Recommendation

ITU-T D.700 R (03/2024)

SERIES D: Tariff and accounting principles and international telecommunication/ICT economic and policy issues

Recommendations for regional application – Recommendations applicable to the Arab Region

Principles for dealing with OTTs

ITU-T D-SERIES RECOMMENDATIONS

Tariff and accounting principles and international telecommunication/ICT economic and policy issues

For further details, please refer to the list of ITU-T Recommendations.

Recommendation ITU-T D.700 R

Principles for dealing with OTTs

Summary

The scope of Recommendation ITU-T D.700 R are over-the-top (OTT) services that can be regarded as potentially competing with or substituting for traditional telecommunications and audio-visual services such as voice telephony, short message service (SMS), and video calling.

This Recommendation seeks to provide guidance to Arab States in relation to the global growth of OTTs in view of ensuring fair competition, consumer protection, dynamic innovation, sustainable investment and infrastructure development, accessibility and affordability of services to the largest part of population.

History *

Edition	Recommendation	Approval	Study Group	Unique ID
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* To access the Recommendation, type the URL https://handle.itu.int/ in the address field of your web browser, followed by the Recommendation's unique ID.

FOREWORD

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The World Telecommunication Standardization Assembly (WTSA), which meets every four years, establishes the topics for study by the ITU-T study groups which, in turn, produce Recommendations on these topics.

The approval of ITU-T Recommendations is covered by the procedure laid down in WTSA Resolution 1.

In some areas of information technology which fall within ITU-T's purview, the necessary standards are prepared on a collaborative basis with ISO and IEC.

NOTE

In this Recommendation, the expression "Administration" is used for conciseness to indicate both a telecommunication administration and a recognized operating agency.

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Introduction

With the increase of global mobile broadband penetration, and the rapid adoption of connected devices, consumers have been provided with an access to a wide variety of OTT services which go beyond the traditional voice and messaging services provided by telecom operators.

These OTT services are reshaping the entire telecommunication ecosystem. They bolster ubiquitous connectivity and have been of great benefit to consumers worldwide and to the global economy. At the same time, the economic impact of OTTs on the telecommunication industry and on telecom operators is being increasingly recognized and considered.

Recommendation ITU-T D.700 R

Principles for dealing with OTTs

1   Scope

This Recommendation cover over-the-top (OTT) services that can be regarded as potentially competing with or substituting for traditional telecommunications, and audio-visual services such as voice telephony, short message service (SMS) and video calling.

This Recommendation seeks to provide guidance to Arab States in relation to the global growth of OTTs in view of ensuring fair competition, consumer protection, dynamic innovation, sustainable investment and infrastructure development, accessibility and affordability of services to the largest part of population.

2   References

The following ITU-T Recommendations and other references contain provisions which, through reference in this text, constitute provisions of this Recommendation. At the time of publication, the editions indicated were valid. All Recommendations and other references are subject to revision; users of this Recommendation are therefore encouraged to investigate the possibility of applying the most recent edition of the Recommendations and other references listed below. A list of the currently valid ITU-T Recommendations is regularly published. The reference to a document within this Recommendation does not give it, as a stand-alone document, the status of a Recommendation.

[ITU-T D.262]   Recommendation ITU-T D.262 (2019), *Collaborative framework for OTTs*.

[ITU-T D.1101]   Recommendation ITU-T D.1101 (2020), *Enabling environment for voluntary commercial arrangements between telecommunication network operators and OTT providers*.

[ITU-T D.1102]   Recommendation ITU-T D.1102 (2021), *Customer redress and consumer protection mechanisms for OTTs*.

3   Definitions

3.1   Terms defined elsewhere

This Recommendation uses the following term defined elsewhere:

3.1.1   over-the-top (OTT) [ITU-T D.262]: An application accessed and delivered over the public Internet that may be a direct technical/functional substitute for traditional international telecommunication services.

3.2   Terms defined in this Recommendation

None.

4   Abbreviations and acronyms

This Recommendation uses the following abbreviations and acronyms:

OTT   Over the Top

SMS   Short message service

5   Conventions

None.

6   The level playing field

6.1   In view of the rapid growth of OTT communication services that may compete and substitute with traditional services provided by telecom operators, Arab States are encouraged to develop measures to achieve an effective balance between these two types of players on the market, with a view to encourage innovation while ensuring a level playing field.

6.2   In order to establish a level playing field in a highly dynamic and fast-moving industry, Arab States may consider a number of areas, including but not limited to:

–   Pricing and charging transparency;

–   Universal service;

–   Access to emergency services;

–   Quality of service;

–   Security and data protection;

–   Interconnection and interoperability;

–   Lawful interception;

–   Economic aspects;

–   Investment and innovation incentives.

6.3   Arab States are encouraged to develop an enabling policy and regulatory framework to foster fair competition between network operators and providers of OTT services (see [ITU-T D.262]).

6.4   An important element of competition policy is the identification and definition of relevant markets, and in this context, Arab States should consider the cross-border and global nature of OTTs, especially when imposing ex-ante regulatory measures.

7   Relationship between providers of OTT services and network operators

7.1   In the new communication ecosystem, connectivity and services, while no longer tethered together, all remain critically interdependent. Given that network operators and OTTs are part of the same ecosystem, Arab States should consider the important inter-dependencies between them, which may include how consumer demand for OTT services can lead to an increase in demand for data from telecommunication service providers as well as a decrease in demand for traditional international telecommunication services.

7.2   Arab States should encourage a cooperative and collaborative approach between OTTs and network operators (see [ITU-T D.1101]), as this can contribute to sustainability of their businesses, and development of innovative business models. This should be based on an analysis of investment capabilities, cost of service provision, return on investment, resource utilization and other factors.

8   Fostering innovation and investment

8.1   Arab States should continue to foster entrepreneurship and innovation in OTTs and other online services of benefit to consumers, while at the same time incentivizing sustainable infrastructure local investments.

8.2   In the spirit of service availability and affordability, Arab States should foster the contribution of a wide variety of stakeholders in strengthening broadband access that will enable the growth and adoption of OTT services.

8.3   Arab States should participate and contribute to global standardization efforts related to OTTs.

9   Data protection and privacy

9.1   Due to the ever-increasing volumes of personal data being exchanged globally over OTT services, Arab States should take appropriate measures to protect the rights and interests of OTT consumers in regard to their privacy and data protection.

9.2   In the context of the borderless nature of OTT services, Arab States should consider to what extent the transfer of personal data across the borders of Member States that have dissimilar data protection and privacy policies and regulations in place can affect adoption and use.

10   Consumer protection

10.1   Arab States should take appropriate measures to protect consumers' rights and interests, including calling party information and acceptable quality of service.

10.2   [ITU-T D.1102] proposes possible customer redress and consumer protection mechanisms related to the provision and consumption of OTT services.

11   Regional and international cooperation

11.1   Given the global nature of OTT services, collaboration across Arab States should be strongly encouraged.

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