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**S/GBT/W/1/Add.37/Rev.1**

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**Group on Basic Telecommunications**

Original: Spanish

COMMUNICATION FROM CHILE

Offer of Commitments by Chile in Basic Telecommunications

Revision

The attached communication is circulated at the request of Chile to members of the Group on Basic Telecommunications.

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I have the honour to attach a revision of Chile's conditional offer in the context of the negotiations on Basic Telecommunications Services.

The present revision of Chile's conditional offer incorporates the following changes to the offer circulated on 13 February in document S/GBT/W/1/Add.37:

Chile's schedule of commitments excludes one-way satellite transmissions of Direct-to-Home and Direct Broadcast Satellite television services and of digital audio services. It also excludes free reception broadcasting services.

The classification used in each service included in the conditional offer is also indicated.

This offer is contingent on the content of the offers of the other participants in these negotiations and the extent to which the offers respect the most-favoured-nation clause. Chile also makes this schedule contingent on acceptance by the other Members of the WTO of Chile's requests.

Chile reserves the right to maintain, modify or reduce this schedule at any time, in keeping with the conditions described. It also reserves the right to introduce any technical changes it deems relevant.

# OFFER OF COMMITMENTS BY CHILE IN BASIC TELECOMMUNICATIONS

## Revision

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

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|---|---|
| BASIC TELECOMMUNICATIONS SERVICES:<br><br>Telecommunications services consist of the transport of electromagnetic signals (sound, data, image or any combination thereof) regardless of the type of technology used. This definition does not cover the economic activity consisting of the provision of a service the content of which requires the use of telecommunications services for its transport.<br><br>The provision of a service the content of which is transported via telecommunications services is subject to the terms and conditions established in the schedule of specific commitments undertaken by Chile in that sector, subsector or activity. | | | |

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

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|---|---|
| The commitments in this offer take account of the notes of the Chairman of the Group on Basic Telecommunications (S/GBT/W/2/Rev.1 and S/GBT/W/3).<br><br>Chile's schedule of commitments excludes local basic telecommunications services, one-way satellite transmissions of Direct-to-Home and Direct Broadcast Satellite television services and of digital audio services. It also excludes free reception broadcasting services. | | | |

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

| Sector or subsector | Limitations on market access | Limitations on national treatment | Additional commitments |
|---|---|---|---|
| Includes only domestic and international long-distance basic telecommunications services:<br><br>(a) Telephone services (CPC 7521)<br>(b) Packet-switched data transmission services (CPC 7523**)<br>(c) Circuit-switched data transmission services (CPC 7523**)<br>(d) Telex services (CPC 7523**)<br>(e) Telegraph services (CPC 7522)<br>(f) Facsimile services (CPC 7521** + 7529**)<br>(g) Private leased circuit services (CPC 7522** + 7523**)<br><br>Other:<br><br>- Domestic and international satellite services and satellite links/capacity.<br><br>- Mobile/cellular services: personal communications services, paging services, mobile data transmission services. | Horizontal measures remain as indicated in the schedule of specific commitments.<br><br>(1) None<br><br>(2) None<br><br>(3) Subject to a concession, licence or permit from the Sub-Secretariat for Telecommunications.<br><br>The supplier providing a (domestic and international) long-distance telephone service must be an open corporation.<br><br>(4) Unbound, except as indicated in the horizontal commitments. | Horizontal measures remain as indicated in the schedule of specific commitments.<br><br>(1) None<br><br>(2) None<br><br>(3) None<br><br>(4) Unbound, except as indicated in the horizontal commitments. | To promote free competition, for a period of four years from 27 August 1994, participation in the market by suppliers of domestic long-distance services shall be limited to a maximum percentage of the total of taxable minutes for domestic long-distance telephone services established by law.<br><br>Additional commitments concerning regulatory aspects (see attached note). |

# REFERENCE PAPER

## Scope

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

## Definitions

Users mean consumers of services and suppliers of services.

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 it 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.

## 2. Interconnection

2.1 This section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier and to access services provided by another supplier, where specific commitments are undertaken.

2.2 Interconnection to be ensured

Interconnection with a major supplier will be ensured at any technically feasible point in the network. Such interconnection is provided:

(a) Under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries or other affiliates;

(b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and

(c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2.3 Public availability of the procedures for interconnection negotiations

The procedures applicable for interconnection to a major supplier will be made publicly available.

2.4 Transparency of interconnection arrangements

It is ensured that a major supplier will make publicly available either its interconnection agreements or a reference interconnection offer.

2.5 Interconnection: dispute settlement

A service supplier requesting interconnection with a major supplier will have recourse, either:

(a) At any time; or

(b) after a reasonable period of time which has been made publicly known

to an independent domestic body, which may be a regulatory body as referred to in paragraph 5 below, to resolve disputes regarding appropriate terms, conditions and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.

3. Universal service

Any Member has the right to define the kind of universal service obligation it wishes to maintain. Such obligations will not be regarded as anti-competitive *per se*, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by the Member.

4. Public availability of licensing criteria

Where a licence is required, the following will be made publicly available:

(a) All the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and

(b) the terms and conditions of individual licences.

The reasons for the denial of a licence will be made known to the applicant upon request.

5. Independent regulators

The regulatory body is separate from, and not accountable to, any supplier of basic telecommunications services. The decisions of and the procedures used by regulators shall be impartial with respect to all market participants.

6. Allocation and use of scarce resources

Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, will be carried out in an objective, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands will be made publicly available, but detailed identification of frequencies allocated for specific ~~government~~ uses is not required.