

Group on Basic Telecommunications

Original: English

COMMUNICATION FROM THE UNITED STATES

Conditional Offer

Revision

The following communication is circulated at the request of the United States to members of the Group on Basic Telecommunications.

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On November 13, 1996, the United States improved its market access commitments (S/GBT/W/1/Add.2) in response to requests from our negotiating partners. The United States is now revising its offer to delete the words "subject to spectrum availability" as suggested by the Chairman's Note of February 3, 1997 (S/GBT/W/3). In addition, the United States has clarified its offer with regard to direct foreign ownership of common carrier radio licenses. The United States maintains its market opening offer of 100% indirect foreign ownership of common carrier radio licenses. As a result, foreign investors will receive national treatment in accordance with U.S. law.

The United States has also clarified that its offer does not include one-way satellite transmissions of Direct-to-Home and Direct Broadcast Satellite television services and of digital audio services. This technical change is required because these services are considered basic telecommunications in the United States but are not part of these negotiations.

The U.S. commitments are based on the Chairman's Note of January 16, 1997 (S/GBT/W/2/Rev.1).

This schedule is conditioned upon the agreement by a critical mass of WTO members to provide market access and national treatment for basic telecommunications services, as well as to provide commitments regarding the regulatory principles contained in the reference paper. The United States reserves the right to supplement or modify this schedule during the period ending on February 15, 1997 or to make technical corrections at any time.

**UNITED STATES - REVISED CONDITIONAL OFFER**

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3)  
Commercial presence 4) Presence of natural persons

<b>Sector or Sub-sector</b>	<b>Limitations on Market Access</b>	<b>Limitations on National Treatment</b>	<b>Additional Commitments</b>
2.C. TELECOMMUNICATIONS SERVICES*:			

2.C.a.	Voice services	(1) None	(1) None	The United States undertakes the obligations contained in the reference paper attached hereto.
		(2) None	(2) None	
2.C.b.	Packet-switched data transmission services	(3) None, other than - Comsat has exclusive rights to links with Intelsat and Inmarsat.	(3) None	
2.C.c.	Circuit-switched data transmission services	- Ownership of a common carrier radio license:		
2.C.d.	Telex services	Indirect: None		
2.C.e.	Telegraph services	Direct: May not be granted to or held by		
2.C.f.	Facsimile services	(a) foreign government or the representative thereof		
2.C.g.	Private leased circuit services	(b) non-U.S. citizen or the representative of any non-U.S. citizen		

<p>2.C.o. Other</p> <p>Mobile Services</p> <p>Analogue/ Digital cellular services</p> <p>PCS (Personal Communications services)</p> <p>Paging services</p> <p>Mobile data services</p> <p>*Excluding one-way satellite transmissions of DTH and DBS television services and of digital audio</p>	<p>(c) any corporation not organized under the laws of the United States or</p> <p>(d) U.S. corporation of which more than 20% of the capital stock is owned or voted by a foreign government or its representative, non-U.S. citizens or their representatives or a corporation not organized under the laws of the United States.</p> <p>(4) Unbound except as indicated by horizontal commitments</p>	<p>(4) Unbound except as indicated by horizontal commitments.</p>	
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ATTACHMENT TO THE UNITED STATES CONDITIONAL OFFER IN  
BASIC TELECOMMUNICATIONS SERVICES

REFERENCE PAPER

Scope

The following are definitions and principles on the regulatory framework for the basic telecommunications services.

Definitions

Users mean service consumers and service suppliers.

Essential facilities mean facilities of a public telecommunications transport network or service that

- (a) are exclusively or predominantly provided by a single or limited number of suppliers; and
- (b) cannot feasibly be economically or technically substituted in order to provide a service.

A major supplier is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for basic telecommunications services as a result of:

- (a) control over essential facilities; or
- (b) use of its position in the market.

1. Competitive safeguards

1.1 Prevention of anti-competitive practices in telecommunications

Appropriate measures shall be maintained for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.

1.2 Safeguards

The anti-competitive practices referred to above shall include in particular:

- (a) engaging in anti-competitive cross-subsidization;
- (b) using information obtained from competitors with anti-competitive results; and
- (c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.







**LIST OF MFN EXCEPTIONS**

Sector or Subsector	Description of measures indicating its inconsistency with Article II	Countries to which the measures applies	Intended duration	Conditions creating the need for the exemption
Telecommunications Services: One-way satellite transmission of DTH and DBS television services and of digital audio services	Differential treatment of countries due to application of reciprocity measures or through international agreements guaranteeing market access or national treatment	All	Indefinite	Need to ensure substantially full market access and national treatment in certain markets