

ITU Workshop on Interconnection

17-19 August 2001

Sanya City, Hainan, China

Opening Remarks

by

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Your Excellencies,
Distinguished Participants,
Ladies and Gentlemen,

First, let me say that it is a great pleasure for me to welcome you to the Workshop on Interconnection. We are indeed fortunate to have been invited to the beautiful island of Hainan by our host, the Government of the People's Republic of China. The venue for our workshop, Sanya City, is famous for its pleasant climate and picturesque seashore; in fact, it is often billed as the "Hawaii of the east." I am sure that we will have the opportunity to experience these extras first-hand during our stay.

Next, allow me, on behalf of the ITU Secretary-General, Mr. Yoshio Utsumi, and the Director of the BDT, Mr. Hamadoun Touré, to extend a very warm ITU welcome to all of you who are participating in this workshop.

Interconnection seems to be one of the "hot topics" in Chinese telecommunications these days. Obviously, with the phenomenal rate of network rollout in China and the increasing number of operators, interconnection is of keep interest to both the Ministry of Information and Industry and the operating companies alike. Your imminent entry into the WTO has undoubtedly added urgency to rationalizing the interconnection issues facing all players in the sector.

ITU also sees interconnection as a "hot topic." In fact, interconnection has been on the ITU agenda for many years. Dr. Pekka Tarjanne, former ITU Secretary-General, initiated a series of Regulatory Colloquia. The fourth in the series held in Geneva from 19 -21 April 1995 dealt with interconnection. Please allow me to quote from the Chairman's Report of the Fourth Regulatory Colloquium.

Interconnection issues have been central elements on the agendas of telecommunications operators since the earliest telephone and telegraph systems were being established towards the end of the last century. Early systems were stand-alone, yet it became clear that only through effective interconnection would the value of the service be increased.

In all nations, telecom operators and policy makers have accepted the essential requirement that all telephone users must have ready access to all others. The strong trends towards privatization and deregulation have further highlighted the overall importance of clear and effective interconnection policies.

From the Chairman's Report it is clear that interconnection issues have been with us for more than a century.

Last year from 20-22 September in Geneva, the ITU conducted a Workshop on Fixed-Mobile Interconnection under the New Initiatives Program. Again, allow me to quote, this time, from the ITU website:

Mobile has become the primary vehicle for extending networks to increase coverage in developing countries, and there are enormous disparities in treatment of fixed-to-mobile interconnection among countries affecting growth," said William Melody, adviser to the ITU.

Fixed-mobile interconnection is probably one of the most contentious issues facing the telecom sector today, and I am sure of great interest to all of you. I believe that we will be discussing this during the next several days.

Most recently, ITU held the third World Telecommunication Policy Forum (WTPF) on IP Telephony from 7-9 March 2001 in Geneva. In a background paper for the Forum entitled, "Internet Telephony - The Regulatory Issues," by H. Intven, M. Zohar & J. Howard, the authors stated the following:

Spurred on by "Internet Fever", providers of various forms of IP telephony have assembled the financial and technical tools to challenge voice telephony markets head-on. As they do so, they will increasingly run up against (or in many cases, run around) existing telecommunications industry arrangements and regulatory models that are already under threat from the forces of deregulation and trade liberalization.

Further, the Chairman's Report (Mr. Tony Wong) on the Forum stated:

Major issues. . .include those related to interconnection and access, both between service providers and among operators of all types of communication networks. Examples include access to numbering resources, unbundling of local loops, sharing of directory information, offering of leased circuits at wholesale prices and number portability.

Further issues to be considered are the inter-working and convergence between IP-based and circuit-switched networks, especially in view of the fact that it is anticipated that IP will be widely used in third generation (3G) mobile networks.

It is abundantly clear that interconnection issues transcend time, technology and territory. Facing the issues and finding fair and balanced ways forward are the major challenges facing us today. This is precisely what we wish to begin exploring in this workshop. We have brought together an eminent group of experts to help lead the discussions. Ask probing questions! This is the best way to get the most from our few days together.

Your Excellencies,
Distinguished Participants,
Ladies and Gentlemen,

Before I close, let me wish you all a successful Workshop. I look forward to the hard work of our deliberations, the delights of the "Hawaii of the east" and the hospitality of the Hainanese people.

Thank you very much.