



Date: 5th – 6th December 2012 Stewart White, Managing Director & CEO, Akhet Consulting



WCIT2012

- Background
- Why the ITRs are important
- The need to revise the ITRs
- Some key proposals
- Highlights on Regional Positions
- Expectations for WCIT 12

We would like to thank ITU for providing us with the source materials for this presentation. Should you require further information and/or clarification, kindly contact the ITU.



Background: origin of the ITRs

Regulations for international service of the Telegraph Convention

(1865 - 1973)

Telegraph Regulations

(1932 - 1973)

Telephone Regulations

(1932 - 1973)

International Telecommunication Regulations (WATTC '88)

Treaty (Administrative Regulations)

Signed by 178 countries in Melbourne

Entry into force: 1990

Radio Regulations

(1906 – 2012 (last WRC))



Why the ITRs are important

- ITU three treaty level instruments: Constitution (C), Convention (CV),
 Administrative Regulations (Radio Regulations and ITRs)
- Treaty level provisions for international networks and services
- Establish general principles and strategic policy for operation of international telecoms
- Facilitate global interconnection and interoperability
- Underpin development and technical interoperation
- Promote efficiency, usefulness and availability of international telecommunication services

In 1988, very few liberalized markets and operators mainly state owned monopolies



Structure of ITRs

The ITRs treaty consists of: Preamble, 10 Articles, 3 Appendices, 8 Resolutions, 3 Recommendations, and 1 Opinion

Preamble

- Article 1. Purpose and Scope of the Regulations
- Article 2. Definitions
- Article 3. International Network
- Article 4. International Telecommunication Services
- Article 5. Safety of Life and Priority Telecommunications
- Article 6. Charging and Accounting
- Article 7. Suspension of Services
- Article 8. Dissemination of Information
- Article 9. Special Arrangements
- Article 10. Final Provisions
- **APPENDIX 1 General Provisions Concerning Accounting**
- APPENDIX 2 Additional Provisions Relating to Maritime Telecommunications
- APPENDIX 3 Service and Privilege Telecommunications

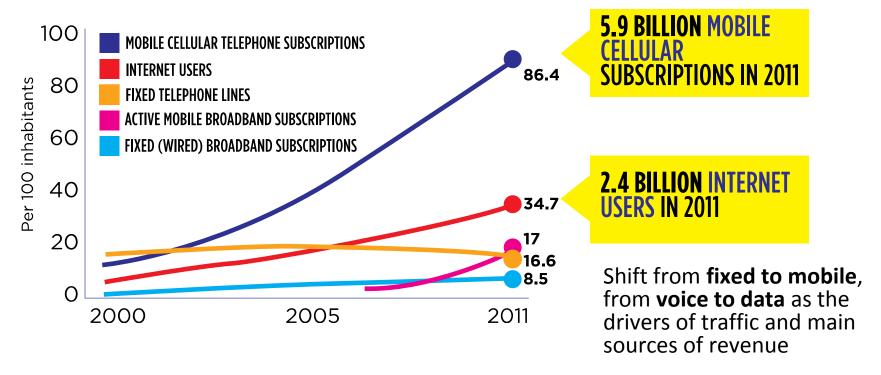


The ITRs implementation and consultation for WCIT

- Governments implement ITRs through national legislation or regulation
- Intergovernmental Council Working Group for the WCIT 12 (CWG-WCIT12) three meetings in 2010, two in 2011, and four in 2012 (in February, April, June and October)
- Regional preparatory meetings held in Asia-Pacific (ATU), Africa, Arab Region, RCC (CIS Countries), Europe (CEPT), and Americas (CITEL) – open also to Sector Members (as observers in some regions)
- Over 120 input documents have been submitted by the ITU membership;
 over 450 proposals under consideration
- Wide consultations on the issues with:
 - ITU Member States (193)
 - Private-sector members of ITU (567)
 - Associates and academic members of ITU (217)
 - Civil society through such venues as the WSIS Forum



Changes in telecoms markets since 1988...



