

Regional Seminar on the Economic and Financial aspects of telecommunications/ICTs Study Group 3 Regional Group for Latin America and the Caribbean (SG3RG-LAC)

Mexico, 19-20 March 2013

Session 1: Presentation of the World Conference on International Telecommunications results (Dubai, UAE 3-14 December 2012)

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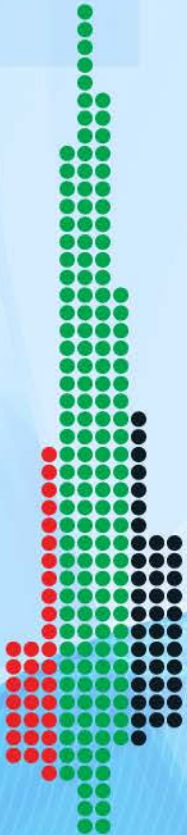
Ushering in a New Era of Global Connectivity

Committed to connecting the world



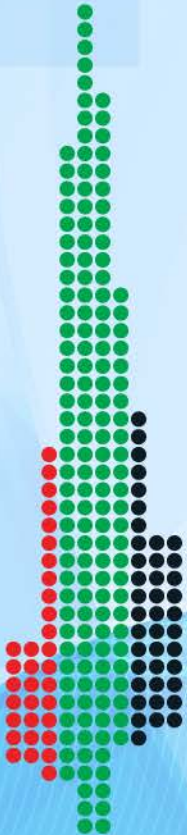
AGENDA

- Outcome and some Observations
- Key Achievements and Highlights
- Analysis of some Key Provisions for the works of the LAC Group
- Article 10, Accession
- The Road Ahead



OUTCOME OF THE CONFERENCE

- 1,275 proposals from Member States considered by 152 Member States attending
- Adopted on 13 December 2012 and signed by 89 governments out of 144 present and accredited to sign.
- Compares with 1988 when 112 countries signed ITRs on the last day of the Melbourne conference
- Remainder of Member States became party to the ITRs later bringing the current total to 190 Member States.



WHAT IS IN THE 2012 ITRs (1/2)

- **Preamble** (human rights, right to access)
- **Article 1:** Purpose and scope (not content-related, AOA)
- **Article 2:** Definitions
- **Article 3:** International network (Right to communicate at good technical quality; countries to coordinate their infrastructure, misuse, CLI, regional traffic exchange points)
- **Article 4:** International telecommunication services (International telecom services to be made available to the public, roaming transparency, quality and competition)
- **Article 5:** Safety of Life and Priority of Telecommunications (Priority to be given to emergency communications, emergency number notification)
- **Article 5A:** Safety and robustness of networks
- **Article 5B:** Unsolicited bulk electronic communications

Items in red are new Articles compared to the 1988 version.

The above numbering scheme was used in the Final Acts and is subject to change in the final edition of the Treaty text.

WHAT IS IN THE 2012 ITRs(2/2)

- **Article 6:** Charging and accounting (commercial agreements, encourage investments, competitive wholesale pricing)
- **Article 7:** Suspension of services
- **Article 8:** Dissemination of information (Member States or AOA to communicate information to ITU)
- **Article 8A:** Energy efficiency, E-waste
- **Article 8B:** Accessibility
- **Article 9:** Special arrangements
- **Article 10:** Final provisions (Entry into force, reservations)
- **Appendix 1:** General provisions concerning accounting
- **Appendix 2:** Additional provisions relating to maritime telecommunications

Some provisions of the old Appendix 3 on service telecommunications were moved to Article 6

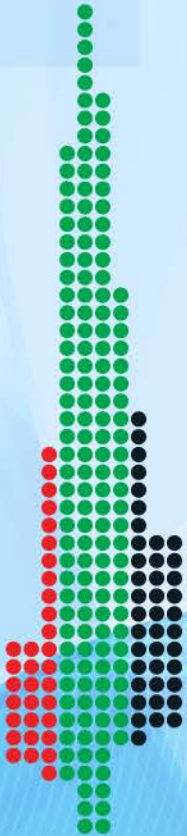
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OPEN, TRANSPARENT AND INCLUSIVE

