


International
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for Regulators

International Interconnection, NGN and ICT Development

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International Telecommunication Union

Trends in International PSTN Interconnection

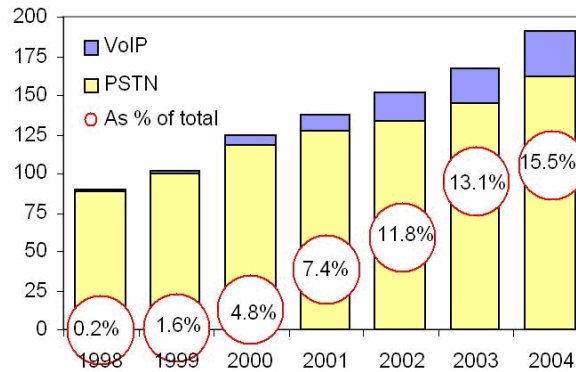
- **The Accounting Rate System**
 - Half-circuit model
 - Not necessarily cost based
- **Decline of the AR System**
 - Market liberalization and competition
 - Regulatory intervention
 - E.g. FCC 1997 Benchmarks Order
 - Growth of VoIP
 - Migration to NGN?

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Trends in International PSTN Interconnection

International Voice Traffic
in billions of minutes



Trends in International Internet Interconnection

- **Charging Arrangements**
 - Peering and Transit
 - International VoIP Interconnection
- **New charging models?**
 - Better than “best efforts”?
 - Differentiated charging?
 - International end-to-end quality of service and security guarantees
 - Global “net neutrality”?



Trends in International Internet Interconnection

- **Market Overview**
 - A US-centric internet
 - Increasing competition and capacity
- **Regulation and Reform**
 - National competition policy
 - International cooperation
 - ITU – Recommendation D.50
 - APEC
 - WSIS - WGIG



International Interconnection and ICT Development

- **Mitigating the impact of declining settlement revenues**
 - Sector liberalization and reform
 - Domestic market growth
 - International Reform Efforts
 - ITU-T Study Group 3
 - Targeted development assistance



International Interconnection and ICT Development

- **Reducing the cost of international internet connectivity**
 - **Expanding international internet infrastructure**
 - E.g. FLAG NGN, EASsy, etc.
 - **Sector reform**
 - Liberalization of international facilities and open access
 - Domestic sector reform – licensing, spectrum management, interconnection (unbundling, leased lines, etc.) ...
 - **Facilitating traffic aggregation and exchange**
 - Establishing IXPs



Thank you

<http://www.itu.int/ITU-D/treg>

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