

**SEPARATE STATEMENT OF
CHAIRMAN MICHAEL K. POWELL**

*Re: In the Matter of International Settlements Policies Reform, IB Docket No. 02-324;
International Settlements Rates, IB Docket No. 96-261 (Adopted March 11, 2004)*

Today's decision reforms longstanding Commission policies in light of the changes that have taken place in the U.S. market for international calling services. The Commission's policies in this area have been successful in contributing to lower calling prices for consumers in the U.S. and worldwide and increasing competition and the promotion of innovative services.

I believe that, now, more market-oriented policies will benefit consumers, as well as competition. This item reaches the right balance in permitting flexibility for U.S. international service providers, while protecting U.S. consumers from high rates and anticompetitive practices.

We will continue to be vigilant, with regard to both fixed and mobile termination rates, to ensure that U.S. consumers are not harmed when placing calls to foreign countries. In addition, we intend to inquire further about the possible effect of high foreign mobile termination rates on U.S. consumers and competition.

I look forward to continuing a dialogue with my colleagues throughout the world on these important issues.