## ORGANIZACION DE LOS ESTADOS AMERICANOS ORGANIZATION OF AMERICAN STATES



Comisión Interamericana de Telecomunicaciones Inter-American Telecommunication Commission

XXVI MEETING OF THE CONFERENCE PREPARATORY WORKING GROUP February 14, 2014 Santo Domingo, Dominican Republic OEA/Ser.L/XVII.7 GT-PC/doc. 500/14 rev.4 add.28 17 February 2014 Original: English

## PROPOSAL OF MODIFICATION TO RESOLUTION 23 (Rev. Hyderabad, 2010) "INTERNET ACCESS AND AVAILABILITY FOR DEVELOPING COUNTRIES AND CHARGING PRINCIPLES FOR INTERNATIONAL INTERNET CONNECTION"<sup>1</sup>

## MODIFICATION TO RESOLUTION 23 (Rev. Hyderabad, 2010) "INTERNET ACCESS AND AVAILABILITY FOR DEVELOPING COUNTRIES AND CHARGING PRINCIPLES FOR INTERNATIONAL INTERNET CONNECTION"

MOD IAP-28

Support:

# Argentine Republic, Brazil (Federative Republic of), Canada, Dominican Republic, United States of America, Uruguay (Eastern Republic of)

[Antigua and Barbuda], [Bahamas (Commonwealth of the)], [Barbados], [Belize], [Bolivia (Plurinational State of)], [Chile], [Colombia (Republic of)], [Costa Rica], [Dominica (Commonwealth of)], [Ecuador], [El Salvador (Republic of)], [Grenada], [Guatemala (Republic of)], [Guyana], [Haiti (Republic of)], [Honduras (Republic of)], [Jamaica], [Mexico], [Nicaragua], [Panama (Republic of)], [Paraguay (Republic of)], [Peru], [Saint Lucia], [Saint Vincent and the Grenadines], [Saint Kitts and Nevis (Federation of)], [Suriname (Republic of)], [Trinidad and Tobago], [Venezuela (Bolivarian Republic of)]

## **INTRODUCTION:**

<sup>&</sup>lt;sup>1</sup> GT-PC/doc. 506/14 rev.1

Internet access has become a priority for most countries owing to its tangible benefits for their populations, by boosting economic, social and cultural development and also promoting better access to information.

Nevertheless, international Internet connection costs remain high, especially for developing countries, which is detrimental to broadband roll-out and to achieving more equitable access.

This need to bring down costs was reflected in the Tunis Agenda and has been echoed in recent world telecommunication development conferences (WTDCs), as well as at the World Telecommunication Standardization Assembly in 2012 (WTSA-12), and the World Conference on International Telecommunications 2012 (WCIT-12) and the World Telecommunication/ICT Policy Forum (WTPF-13).

A number of proposed amendments are submitted here with a view to reflecting this majority view and maximizing expansion of the Internet at prices affordable for the entire community.

## **PROPOSAL:**

## RESOLUTION 23 (Rev. Hyderabad, 2010 Dubai, 2014)

# Internet access and availability for developing countries<sup>1</sup> and charging principles for international Internet connection

The World Telecommunication Development Conference (Hyderabad, 2010 Dubai, 2014),

## recalling

*a)* — Resolution 23 (Rev. Doha, 2006) of the World Telecommunication Development Conference Resolution 64 (Rev. Guadalajara, 2010) of the Plenipotentiary Conference, on non-discriminatory access to modern telecommunication/information and communication technology (ICT) facilities, services and applications, including applied research and transfer of technology, on mutually agreed terms;

