

our reference Mr Yoshio Utsumi Secretary-General International Telecommunication Union Place des Nations CH-1211 Geneva 20 Switzerland

Attention: Mr Arthur Levin

Dear Mr Utsumi

Thank you very much for your letter of 17 October 2000 regarding the first Informal Expert Group Meeting of WTPF-01: IP Telephony, and also for your Draft Report, circulated to members on 1 November 2000.

As you are aware, I was unable to attend the first Informal Expert Group Meeting on 16-17 November 2000. However, Australia wishes to participate in this process and I would be grateful if you would forward the following comments for consideration by the second meeting of the Informal Expert Group in January 2001 and possible inclusion in drafting of opinions to be considered by the Policy Forum.

In general, Australia encourages the adoption of regimes that regulate services according to their functionality, rather than according to the technology used to deliver the service. In this context, Australia would be interested in sharing experience and advice with other countries as well as cooperating in sharing information about possible transitions from a circuit-switched to an IP-based network.

A possible opinion could advocate the development of competitive domestic and international communications environments. Technological neutrality is an important principle within such an environment for ensuring that particular competing technologies are neither advantaged nor disadvantaged thus maximising the opportunities for diversity, flexibility and innovation in the supply of services. This applies equally to conventional, PSTN telephony as it does to IP telephony. In this respect, the competition and technological neutrality principles support each other.

Australia believes that the list of avenues for international coordination at section 5 of the Draft Report provides a good basis for discussion of relevant issues.

In addition, we would suggest there is a role for Study Group 3 in this process. We expect that some of Study Group 3's work program over the next few years may

generate outcomes that can assist in understanding and addressing matters relating to the handling of telephony, including IP telephony. Study Group 3 is examining the question of reform and development of charging, accounting and settlement principles for international telephone services. This issue acknowledges the changing environment with issues arising such as asymmetry arising across regulatory regimes, multi-operators, and competition between carriers operating within the accounting rate system and resellers outside this framework. Australia would like to see close liaison between the work of WTPF-01 and Study Group 3 on these issues.

Thank you once again for your invitation to participate in this important work. At this stage we are proposing to have Mr Michael Moynihan of this Department represent Australia at the 18-19 January meeting and would wish to be included on the agenda to give a presentation.

Yours sincerely

Brenton Thomas A/g General Manager Competition and Consumer Branch

November 2000