

Remarks by ATU Secretary General during the opening of the East Africa Consultations on ITRs and Internet Governance (EAIGF), Nairobi 17th July, 2012.

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Alice Munyua, Chairperson, Kenya IGF,

Preetam Maloor, ITU Representative

Ladies and Gentlemen

Good morning and welcome to the East Africa consultations on ITRs and Internet Governance Forum.

On behalf of the ATU Secretary-General Mr. Soumaila Abdoukarim, I would like to thank the Kenya Government through the Permanent Secretary Dr. Ndemo and the Kenya IGF Steering committee for involving ATU in this important process of preparing the East Africa perspective on ITRs and also on IGF issues. May I also thank the ITU for their collaboration and support in ATU activities.

This meeting here presents us, East African countries, with a chance, to coordinate our efforts and unify our voices on the above matters for the welfare of our countries. In spite of these opportunities, there are several challenges that we are going to face.

As you may already know, the current version of the International Telecommunication Regulations (ITRs) have remained unchanged since 1988,

though significant measures have been taken and new policies have been adopted in the ICT sector ever since that date . Chief among these measures and policies have been the ICT sector's liberalization, which had a huge effect on the ITRs. With the liberalization of the ICT sector the number of private operators increased and thus monopolies of national operators decreased.

Moreover, traditional international communications have changed, where services like fixed telephony have been transformed into new forms including VOIP. New services like mobile telephony and IP communications were very limited back in 1988 when the ITRs were developed. Today, they are of overwhelming significance. Dynamics in IP communications are very different from traditional voice. Players are different. Network structure is different. Network interconnection arrangements are also very different.

These tremendous changes in the international telecommunications sector have made the ITRs of little relevance today. The most specific rules, such as those in relation to accounting rates, have been surpassed by reality. IP communications are largely outside the reach of the current ITR.

Article 6 and Appendix 1 of the ITR are focused on the economic conditions of fixed telephony. Such specific conditions have been surpassed by reality in the telephony market and they were not even taken into consideration for IP communications.

Other issues of great importance and complexity, are those related to pricing of international communications. The old debate about network externalities in the pricing of international telephony services is now mixed with more complex issues.

Ladies and Gentlemen,

The Internet is creating a large community of 2 billion subscribers of all ages and much of the Mobile telephony business as we know it today will fall into the same business model as the Internet whose characteristics include lack of regulation/taxation and free market. Although these major technological innovations should be welcomed to replace the existing networks, their economic impact should not be detrimental to African telecom sector as a result of globalization.

Today, many global Service Providers, Application/Content Providers, and VoIP Service Providers are already delivering their services beyond borders, all the way to the most remote towns in Africa. The telecom borders are blurred. Consequently, the traditional international settlements between operators and service providers become more complex to oversee. Electronic Payments are taking place outside of the territories where the actual service was sold and the fiscal authorities are complaining about the lack of transparency in the settlements of international services.

More and more, electronic payments are made over the Internet, outside of any fiscal jurisdiction and the accounting of the international revenues of the sector lacks transparency. This has become a major problem for the governments in emerging economies where the Telecom sector accounts for 25-35% of their fiscal revenues.

Ladies and Gentlemen,

Throughout these two day's Meeting, we will be using various technical terms, including "spam", "fraud", "Hub" and "Hubbing", that in my view, require specific definitions, which will allow all Member States to have a common understanding

of such terms, to be able to tackle issues between countries in a more direct and transparent manner.

Moreover, the issue of numbering and calling party identification is a topic that is affecting us all. We receive international phone calls and the calling party number is not transmitted. Such issues need to be regulated and need to be tackled at the WCIT-12 and in the ITRs. One of the ideas could be to include in the ITRs a specific article that requires unconditional transmission of international calling party number and other identifiers. On the other hand, there is the view that Member States should not be required to implement obligations regarding calling party number delivery. As Technology evolves, the sovereign rights of Member States should not be restricted.

Of course, these topics are highly debatable, and it will require us a lot of hard work to reach consensus and to agree on a final proposal that suits the different member states.

We hope this meeting will meet our objectives to make ITRs more relevant, to share national and sub-regional experiences based on the WCIT-12 agenda items, and finally to develop the preliminary views as our contribution to the African Common Proposals, Positions and the necessary coordination procedures and arrangements for WCIT-12 activities.

Though we have achieved a lot in Africa, yet a lot is still ahead of us and the potentials of our countries be exploited and encompassed more and more in the cooperative plans. This is shown in the ever-increasing keenness and support of all parties. With your help, today, we hope to be able not just to continue making a

difference, but to do so with the spirit and enthusiasm required to meet our expanding goals and ambitions.

The outcome of this meeting will therefore be a major contribution to the common vision of this continent on the way it wishes to see the ITRs evolve in order to achieve today's goal of building one global village , a global information society.

We at ATU are committed to working with all the structures in place to ensure that we address these challenges which are important for the creation of a fully inclusive information society, one that ensures the world's citizens can gain equitable and affordable access to voice, video and data.

Consequently, we would like to extend our appreciation to all the Members of ATU in this sub-region for their continued support in ATU activities. I will not forget to also thank our Associate Members, one of whom is here with us today for their support. I take this opportunity to welcome all industry players in the sub-region to join ATU family that we together can drive ICT forward in the continent for the benefit of our people.

It is also a great honour for me to invite you all to the final African Regional preparatory meeting for WCIT-12 which will be held in Accra, Ghana from 25-26 September, 2012 to prepare its final proposals to WCIT-12.

I wish you all a productive meeting and once again, thank you for making this East African consultative meeting on ITRs and IGF a reality.

I thank you for your attention