- The international telecom environment has changed greatly in technology and policy. It continues to evolve rapidly
- Increased use of IP-enabled infrastructure and applications mean opportunities and challenges for the ICT sector
- As technology evolves, governments are evaluating their policy and regulatory approaches to ensure an enabling environment



Revision of the ITRs...

- Evolutionary process... over 170 States and 2000 delegates in Dubai 3rd to 14th December...
 - Shift from network focus regulation (interconnection) to end to end approach (customer "expectation"/interoperability/QoS)
- New Articles:
 - Modifications to ITRs need consensus
 - In case of Opposition, No Adoption
- General guidelines for the revision of ITRs, set out in Res. 171, PP-10:
 - Consistency with the purposes of the ITU Constitution (and convention)
 - In line with the scope and purpose of the ITRs

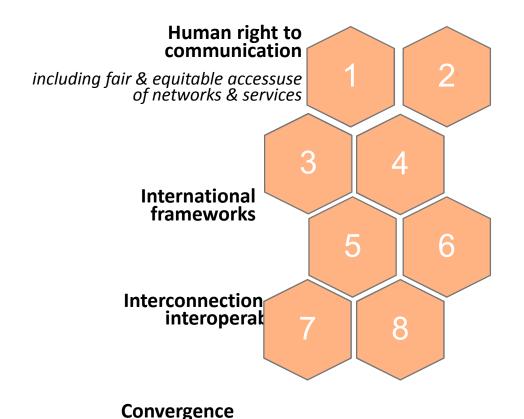


Some Key Proposals...

- The scope of the treaty:
 - Telecommunications/ICT
 - Recognized Operating Agency Vs. Operating Agency
- Cybersecurity, Spam, Fraud
- Reference to ITU-T/ITU Recommendations
- Traffic Routing (Government right to know the routes)
- Naming, Numbering, Addressing and Identification Resources
- Caller Line Identification
- Transparency of Mobile Roaming retail prices
- Article 5A Confidence and Security of Telecommunications/ICT
- Article 6 Charging and Accounting



Proposals made during preparatory process...



Security in the use of ICTs

including privacy and preventing spam

Protection of critical

national resources

Including communication networks

Charging and accounting

- including taxation

(Market-based costing, Liberalization of international gateways, Transparency obligations on ROAs)

Quality of Service

Enforcement measures

(including possible binding effect of certain ITU Recommendations)

Source: ITU



Appears to be consensus on...

- Retain current Structure and titles of Articles (except possibly Article 6)
- Replace "member" with "Member State"
- Replace CCITT with ITU-T
- Replace "Convention" with "Constitution and Convention"
- Preamble
- Article 7 (suspension of services)
- Delete Article 6.3.2 (coefficients gold Franc/SDR)
- Minimise incorporation of Constitution and Convention
- Keep definitions found in Constitution and Convention



Scope of the Treaty	
Adding the definition of Telecommunications/ICT	Expands the mandate of ITU to include ICT – the internet
 Possible Outcome: Oppose Reason: ITU Constitution and Convention use only 'telecommunications' Telecom regulations not relevant to internet (Open world vs. Closed) Network vs. Content Regulation 	Support: Arab Common Proposal, ATU, India Oppose: CEPT, CITEL, Some Arab States
ROA Vs. OA	Move to use <i>Operating Agency</i> : Any individualcorporation or governmental agency which operates a telecommunication installation intended for an international telecommunication service or capable of causing harmful interference with such a service
Possible Outcome: ROA be maintained instead of OA covering only licensed operators and exclude content providers, OTTs etc.	Support: Some Arab States, ATU, RCC Oppose: CEPT, CITEL, Arab Common Position



Internet Related Issues	
Cybersecurity, Spam, Fraud	Filtering mechanisms need to scan content
Possible Outcome: Oppose Reason: • Extends scope of Telecom Regulation to control content	Support: Arab Common Position, ATU, RCC, India Oppose: CEPT, CITEL, Some Arab States
 Multistakeholder environment therefore leave to those fora 	Oppose. CEF1, CITEL, Some Arab States
Naming, Numbering, Addressing and Identification Resources	ITU to take over key aspects of Internet governance, including addressing and naming
 Possible Outcome oppose as: Hinders open multistakeholder model developed by ICANN, ITEF, ISOC, 	Support: Arab Common Position, ATU, RCC, India
Perceived lack of operational expertise	Oppose: CEPT, CITEL, Some Arab States



