



# NEWS

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**Federal Communications Commission**  
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**Washington, D. C. 20554**

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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## FCC ADOPTS DETARIFFING AND STREAMLINING MEASURES REGARDING INTERNATIONAL INTEREXCHANGE SERVICES

Washington, D.C. – The Federal Communications Commission (FCC) took action today to promote further deregulation of international long distance services. As part of its Biennial Regulatory Review under Section 11 of the Communications Act, the Commission adopted a Report and Order that cuts red tape for most providers of international telephone services and provides benefits to consumers.

The Commission's Order eliminates the significant regulatory burden that non-dominant carriers file tariffs for most international interexchange services. The Commission previously adopted similar rules requiring the detariffing of most domestic services.

Specifically, the Commission concludes in the Order that competitive conditions in the international market are now such that tariffs are no longer necessary to protect consumers and promote competition. Therefore, the Order concludes that the Communications Act requires the Commission to forbear from the tariffing requirements in Section 203 of the Act as they apply to non-dominant carriers providing international interexchange services. The tariffing requirements will continue to apply a small category of carriers (*e.g.*, those that are classified as dominant for reasons other than an affiliation with a foreign carrier that possesses market power).

In addition to reducing regulatory burdens, the Commission's actions will produce significant consumer benefits. Eliminating the tariffing requirement will pave the way for consumers to enter into contracts directly with telephone carriers for their international services, as they currently do for other services provided by unregulated industries. The action also will remove the harmful effects to consumers of the "filed rate doctrine," the practical effect of which is to permit carriers to alter unilaterally the rates, terms, and conditions for services by relying on tariffs filed with the Commission.

To ensure that consumers have access to rate information in an easy-to-understand format, the Commission requires carriers to make rate and service information available to the public in at least one location during regular business hours and those carriers that maintain Internet websites to post this information on-line. In addition, the Order requires carriers to maintain price and service information for each of their international offerings for two years and

six months after they cease to provide the offering. This requirement will assist the Commission in monitoring compliance with provisions of the Communications Act and the Commission's rules requiring that rates be reasonable and not unreasonably discriminatory.

The Commission retains tariffing requirements for four types of international service for which it would be impossible or impracticable for carriers to establish contractual relationships with customers. The four types of service are: international dial-around services; inbound international collect calls; "on-demand" Mobile Satellite Services; and, for services to new customers that choose their long distance provider through their local service provider (for the first 45 days of service or until there is contract between the customer and the long distance provider, whichever occurs first).

The Commission provides a transition period of nine months from the effective date of the Order to permit carriers time to adjust to detariffing. At the end of the transition period, carriers must be in compliance with the detariffing rules. During this nine-month period, carriers may, but are not required to, detariff their international services. Pursuant to separate Commission action, carriers are required to detariff domestic services by July 31, 2001. The Commission expects that many carriers will decide to detariff both their domestic and international services at the same time.

In addition to its action on the tariffing requirements, the Commission clarifies, as part of its Biennial Regulatory Review, that the scope of the Section 43.51 filing requirement is limited to a small class of contracts. Specifically, the Commission further reduces the regulatory burden on non-dominant carriers by clarifying that the contract filing requirement in Section 43.51 of the Commission's rules applies solely to: (1) carriers classified as dominant for reasons other than foreign affiliation; and (2) carriers, whether classified as dominant or non-dominant, contracting directly for services with foreign carriers that possess market power.

Action by the Commission, March 16, 2001, by Report and Order (FCC 01-93). Chairman Powell, Commissioners Ness and Tristani, with Commissioner Furchtgott-Roth concurring and Commissioners Ness and Furchtgott-Roth issuing statements.

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