*b)* Resolution 101 (Rev. Antalya, 2006 Guadalajara, 2010) of the Plenipotentiary Conference, on Internet Protocol-based networks;

c) Resolution 69 (Rev. Dubai, 2012) of the World Telecommunication Standardization Assembly (WTSA), on non-discriminatory access and use of Internet resources, inviting Member States to refrain from taking any unilateral and/or discriminatory actions that could impede another Member State from accessing public Internet sites and using the resources, within the spirit of Article 1 of the ITU Constitution and the principles of the World Summit on the Information Society;

de the provisions of § 50 of the Tunis Agenda for the Information Society, recognizing the particular concerns among developing countries that charges for international Internet connectivity should be better balanced to enhance access, and calling for the development of strategies for increasing affordable global connectivity, thereby facilitating improved and equitable access for all, by the means described in the said paragraph, especially items a), b), c), d), e), f) and g) thereof;

<sup>&</sup>lt;sup>1</sup> These include the least developed countries, small island developing states, landlocked developing countries and countries with economies in transition.

*d)* Resolution 69 (Johannesburg, 2008) of the World Telecommunication Standardization Assembly (WTSA), on non-discriminatory access and use of Internet resources, inviting Member States to refrain from taking any unilateral and/or discriminatory actions that could impede another Member State from accessing public Internet sites and using the resources, within the spirit of Article 1 of the ITU-Constitution and the principles of the World Summit on the Information Society,

*e)* the four targets set by the Broadband Commission for Digital Development for making broadband universal and boosting affordability and uptake thereof, namely: making broadband policy universal; making broadband affordable; connecting homes to broadband; and getting people online,

f) opinion 1 of the World Telecommunication/ICT Policy Forum (WTPF-13), which expresses the view that enabling the interconnection of international, national and regional networks through IXPs may be an effective way to improve international internet connectivity and to reduce the costs of such connectivity, with regulation only when necessary to promote competition, and invites Member States to and Sector Members to work in a collaborative manner to do a number of things, including to promote public policies aimed at permitting the local, regional and international internet network operators to interconnect through Internet Exchange Points (IXPs),

## noting

*a)* that Recommendation ITU-T D.50 on international Internet connection, as amended at WTSA-08, still-recommends that administrations <u>i</u>\*-involved in the provision of international Internet connectionsnegotiate and agree to bilateral commercial arrangements enabling direct international Internetconnections that take into account the possible need for compensation between them for the value of elements such as, *inter alia*, traffic flow, number of routes, geographical coverage and cost of international transmission take appropriate measures nationally to ensure that parties (including operating agencies authorized by Member States) involved in the provision of international Internet connections negotiate and agree to bilateral commercial arrangements, or other arrangements as agreed between administrations, enabling direct international Internet connections that take into account the possible need for compensation between them for the value of elements such as traffic flow, number of routes, geographical coverage and cost of international transmission, and the possible application of network externalities among others;

*b)* the rapid growth of the internet and IP-based international services;

c) that international Internet connections remain subject to commercial agreements between the parties concerned, although Internet service provider (ISP) operators from developing countries have expressed concerns that such agreements have not achieved the required balance in regard to charges between developed and developing countries;

*d)* that the composition of costs for operators, whether regional or local, in part, is significantly dependent on the type of connection (transit or peering) and the availability and cost of backhaul and long-haul infrastructure;

*e)* that the cost of transit is an obstacle for development of the Internet in developing countries;

f) that Opinion 1 of WTPF-13 considered that establishment of IXPs is a priority to address connectivity issues, improve quality of service and reduce interconnection costs; and that IXPs and telecommunication traffic exchange points may play a relevant role in the deployment of Internet

<sup>\*</sup>The expression "administrations" is used for conciseness to indicate both a telecommunicationadministration and a recognized operating agency.

infrastructure, and reaching the overall goals of improving quality, increasing the connectivity and resiliency of networks, fostering competition and reducing the costs of interconnection;

dg) that access to information and sharing and creation of knowledge contribute significantly to strengthening economic, social and cultural development, thus helping countries to reach the internationally agreed development goals and objectives, a process which can be enhanced by removing barriers to universal, ubiquitous, equitable and affordable access to information;

*eh*) that continuing technical and economic development require ongoing studies in this area by the relevant ITU Sectors, in particular best practices for reducing the cost of international Internet connectivity (transit and peering);

*<u>hi</u>*) that efficient networks and costs enable increased traffic volumes, economies of scale and, a shift from transit connections to peering arrangements where appropriate;

 $f_{ij}$  that a rise in the costs of international connectivity will result in delayed access to and benefit from the Internet<sub>5</sub>.

