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December 6, 2001

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

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Via Hand Delivery

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

*Re: Ex Parte Presentation in IB Docket No. 96-261*

Dear Ms. Salas:

Yesterday William Harris and the undersigned attorney, on behalf of Atlantic Tele-Network, Inc., met with Commissioner Kevin Martin and his legal assistant, Monica Shah Desai, regarding ATN's petition for a waiver of the benchmark settlement rate on the U.S.-Guyana route.

During the meeting, ATN emphasized that it is the largest U.S. investor in Guyana, and that its petition does not seek elimination of the benchmark rate, but rather a modest five-year extension of the transition period during which time the settlement rate on the U.S.-Guyana route would be proportionately phased down to the benchmark level.

ATN indicated that the waiver is necessary because the severe loss of revenues it will suffer upon full implementation of the benchmark rate as of January 1, 2002 will severely harm infrastructure development and universal service in Guyana. The parties discussed whether granting ATN's petition would establish a precedent that many other foreign carriers could use to receive similar waivers. ATN pointed to the attached chart, also submitted with its reply comments, as evidence that ATN's past history of investment in Guyana is one that few other countries in the low-income category can come close to satisfying. As a result, the FCC need not grant the same waiver to all other low-income countries were it to grant ATN's petition. The parties

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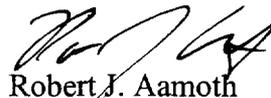
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discussed whether there might be other grounds to distinguish Guyana from other low-income countries.

ATN expressed the view that the Commission's authority to grant a waiver of the benchmark rate is broader than the two instances mentioned in the *Benchmark Order*, 12 FCC Rcd 19806, ¶ 174 (1997). Rather, the Commission has broad authority to grant waivers for good cause shown, and that the impact on Guyana is of the same magnitude as the Commission indicated could justify a waiver in its 1997 order. As a result, ATN expressed its view that the decision of the International Bureau last month denying the waiver petition was based upon an unduly narrow view of the Commission's waiver authority.

Lastly, ATN provided an update on the status of GT&T's negotiations with the Government of Guyana for the introduction of more competition into the telecommunications sector in Guyana. In particular, ATN noted that granting its waiver request would facilitate such negotiations, and promote the further opening of the Guyanese market, by easing the rate rebalancing issues that the parties will have to resolve.

Respectfully submitted,



Robert J. Aamo

cc: Kevin Martin  
Monica Shah Desai

## ATTACHMENT A

Country	Teledensity, 2000 (1)	GNP per capita, 2000 (2)	Cost of Monthly Service, 1999 (US\$) (3)	Investment Overachievement Factor (4)
Kyrgyz Republic	8.00	270	0.57	519.82
<b>Guyana</b>	<b>8.36</b>	<b>770</b>	<b>1.65</b>	<b>65.80</b>
Mongolia	4.97	390	2.28	55.89
Laos	0.75	290	0.68	38.03
Zimbabwe	2.07	480	1.23	35.06
China	11.12	840	3.78	35.02
Armenia	15.53	520	10.42	28.66
Yemen	2.27	380	2.20	27.15
Gambia	2.30	330	2.62	26.60
Egypt	8.64	1,490	2.49	23.29
Nepal	1.16	220	2.84	18.57
Azerbaijan	10.36	610	9.45	17.97
Albania	3.65	1,100	1.99	16.67
Burundi	0.29	110	1.80	14.65
Ethiopia	0.37	100	2.60	14.23
Eritrea	0.79	170	3.76	12.36
Ghana	1.17	350	2.76	12.11
Sudan	1.24	320	3.54	10.95
India	3.20	460	6.49	10.72
Sierra Leone	0.39	130	2.94	10.20
Sri Lanka	4.06	870	5.20	8.97
Honduras	4.61	850	6.82	7.95
Bhutan	1.80	550	4.14	7.91
Pakistan	2.22	470	5.98	7.90
Vietnam	3.19	390	10.72	7.63
Malawi	0.44	170	4.17	6.21
Zambia	0.93	300	5.00	6.20
Nicaragua	3.04	420	12.73	5.69
Tajikistan	3.53	170	37.36	5.56
Kenya	1.01	360	6.46	4.34
Haiti	0.89	510	4.13	4.23
Senegal	2.17	500	11.37	3.82
Lesotho	1.10	540	5.61	3.63
Togo	0.92	300	8.78	3.49
Guinea-Bissau	0.70	180	12.39	3.14
Cote d'Ivoire	1.81	660	11.19	2.45
Mozambique	0.44	210	9.12	2.30
Burkina Faso	0.45	230	9.31	2.10
Guinea	0.79	450	8.88	1.98
Bangladesh	0.34	380	5.13	1.74
Mauritania	0.72	370	11.64	1.67
Benin	0.66	380	10.65	1.63
Cameroon	0.64	570	7.24	1.55
United States	69.97	34,260	19.87	1.03
Madagascar	0.36	260	16.24	0.85
Mali	0.25	240	12.23	0.85
Uganda	0.26	310	16.11	0.52
Chad	0.13	200	17.37	0.37
Tanzania	0.49	280	59.57	0.29
Central African Republic	0.26	290	39.10	0.23

(1) Source: Basic Indicators, International Telecommunication Union (July 6, 2001) available at  
[www.itu.int/ti/industryoverview/at\\_glance/basic00.pdf](http://www.itu.int/ti/industryoverview/at_glance/basic00.pdf)

(2) Source: 2001 World Development Indicators database, World Bank (July 16, 2001) available at  
[www.worldbank.org/data/datatopic/GNPPC.pdf](http://www.worldbank.org/data/datatopic/GNPPC.pdf)

(3) Source: Yearbook of Statistics, Telecommunications Services 1990-1999, International Telecommunication Union (February 2001)  
 Based on residential monthly subscription cost plus cost for 240 minutes, converted to US\$

(4) The Investment Overachievement Factor is derived from the equation:  $((\text{Teledensity}/(\text{GNP per capita} \times \text{Cost of Monthly Service})) \times 10,000)$   
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