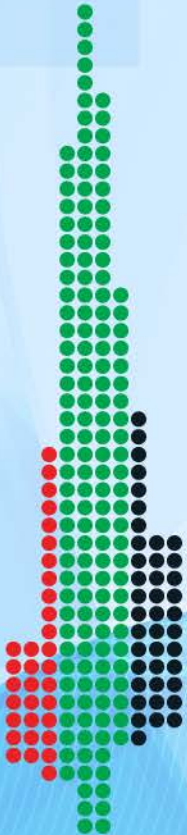
Key facts and figures

- The 1,581 delegates represented 152 Member States and 37 observer organizations
- Significant increased participation from the developing world compared with 1988
- Many Member State delegations included private sector and civil society
- Plenary meetings webcast to public in 6 UN languages, and captioning archived
- Social media and interactive briefings



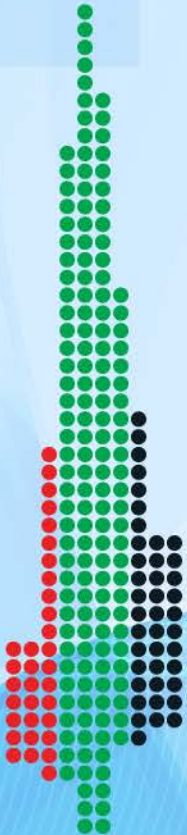
SOME OBSERVATIONS...

- WCIT brought unprecedented public attention to the different and important perspectives that govern global communications
- Showed that there is not one single world view but several, and these views need to be accommodated and converged



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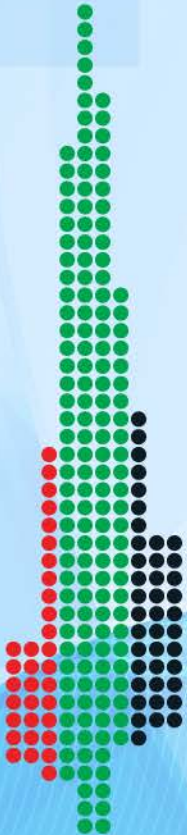
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SOME KEY ACHIEVEMENTS (1/2)

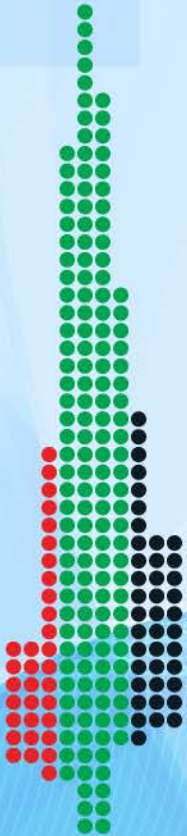
This treaty contains a number of important revised and new provisions that represent a major improvement over the 1988 text.

- Affirmation of Member States commitment to implement the treaty in a manner that respects and upholds their human rights obligations.
- Right of access of Member States to the international telecommunication services
- Improving transparency and accuracy in mobile roaming charges as well as promoting competition in the provision of mobile roaming services
- Improving energy efficiency and cutting e-waste
- Bringing the benefit of ICTs to the 650 million people living with some kind of disability



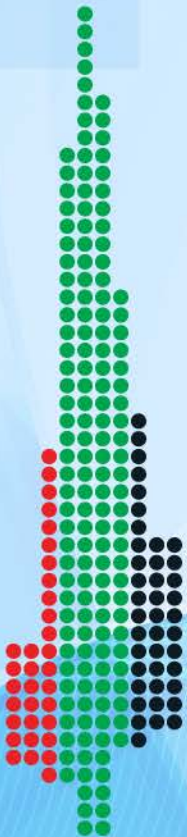
SOME KEY ACHIEVEMENTS (2/2)

- Bringing greater security by promoting international cooperation to ensure the security and robustness of international telecommunication networks
- Combatting unsolicited bulk electronic communications
- Preventing misuse of international telecommunication numbering resources
- Encouraging implementation of Calling Line Identification information
- Encouraging investment in international telecommunication networks and promoting competitive wholesale pricing for traffic carried
- Promoting the implementation of regional telecommunication traffic exchange points
- Improving access to emergency services



