UNITED STATES AND HUNGARY REGULATOR CONSULTATIONS ON TELECOMMUNICATIONS

WORK PROGRAM January 2001-December 2001

1. Introduction

The United States of America Federal Communications Commission (FCC) and the Republic of Hungary *Hirközlési Főfelügyelet* (HIF) desiring to expand their collaboration on issues of mutual interest, have agreed on the following program of cooperative activities to be accomplished during the January through December 2001 period.

2. Work Program

- 2.1 Competition in long distance network service, local telephony service and mobile services markets: The FCC and HIF will exchange information and experiences on key issues related to the promotion of competition in the markets for long distance, local telephony service and mobile telecommunications services. Topics to be addressed include:
 - 2.1.1 The role of interconnection and development of cost-based interconnection rates;
 - 2.1.2 Implementation, supervision and monitoring of the carrier selection processes;
 - 2.1.3 Implementation, supervision and monitoring of number portability
 - 2.1.4 Implementation and pricing of Universal Service; and
 - 2.1.5 The role of resale in promoting competitive markets (e.g., general conditions for the emergence and growth of resale and the U.S. experience).
- 2.2 Internet for Development: The two agencies will discuss policy approaches for extending the impact of the Internet revolution.
 - 2.2.1 In implementing this action item, the FCC will coordinate with other relevant agencies of the United States government to ensure that HIF has a comprehensive view of the U.S. experience in this area.

- Regulatory Approaches to Anti-competitive Behavior in the Marketplace: The 2.3 FCC (in consultation with other relevant U.S. agencies) and HIF (in consultation with other relevant Hungarian agencies) will exchange experiences regarding their governments' pro-competitive policies and explore regulatory measures designed to prevent anticompetitive behavior by dominant firms
 - In implementing this action, the FCC will coordinate with other relevant agencies of the United States government to ensure that HIF has a comprehensive view of the U.S. experience in this area.
- Promotion of Infrastructure Development: The FCC and HIF will exchange views and experiences on the use of various incentives/policies to encourage the expansion 2.4 and/or (where appropriate) the sharing of telecommunications infrastructure.
 - Attention will be given to special cases to consider in the elaboration of general principles to guide policies designed to encourage the development of new infrastructure (e.g. the impact of a finding of dominance or significant market power for infrastructure sharing; criteria for addressing the issue of sharing of ducts and poles among telecommunications firms).
- Rulemaking Procedures and the Public Process: In support of HIF's on-going efforts to explore ways to enhance the transparency and openness of its regulatory 2.5 processes and procedures and improve its accountability in terms of its ability to satisfy the diverse needs of telecommunications users, the FCC will share its experiences with HIF on a range of issues related to regulatory process related to managing an effective, independent regulatory process. Issues to be addressed include:
 - internal agency structure; 2.5.1
 - jurisdiction and the rulemaking process; 2.5.2
 - transparent and effective frequency auction process
 - 2.5.4 the proper role of, and ethical standards for regulatory and policy making staff;
 - the processing of applications and delegation of authority; and 2.5.5
 - the tasks of arbitration, and public consultation for managing conflict of 2.5.6 interest.
- Telecommunications training: The FCC and HIF will seek to expand training and other personnel development activities for HIF staff, including expanded use of the 2.6 FCC International Visitors Program.

2.7 Other Exchanges

Throughout the year, the FCC an HIF will exchange information on other regulatory issues relating to telecommunications, including developments of mutual interest in the International Telecommunication Union and the European Union, trends in technology, satellite licensing issues, and operational aspects of communications services, including experimental authorizations and new services.

3.0 Implementation

- 3.1 Implementation activities under this work program are subject to the resources constraints of both organizations and may be modified as necessary by mutual agreement.
- 3.2 The officials with other overall responsibility for monitoring implementation of this work program are for the FCC: Donald Abelson, FCC International Bureau Chief; and for HIF, Dr. Ivan Schmideg Vice President International.

FOR THE FEDERAL COMMUNICATIONS

FOR THE HİRKÖZLÉSI FÖFELÜGYELET

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