



INTERNATIONAL TELECOMMUNICATION UNION
TELECOMMUNICATION DEVELOPMENT BUREAU

WORLD TELECOMMUNICATION DEVELOPMENT
CONFERENCE (WTDC-98)

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PLENARY MEETING

Note by the Chairman

DRAFT RESOLUTION

**ALTERNATIVE CALLING PROCEDURES ON INTERNATIONAL
TELECOMMUNICATION NETWORKS AND APPORTIONMENT
OF REVENUES IN PROVIDING INTERNATIONAL
TELECOMMUNICATION SERVICES**

The World Telecommunication Development Conference (Valletta, 1998),

considering

- a) the sovereign right of each State to regulate its telecommunications;
- b) the purposes of the Union which include, *inter alia*:
 - i) to maintain and extend international cooperation among all Members of the Union for the improvement and rational use of telecommunications of all kinds;
 - ii) to promote the development of technical facilities and their most efficient operation with a view to improving the efficiency of telecommunication services, increasing their usefulness, and making them, so far as possible, generally available to the public;
 - iii) to foster collaboration among its Members with a view to the establishment of rates at levels as low as possible consistent with efficient services and taking into account the necessity for maintaining independent financial administration of telecommunication on a sound basis,

recognizing

- a) that alternative calling procedures are not permitted in many countries while permitted in others;
- b) that the use of alternative calling procedures adversely affect the economies of developing countries and may seriously hamper the efforts of these countries for the sound development of their telecommunication networks and services;

c) that some forms of alternative calling procedures may impact traffic management and network planning, and degrade the quality and performance of the public switched telephone network,

recalling

a) Resolution 21 of the Plenipotentiary Conference (Kyoto, 1994) concerning alternative calling procedures on telecommunication networks, which:

- i) urged Members to cooperate among themselves to resolve difficulties to ensure that national laws and regulations of ITU Members are respected;
- ii) instructed ITU-T to accelerate its studies with a view to developing appropriate solutions and recommendations;

b) Resolution 1099 of the Council (Geneva, 1996) concerning alternative calling procedures on international telecommunication networks which urged ITU-T to develop, as soon as possible, the appropriate recommendations concerning alternative calling procedures;

c) Resolution 29 of the World Telecommunication Standardization Conference (Geneva, 1996) which:

- i) noted that in order to minimize the effect of alternative calling procedures:
 - ROAs should, within their national law, make their best efforts to establish the level of collection charges on a cost-orientated basis taking into account Article 6.1.1 of the International Telecommunication Regulations and ITU-T Recommendation D.5;
 - administrations and ROAs should vigorously pursue the implementation of Recommendation D.140 and the principle of cost-orientated accounting rates and accounting rate shares;
- ii) resolved that:
 - administrations and ROAs should take all reasonable measures, within the constraints of their national law, to suspend alternative calling procedures which seriously degrade the quality and performance of the PSTN;
 - administrations and ROAs should take a cooperative and reasonable approach to respecting the national sovereignty of others;
 - further studies should be carried out,

further recalling

a) Resolution 22 of the Plenipotentiary Conference (Kyoto, 1994) on the apportionment of revenues in providing international telecommunication services which:

- i) instructed ITU-T to accelerate studies relating to accounting rate reform, taking account of the cost of providing service;
- ii) invited administrations to consider taking appropriate action in light of the findings of ITU-T studies;
- iii) instructed the Director of the Telecommunication Development Bureau, in cooperation with the Director of the TSB, to assist administrations if so requested;

b) Opinion C of the World Telecommunication Policy Forum (Geneva, 1996) which:

- i) recognized that each country's level of telecommunication development and cost structure is different;

- ii) noted that the nine case studies carried out for the Forum showed a range of indicative costs for terminating international calls, and revealed that further analysis and verification is needed;
- iii) was aware that a cost-orientated accounting rate system may be asymmetric, with higher costs for terminating calls in some countries than others;
- iv) invited all ITU Member States and Sector Members to work on a bilateral basis, or on a multilateral basis through ITU, to achieve cost-orientated accounting rates in accordance with ITU Recommendation D.140, and to facilitate the achievement of this objective within a multilaterally-agreed framework, taking account of the specific needs of the developing countries and in particular the least developed countries,

noting

- a) the decisions of WTDC-98 with respect to the programme on finance, questions to be studied by ITU-D Study Groups and actions to be taken by the Director of BDT to support the activities of ITU-T Study Group 3 and assist developing countries with accounting rate reform,

resolves

- 1 to encourage all administrations and international telecommunication operators to enhance the effectiveness of the role of ITU and to give effect to its Recommendations, particularly those of ITU-T Study Group 3, in order to promote a new and more effective basis for the accounting regime which would help limit the negative effects of alternative calling procedures on developing countries;
- 2 to request the Telecommunication Development Sector (ITU-D) and the Telecommunication Standardization Sector (ITU-T), to collaborate so as to avoid overlap and duplication of effort in studying the issue of refile in order to achieve an outcome based on the spirit of Resolution 21 of the Plenipotentiary Conference (Kyoto, 1994);
- 3 to request ITU-D to play an effective role in connection with the implementation of Resolution 22 of the Plenipotentiary Conference (Kyoto, 1994) with respect to the apportionment of revenues in favour of developing countries, particularly the least developed among them, in situations where cost-orientated accounting rates reflect asymmetric costs for terminating international traffic;
- 4 to request administrations and international operators which permit the use of alternative calling procedures in their countries in accordance with their national regulations to respect the decisions of other administrations and international operators whose regulations do not permit such services,

requests

the Directors of BDT and TSB to collaborate in the implementation of this Resolution.