDES:**

<p><b>PCC.I/DEC.61 (XI-07)</b><sup>1</sup></p>	<ol style="list-style-type: none"><li>1. To approve the final questionnaire on Regulatory Accountancy included in the document CCP.I-TEL/doc.1091/07 rev.3.</li><li>2. To request the Administrations of the Member States to answer and submit it to CITELE Secretariat: citel@oas.org, before 15 December, 2007.</li><li>3. To present a report on the results to the answers obtained from the Administrations to the Questionnaire on Regulatory Accountancy to the XII Meeting of the PCC.I.</li><li>4. To include the results obtained from the report of answers in the Technical Notebook on Regulatory Accountancy.</li></ol> <p style="text-align: center;"><b>ANNEX TO DECISION PCC.I/DEC.61 (XI-07)</b></p> <p style="text-align: center;"><b><u>QUESTIONNAIRE ON REGULATORY ACCOUNTING</u></b><sup>2</sup></p> <p>The following is a preliminary questionnaire, which aims at combining the legal, economic and accounting aspects emerging when putting into practice regulatory processes concerning the provision of telecommunication services.</p> <p>Taking into consideration that Regulatory Accounting is a system for collecting, recording and ordering data, which mainly seeks to meet information requirements strictly orientated towards regulatory purposes.</p> <p>In particular, Regulatory Accounting attempts to separate service provider's income, costs and expenses strictly related to regulated activities, linked service provision and non-regulated services.</p> <p>In general terms, Regulatory Accounting aims at the development, under common criteria, of a reliable and easy-to-handle database in order to help identifying, for instance, efficient costs for service provision, anti-competitive practices or cross-subsidies.</p> <p>Regulatory Accounting must serve as a basis for evaluating and comparing company's performance under regulations, including its financial status, so as to reduce information asymmetries, thus leading to a reduction of regulatory risks.</p> <ol style="list-style-type: none"><li>1. Has a Regulatory Accounting system been officially implemented in your country? Is there any specific regulation or legal instrument providing for this obligation? Please attach.</li><li>2. Whether or not this Regulatory Accounting system has been officially implemented, do the telecommunication service companies have the obligation to submit physical, economic, accounting and financial information before the Regulatory Authority?</li></ol>
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<sup>1</sup> PCC.I-TEL/doc. 1181/07

<sup>2</sup> CCP.I-TEL/doc. 1091/07 rev. 3

	<p>3. Regarding point 2, if affirmative, how often do the companies have to submit such reports? Please provide a summary of the required data regarding the closure date of your financial year.</p> <p>4. Should a Regulatory Accounting system exist, which are its goals? If negative, go down to question 13.</p> <p>5. Does such Regulatory Accounting system include the principle of homogeneity regarding the criteria for account identification, assessment and allocation?</p> <p>6. In which manner does the approved Regulatory Accounting system relate with the Accounting principles generally accepted in your country?</p> <p>7. Which is the scope of the information that, under the regulatory accounting system, service providers must submit to the Regulatory Authority?</p> <ul style="list-style-type: none"> <li>○ Regulatory Accounting Plan and Handbook of Accounts, including criteria for account identification, registration and assessment. Do they have obligation character? If affirmative, since when is this the case? What is the framework of periodicity?</li> <li>○ Methodology for allocation of income and expenditure (e.g. according to the activity from which they derive), including identification, allocation and assessment criteria.</li> <li>○ Separation of Accounts according to types of services or activities (for instance, basic telephony, interconnection systems).</li> <li>○ Cost Accounting.</li> <li>○ Other. Please specify.</li> </ul> <p>8. In your case, does Regulatory Accounting include any specific obligations regarding publication and/or audit of regulatory accounts?</p> <p>9. Given that Regulatory theory defines Regulatory Accounting as a tool useful to analyse several issues, does your Administration coincide with the following stated points?</p> <ul style="list-style-type: none"> <li>○ To fix and revise Tariffs, for example revision of current retail and wholesale Tariffs, in fixed and mobile networks.</li> <li>○ To monitor and identify anticompetitive policies and practices,</li> <li>○ To identify and estimate cross subsidies.</li> <li>○ To assess service provider performance (including financial performance).</li> <li>○ To define methods for asset appraisal.</li> <li>○ To allocate different types of costs among activities.</li> <li>○ To assess transactions with related companies.</li> <li>○ To compute methods for amortization applied.</li> </ul> <p>10. Regarding the former point and according to the Regulatory practises in the sector your country, is there any other issue in which Regulatory Accounting may or may not make a contribution?</p> <p>11. From the point of view of regulatory practices, how would you evaluate the results or outcome derived from the application of Regulatory Accounting in your country?</p>
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	<p>12. Is there any Cost Model being currently developed or implemented in your country? If affirmative, please specify:</p> <ul style="list-style-type: none"> <li>○ Which one?</li> <li>○ What is its application?</li> <li>○ Is it applied to Tariff Revision? If affirmative, can Tariff Revision be applied to Retail Tariffs? To Wholesale Tariffs?</li> <li>○ Can this Cost Model be applied to Retail and Wholesale Tariffs?</li> <li>○ Has this Cost Model yielded Tariff results so far? Are these results being applied in Tariff definition? In what way?</li> </ul> <p>13. In the event that a Regulatory Accounting system is non-existent or that it is considered unnecessary to have one, how do you think the Regulatory Authority could actually obtain the information to be applied in the analysis of this kind of issues within the telecommunications market?</p> <p>14. Do you believe that the implementation of basic but common guidelines at a regional level in relation to the use of a Regulatory Accounting system should be promoted?</p>
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