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Telecommunications Universal Access / Universal Service

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Universal access and universal service regimes aim to provide all citizens with access to critical telecommunications infrastructure and services.

Universal access refers to the provision of publicly available communication network facilities and services (such as payphones and community Internet access terminals), while universal service focuses on the provision of telecommunications services to individuals and premises (e.g. mobile connectivity and broadband).

The common goal of universal access / universal service regimes is the promotion of the availability, accessibility and affordability of information and communication technologies. However, beyond this common goal the content and scope of universal access / universal service regimes differ from country to country. Government subsidy programs, usually funded by a tax on network operators, are a popular method of encouraging private sector investment in underdeveloped and remote regions in which investment may otherwise be uneconomic. In mature telecommunications markets where universal access has been substantially achieved, the focus shifts to maintaining the infrastructure required to facilitate such access, ensuring that access is reasonably available to new premises and regions, and using and upgrading to suitable technology. For example, the [European Electronic Communications Code](#) incentivizes investment in very high capacity networks (i.e. networks that consist wholly of optical fiber elements at least up to the distribution point at the serving location, or that are capable of delivering similar performance) by allowing national regulators to exempt the networks from the network access regulations that would otherwise be applicable because of the operator's significant market power if the operator commits to opening the network to co-investment. Co-investment can be implemented through co-ownership, long-term risk sharing (e.g. co-financing) or purchase agreements giving rise to specific rights of a structural character.

A snapshot of the universal access / universal service regimes in a selection of countries is provided below.

Algeria

- [Decree No. 03-232](#) - This decree establishes the universal access regime for both post and telecommunications

Australia

Universal access to telecommunications services in Australia is implemented via the [Universal Service Guarantee](#) (“USG”). The USG is comprised of two regimes: the [Universal Service Obligation](#) (“USO”), which concerns telephone services, and the [Statutory Infrastructure Provider regime](#) (“SIP regime”) which concerns broadband services.

The USO imposes a legislative and contractual obligation on Telstra, Australia’s largest telecommunications company, to ensure that standard telephone services and payphones are reasonably accessible to all people in Australia on an equitable basis, wherever they reside or carry on business. The source of the obligation is predominantly contractual, with the Telstra USO Performance Agreement, a 20-year contract between the Australian Government and Telstra, setting out the scope of services to be performed by Telstra. However, Telstra’s performance is assessed against the standards and benchmarks made under the [Telecommunications \(Consumer Protection and Service Standards\) Act 1999 \(Cth\)](#).

The SIP regime ensures that all premises in Australia can have access to telecommunications infrastructure that supports the delivery of superfast broadband network. Under the SIP regime, the Statutory Infrastructure Provider for an area must, if requested by a service provider, connect consumers to a fixed-line network (or a fixed wireless or satellite network where it is unreasonable to connect to a fixed-line network) which allows service providers to provide broadband services with peak download and upload transmission speeds of at least 25 megabits per second and 5 megabits per second respectively. The Statutory Infrastructure Provider must also, if requested by a service provider, provide a listed carriage service (which must include a telephone service) to the service provider to enable it to provide broadband services. The [NBN Co](#), a company wholly-owned by the Commonwealth, is the default Statutory Infrastructure Provider for Australia and bears the responsibility for ensuring access to a superfast broadband connection, with support from other carriers where appropriate.

Nepal

Universal access / universal service in Nepal is effected practically in Nepal through government subsidy and support programs which encourage private sector development of telecommunications infrastructure in areas without service (especially rural areas), rather than through regulatory access obligations that apply to a particular network owner.

The [Telecommunication Policy 2060 \(2004\)](#) (“Policy”) sets out the high-level policy objectives of the Nepalese Government in relation to the telecommunications sector. The Policy is intended to

“create a favorable environment in order to make the telecommunication service reliable and accessible to all people at the reasonable cost throughout Nepal in collaboration with the private sector et.al in order to support the social and economic development of the country”.

The Policy provides for reduced customs duty on telecommunications equipment which are imported to provide telecommunications services to rural areas and waives license issue and renewal fees for rural telecommunications service providers with annual revenues of less than 2 million Nepalese rupees. Tender processes will be run to provide telecommunications services to areas currently without service, with the successful bidder selected on the basis of the lowest subsidy required.

Section 30(4) of the [Telecommunications Act 2053 \(1997\)](#) also provides for a Rural Telecommunication Development Fund (“RTDF”), which the Nepal Telecommunications Authority operates. The RTDF plays an important role in achieving universal access / universal service by funding the development, extension and operation of telecommunications services in rural areas. All telecommunications service licensees are required to pay a fixed percentage (currently two per cent) of annual revenue to the RTDF.

Romania

- [Law no.304/2003](#) on the universal service and users’ rights relating to the electronic communications networks and services

Spain

In Spain, universal service obligations are regulated under [Law 9/2014, of 9 May, on General Telecommunications](#) and [Royal Decree 424/2005, approving the rules on the conditions for the provision of electronic communications, universal service and consumers’ protection](#).

In addition, [Law 2/2011, of 4 March, on Sustainable Economy](#) establishes that the connection to the public electronic communications network for functional access to the Internet, guaranteed as part of the universal service, must allow broadband data communications at a download speed of 1Mb/s.

In order to guarantee universal service, Spanish regulation provides that when the provision of any of the services included in the universal service is not guaranteed by the free market, the Ministry of Economy and Business (formerly, Ministry of Industry, Energy and Tourism) shall designate the telecommunications operators in charge of providing such services so that the entire national territory is covered.

Regarding the costs and financing of the universal service, the Spanish National Commission on Markets and Competition (“CNMC” in Spanish) is the competent authority to determine whether the net cost of the universal service being offered by operators obligated to provide this service represents an unfair burden for them, in which case, such cost will be distributed among such operators with gross operating revenues derived either from the operation of networks or the provision of telecommunications services amounting to €100,000,000.

Finally, in order to guarantee the financing of the universal service, Spain has created a National Fund for the Universal Service, which is managed by the CNMC.

See also [Spain universal service and regulatory accounting](#).

Turkey

- [Universal Service Law 2005](#)

To find provisions in general laws covering competition policy - most of these laws cover universal access / service, visit [General Telecommunications Framework](#).

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