HIGHLIGHTS: SCOPE OF THE ITRS (ARTICLE 1)

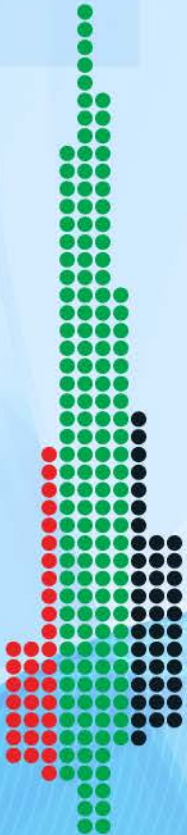
- Article 6 (No.38) of the ITU Constitution (modified in 1998) states that the Administrative Regulations [i.e. the ITRs and the Radio Regulations] shall apply to the *operating agencies authorized by them* [i.e. the Member States] *to establish and operate telecommunications and which engage in international services [...]*
- Since the CS/CV prevails over the ITRs, the WCIT-12 was obliged to align the text in the ITRs (regarding the scope and its relation to operating agencies) with Article 6
- The scope of application of the 2012 ITRs therefore covers, besides the Member States which are parties to the treaty, the so-called **“authorized operating agencies”**, i.e. those operating agencies, authorized or recognized by a Member State, to establish, operate and engage in international telecommunications services **to the public** (Article 1.1b)



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MOBILE ROAMING (UNDER ARTICLES 4, 5)

- The new provisions on International Mobile Roaming could help provide :
 - transparency of end-user prices for international mobile services
 - satisfactory quality
 - greater cooperation and competition to avoid “bill shock”
 - avoid and mitigate inadvertent roaming charges in border zones.
 - free and quick access for international roaming users to the local number(s) for emergency services



PROVISION OF SERVICES, REDUCING COSTS (OTHER PROVISIONS UNDER ARTICLES 3, 4)

These revised provisions will help ensure:

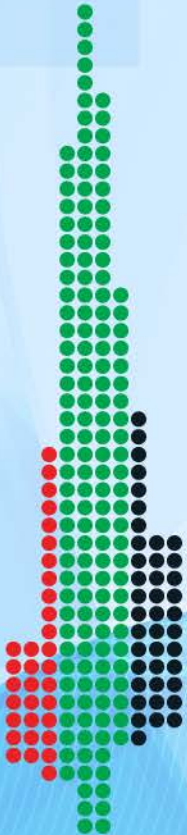
- sufficient telecommunication facilities (3.2)
- right of users to send traffic; availability of international telecommunication services to public (3.4, 4.1)

The new provision 3.7 which promotes the implementation of regional telecommunication traffic exchange points could, inter alia, help reduce international interconnection costs.



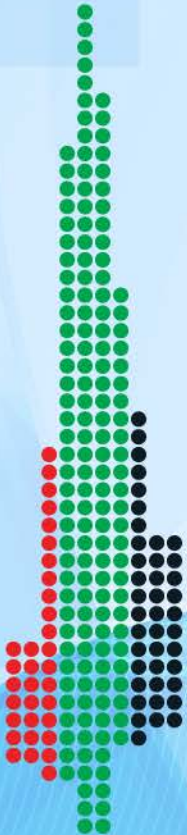
ECONOMIC ISSUES (ARTICLES 6, 9 AND APPENDIX 1)

- Significantly restructured. Now starts
 - *6.1 Subject to applicable national law, the terms and conditions for international telecommunication service arrangements may be established through commercial agreements or through accounting-rate principles established pursuant to national regulation.*
 - *6.1.1 Member States shall endeavour to encourage investments in international telecommunication networks and promote competitive wholesale pricing for traffic carried on such telecommunication networks.*



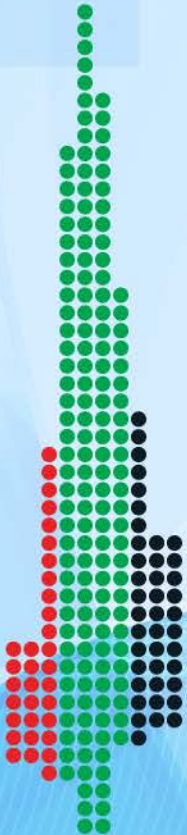
ECONOMIC ISSUES (ARTICLES 6, 9 AND APPENDIX 1)

- Then continues with provisions on the accounting-rate principles, with a chapeau (provision 6.2) stating:
 - *The following provisions may apply where the terms and conditions of international telecommunication service arrangements are established through accounting-rate principles, established pursuant to national regulation. **These provisions do not apply to arrangements established through commercial agreements.***
- Appendix 1 was simplified and the deadlines were reduced to 50 days, consistent with Recommendation ITU-T D.195.