Technical Issues	
Reference to ITU-T/ITU Recommendations	Making compulsory for gov't signatories to impose ITU T or all ITU standards and potentially policy decisions on telecom/Internet service providers in their countries, with the force of treaty.
 Possible Outcome: Oppose Recommendations should not be mandatory Will hinder innovation/ new technologies, openness, interoperability, neutrality 	Support: Arab Common Position, ATU, RCC, India Oppose: CITEL, USA, APT, CEPT, Mexico, Australia, Some Arab States
Traffic Routing	Giving the gov'ts the right to know, control, redirect, intercept traffic routing
Possible Outcome: Oppose Reason: Threat to national sovereignty.	Support: Arab Common Position, etc Oppose: CEPT, Some Arab States



More Transparency	
Caller Line Identification CLI	Oblige all networks to send originating number to the termination point including all transit networks as well as all IP networks.
Possible Outcome: Support – a "should encourage" principle Reason: • More transparency • Combat spam/fraud	Support: Arab States, ATU, RCC, India, APT, Brazil Oppose: No clear opposition to principle
Mobile Roaming Retail Price	This proposes an obligation on ROAs to notify customers of all costs and charges related to international roaming to avoid any "bill shock" problems upon the Users return to their home country.
Possible Outcome: Support – a "should encourage" principle Reason: • Transparency: EU and other regions/NRAs already implement regulations – needs international cooperation and self-regulation	Support: Arab Common Position, ATU, Brazil Oppose: No clear opposition to principle

15



More Transparency	
Article 5A. Confidence and Security of Telecommunication/ICT	New article proposed by Arab Common Position and affects internet as well
Possible Outcome: Support of concept BUT • Within C & CV • Within existing ITR framework	Support: Arab Common Position, ATU, RCC, India, APT, Brazil, CITEL Oppose: No clear opposition to principle
Article 6. Charging and Accounting	Most controversial aspect and seen as attempt to control OTTs and introduce "sending party pays" principle
Possible Outcome: Oppose Reason: Commercial arrangements and no prescription of "business model" Otherwise matters for national sovereignty	Support: Arab Common Position, ETNO etc Oppose: CITEL, ATU



Other Issues...

End-to-End QoS

- Outcome could be "satisfactory" QoS change to Article 4.3 (from "minimum") and consistency with Article 3.1
- However, Net Neutrality probably be left to national sovereignty rather than ITRs
- Mandating opposed as will interfere with commercial agreements (interconnection/transit/peering)

New IP interconnection Agreements and Internet Connectivity Cost

- Outcome is likely Opposition as peering would undermine Article 9
- Also opposition because could bring Internet under International Settlements procedures
- Issues of "sustainable development" may be left to other fora and not ITRs



Conclusion...

WCIT-12 consensus approach...

- Countries could reach new levels of economic and social development through better ICT services
- Rhetoric is to make ITRs relevant to all stakeholders, so that they address and alleviate perceived concerns
- However, the principles of the ITRs have stood the test of time and should not include matters dealt within other instruments or to national sovereignty
 - Other multistakeholder groups better placed to deal with issues like internet
 - Or use of existing national powers to regulate and also cooperate with other authorities
- Without consensus controversial matters could be deferred to a further conference/conferences
- Await final deliberations next week...



Stewart White
Managing Director & CEO
Email:
stewart@akhetconsulting.com

Mob: +971 50 811 4613

Akhet Consulting FZ LLE Level 14, Boulevard Plaza Tower 1, Emaar Boulevard, Downtown Dubai PO Box 334155, Dubai, UAE

T: +971 4 455 8606

F: +971 4 455 8556

www.akhetconsulting.com