*jk*) that the disparities in ICT development between countries remain substantial, with ICT Development Index (IDI) values that are on average twice as high in developed compared to developing countries,

#### recognizing

<u>a)</u> that commercial initiatives by service providers have the potential to deliver cost savings for Internet access, for example through the development of more local content and the optimization of Internet traffic routing patterns in a manner that provides for a greater proportion of traffic to be routed locally.

b) that the development of an information society requires not only the deployment of appropriate technical infrastructure but also measures to promote availability of local content, applications and services, in a range of languages and at affordable prices, while providing access to remotely available content regardless of location,

## taking into account

that, as part of the work of ITU-T Study Group 3, on tariff and accounting principles including related telecommunication economic and policy issues, a rapporteur group has been set up for the new study period (2012-2015) for the purpose of drafting a supplement to Recommendation ITU-D D.50 to facilitate the adoption of specific measures to reduce international Internet connection costs, especially for developing countries,

## resolves to invite Member States

1 to support the work of the ITU Telecommunication Standardization Sector (ITU-T) in monitoring the application of Recommendation ITU-T D.50 (Rev. Johannesburg, 2008 Dubai, 2012), bearing in mind the importance of this issue for international Internet connectivity of international Internet connection costs in the developing countries;

<u>2</u> to make progress in the coordination of regional policies in order to reduce international Internet connection costs, by agreeing on specific measures that will lead to an improvement in conditions for developing countries, including the deployment of regional IXPs; 23 to create policy conditions for effective competition in the international Internet backbone network access market as well as in the domestic Internet access service market as an important aspect of lowering the cost of Internet access for users and service providers;

34 to implement the Tunis Agenda in this respect, particularly § 50 thereof,

## reaffirms

its resolution in the quest to continue to ensure that everyone can benefit from the opportunities that information and communication technologies (ICTs) can offer, by recalling that governments, as well as the private sector, civil society and the United Nations and other international organizations, should work together to: improve access to information and communication infrastructure and technologies as well as to information and knowledge; build capacity; increase confidence and security in the use of ICTs; create an enabling environment at all levels; develop and widen ICT applications; foster and respect cultural diversity; recognize the role of the media; address the ethical dimensions of the information society; and encourage international and regional cooperation,

#### urges regulators

to promote, within the context of national policy, competition among all such measures as may be considered appropriate to foster an improvement in conditions for service providers, including small and medium-sized ISPs and incumbent network access service providers, with a focus on reducing connectivity costs as referred to in *noting* c), d, f and i above,

#### urges service providers

to negotiate and agree to bilateral commercial arrangements enabling direct international Internet connections that take into account the possible need for compensation between them for the value of elements such as, *inter alia*, traffic flow, number of routes, geographical coverage and the cost of international transmission,

## instructs the Director of the Telecommunication Development Bureau

<u>1</u> to organize and coordinate activities that promote information sharing among regulators on the relationship between charging arrangements for international Internet connection and the affordability of international Internet infrastructure development in developing and least developed countries, through cooperation with ITU-T in this matter, by giving the necessary priority to the relevant study Questions in the work under the programme concerned-:

2 to undertake studies on the structure of international Internet connection costs for developing countries, with emphasis on the influence and effects of the connection mode (transit and peering) and the availability and cost of backhaul and long-haul physical infrastructure;

<u>3</u> to coordinate actions to provide training and technical assistance in order to encourage and promote the creation and development of regional interconnection infrastructure as a platform for exchanging Internet traffic between developing countries.