ECONOMIC ISSUES (ARTICLES 6, 9 AND APPENDIX 1)

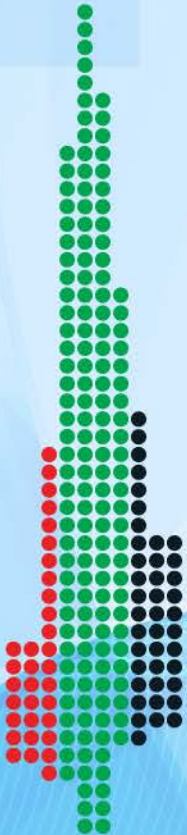
- Assists in the application of the basic pricing principles for international services relations:
 - **Transparency:** *the open availability of information used in the cost derivation process in order to allow comprehension of the final rate/tariffs.*
 - **Practicability:** *the ability to implement a costing methodology with reasonable demands being placed on data availability and data processing.*
 - **Causality:** *the demonstration of a clear cause-and-effect relationship between service delivery and the network elements and other resources used to provide it.*
- Provides a framework for commercial agreements for international telecommunication services arrangements (subject to applicable national law).



ECONOMIC ISSUES

(ARTICLES 6, 9 AND APPENDIX 1)

- Assists in dispute resolution through the provision of guidelines and the possibility to agree commercial special mutual arrangements.
- Encourages investment in international telecommunication networks.
- Promotes competitive wholesale pricing for traffic carried, this will benefit end-users.
- Contributes to avoid double taxation for international services.



WCIT-12 RESOLUTIONS

- 5 new Resolutions:
 - Special measures for landlocked developing countries and small island developing states for access to international optical fibre networks
 - Use of one of the globally harmonized national numbers for access to emergency services (911 or 112)
 - Foster an enabling environment for the greater growth of the Internet
 - Periodic review of the International Telecommunication Regulations
 - International telecommunication service traffic termination and exchange

NOTE: Resolutions are **not part of the ITRs. They do not require any ratification, acceptance or approval process, and they are not inherently binding for the Member States.**

NEW RESOLUTION 5 ON INTERNATIONAL TELECOMMUNICATION SERVICE TRAFFIC TERMINATION AND EXCHANGE

- Considering
 - that the transition from dedicated phone and data networks to converged IP-based networks raises regulatory, technical and economic issues which need to be taken into consideration;
 - that many Member States have expressed a need for the initiation and implementation of commercial agreements between authorized operating agencies and service providers of international services, with the objective of empowering all the participants in the new value chain,
- Noting
 - that some Member States are observing a deterioration in the quality of international services and voice traffic;
 - **that Study Group 3 of the ITU Telecommunication Standardization Sector (ITU-T) is mandated to study the development of Recommendations, resolutions and guidelines related to these issues;**

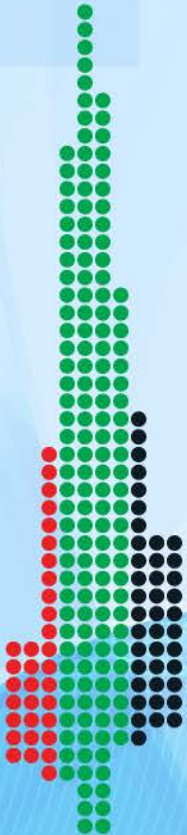
NEW RESOLUTION 5 ON INTERNATIONAL TELECOMMUNICATION SERVICE TRAFFIC TERMINATION AND EXCHANGE

