on nondiscriminatory terms and conditions; and

 Consider the full range of options for promoting competition in Intelsat and Inmarsat, including: (1) Pursuing changes designed to increase the operational efficiency of Intelsat and Inmarsat, retaining their fundamental intergovernmental character, but substantially reducing the scope of the current intergovernmental agreements by removing provisions that convey unfair advantage and inhibit efficient functioning; (2) transforming the organizations into private corporations; and (3) transforming the organizations into multiple private service providers that compete with one another, as well as with others.

In selecting among these options, the goal must be to enhance competition and not diminish it.

## C. Providing Open Access

Achieving the goal of a global information market will require government action to ensure that all information service providers have access to facilities, networks, and network services on a nondiscriminatory and low cost basis. By ensuring open access to facilities and networks, and thus promoting competition, governments can dramatically increase the availability of information services to all consumers.

Maximizing consumer choice among diverse sources of information should be the primary objective. As the information needs among consumers will vary, both within and among nations, attempts to predict the information resource requirements of citizens should be avoided. Rather. governments should foster market and regulatory climates conducive to the broadest possible access to and distribution of information. As countries accelerate the development of their respective information infrastructures. more and more consumers will seek access to networks and services that cross national and international boundaries. Improving consumer access to diverse sources of information has direct social and economic benefits. The ability to generate, exchange, and use information, technology, and ideas is central to economic growth and development, increased competitiveness in a range of industries, and to the improvement of the quality of life.

An essential technical element of the open access concept is interoperability, i.e., the ability to connect applications, services, and/or network components so that they can be used together to accomplish tasks. As the GII will be based on many different existing and emerging components at local, national, and global levels, it is imperative that these components be interoperable. The key to interoperability is the development of global standards. We believe such standards should be voluntary and developed through a process that is largely market-driven and that takes into account the views of both the large and well established and the smaller, newer market players.

Three principal international standards organizations involved in the development of information technology and telecommunications standards are the International Organization for Standards (ISO), the International Electrotechnical Commission (IEC), and the International Telecommunication Union (ITU). The ISO and IEC develop information technology standards through the ISO/IEC Joint Technical Committee 1, while the ITU concentrates on telecommunications standards. Further, there has long been coordination and collaboration between the ISO/IEC Joint Technical Committee 1 and the ITU, which has helped minimize the duplication of standards development work and the possibility of conflicting information technology and telecommunication standards.

The vast majority of countries adhere to the processes of developing international standards and the resulting recommendations from all three organizations. In the U.S., and increasingly in other countries, the private sector plays an essential role in these international standards development processes by providing the technical expertise and resources to develop standards at national and international levels.

It may also be constructive to consider encouraging greater collaboration and cooperation both domestically and internationally among the different standards bodies, including less formal organizations. In recent years in the United States, a significant number of new standards consortia, whose principal focus is in the standards implementing arena, have been established outside of the traditional national standards development organizations. These new consortia have often sped up the widespread adoption of internationally generated standards, and their memberships have included small and medium-sized companies.

Given the convergence of technologies and the rapid changes in national and international market structures, the development and acceptance of voluntary, international standards are critical to the development of the GII. The international standards organizations and their memberships must redouble their efforts to ensure that standards are developed that assist the rapid delivery of information. Moreover, the pace of the work in international bodies must continue to increase to better reflect marketplace needs for technological development, so as not to impede the realization of the GII. In the absence of timely development and implementation of standards on a global basis, the benefits of improved interoperability will be delayed.

## **Recommended Action**

In partnership with the private sector, governments can take action to improve access to facilities and networks, and promote the availability of a wide range of diverse services and information, including strong support for the development of international standards that promote interoperability. To achieve these goals, the United States will join with other governments to:

 Develop appropriate policies that encourage increased access by citizens to diverse sources of information;

• Provide unrestricted and equitable access to networks for providers and consumers of services and content, based on sound commercial practices;

• Hold regular bilateral and multilateral dialogues on ways of increasing the flow of information across borders to facilitate greater access to content by consumers;

• Encourage an open, voluntary standards-setting process that does not denigrate intellectual property rights and which includes the participation of a broad group of interests, including the private sector, consumers, and, as appropriate, government agencies;

• Work through regional and international bodies to increase the pace of consensus-based, voluntary, and transparent standards development and adoption, and to promote the broad dissemination of standards-related information;

• Work together and with national, regional, and international standards bodies to identify priority areas for increased coordination among different private national and international bodies in support of interoperability of networks and services on the GII.

## D. Creating a Flexible Regulatory Environment

Policymakers worldwide face a daunting challenge: Creating an appropriate regulatory regime that minimizes regulation and fosters competition through transparent rules and processes and is sufficiently flexible to be responsive to changing technologies and markets. As the pace