- Instructs the Director of TSB
 - to take necessary action **in order that ITU-T Study Group 3 study recent developments and practices with regard to the termination and exchange of international telecommunication traffic under commercial agreements**, so as to develop a Recommendation, if appropriate, and guidelines for concerned Member States, for the use of providers of international telecommunication services in regard to issues they consider relevant, such as:
 - conditions for the establishment of invoices
 - conditions for sending invoices
 - conditions for the payment of invoices
 - conditions for dispute resolution
 - conditions on fraud prevention and mitigation
 - conditions for charges for international telecommunication service traffic termination and exchange

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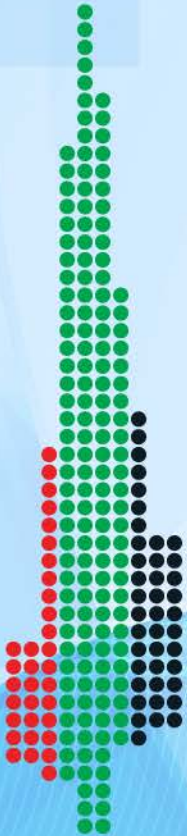
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RELATIONSHIP BETWEEN THE 2012 ITRs AND 1988 ITRs

- The 2012 ITRs replace the 1988 ITRs for the relationships between Member States which are parties to the 2012 ITRs
- The 1988 ITRs remain in effect for the relationships between Member States which have not signed the 2012 ITRs
- The 1988 ITRs also regulate the relationships between a party to the 2012 ITRs and a non-party to the 2012 ITRs



ACCESSION TO THE ITRs

- Considering that the ITRs is an open treaty, any **Member State which has not signed the treaty can still accede to it** in the future, by way of a unilateral act of the Member State.
- More specifically, according to Article 54 para. 3bis (no. 217A) of the ITU Constitution, *“A Member State shall notify its consent to be bound by a partial or complete revision of the Administrative Regulations by depositing with the Secretary-General*

*an instrument of ratification, acceptance or approval of that revision, or
of accession thereto, or
by notifying the Secretary-General of its consent to be bound by that revision”.*

Model Instrument of Accession
International Telecommunication Regulations
(Dubai, 2012)

For use by a Member State of the International Telecommunication Union (ITU) that is not a signatory of the International Telecommunication Regulations (Dubai, 2012)

[STATE OF]
 [GOVERNMENT OF] ¹

Instrument of Accession to the
International Telecommunication Regulations
 (Dubai, 2012)

Whereas

on 14 December 2012, the Member States of the International Telecommunication Union participating in the World Conference on International Telecommunications (Dubai, 2012) adopted the International Telecommunication Regulations (Dubai, 2012),

and whereas

_____ ² is a Member State of the International Telecommunication Union, but not a signatory of the above-mentioned Treaty,

We/I¹ _____ ³

declare, in accordance with No 217A (Article 54) of the Constitution of the International Telecommunication Union and by virtue of this Instrument, that _____ ² accedes to the above-mentioned International Telecommunication Regulations.

This Instrument of Accession shall become effective on the date of its deposit with the Secretary-General of the International Telecommunication Union.

Done at _____ on _____

(Seal)

(Signature)³

¹ Delete as appropriate.

² Name of Member State.

³ Name and title of Head of State, Head of Government or Minister for Foreign Affairs.



The treaty is open for
 accession.

Details available at
www.itu.int/wcit.



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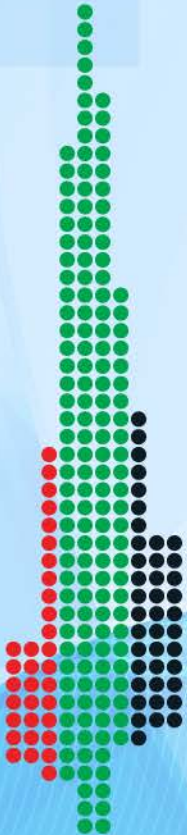
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THE ROAD AHEAD

- The treaty provides a framework for the accelerated growth of ICTs at the national and international level, in particular:
 - To bring Internet access to the two-thirds of the world's population which is still offline.
 - To drive investment in broadband roll out and to ensure the continuing promotion of digital inclusion for all.



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Website: www.itu.int/wcit-12/

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