

**STRENGTHENING REGIONAL MEASURES TO COMBAT THE SPREAD OF
COUNTERFEIT, SUBSTANDARD AND UNAPPROVED MOBILE DEVICES**

The XXIV Regular Meeting of the Permanent Consultative Committee I: Telecommunications / Information and Communication Technologies (PCC.I),

CONSIDERING:

- a) That the counterfeit, substandard and unapproved mobile device problem is within the scope of prior mandates of the Inter-American Telecommunication Commission (CITEL) relating to the prevention, detection, policies and actions on fraud and non-compliant practices;
- b) That one of the mandates of the Working Group on Policies and Regulation is to study issues related to the prevention of fraud and non-compliant practices in the provision of telecommunication/Information and Communication Technologies (ICT) services, and recommend best practices that can minimize the impact on Member States, users and operators;
- c) That the work of the Rapporteurship on Regulatory Non-compliance Practices and Fraud Control in Telecommunications and regional Measures against Theft of Mobile Terminal Devices is aimed at providing tools that allow Member States to develop specific policies aimed at solving the problems presented by the existence of those fraudulent and non-compliant practices, and
- d) That the creation of a correspondence group whose purpose is to address this endemic problem is in the interest of Member States and society in general,

RECOGNIZING:

- a) That the Mission of CITEL is to facilitate and promote the comprehensive and sustainable development of telecommunications/ICTs in the Americas, based on the principles of universality, solidarity, transparency, fairness, reciprocity, non-discrimination, technology neutrality and optimization of resources taking into account the environment and the sustainable human development for the benefit of society in each country of the region;
- b) That within the mandates of the Permanent Consultative Committee I of CITEL is included the mandate to carry out a coordinated effort with various Committees and Working Groups of CITEL in the areas which, because of their nature, allow for a joint activity as well as encouraging the creation and implementation of Inter-American agreements in various fields;
- c) The growing problem related to the sale and circulation of counterfeit, substandard and unapproved devices in the market, as well as the adverse consequences for users, governments and the private sector;
- d) That there has been a worldwide proliferation of the manufacture, distribution and sale of counterfeit, substandard, unapproved mobile phones (“black market”), which should be considered as illegal;

¹ CCP.I-TIC/doc. 3258/14

- e) That counterfeit, substandard and unapproved devices may decrease security for users, result in service quality problems and lead to tax losses for governments, among others;
- f) That some countries have introduced campaigns to raise awareness of this issue, and adopted successful practices and regulations in order to limit and deter counterfeit, substandard and unapproved mobile devices, and that developing countries may benefit from learning from these experiences;
- g) That governments can play an important role in combating the manufacture of and international trade in counterfeit, substandard and unapproved devices by formulating appropriate strategies, policies and legislation;
- h) That Members States face significant challenges in finding effective solutions to this problem given the innovative and creative ways used by people and entities engaged in this illicit activity to evade enforcement/legal measures;
- i) That the nature of the problem has also become a topic of concern for Study Group 11 of the Telecommunication Standardization Sector (ITU-T) of the International Telecommunication Commission (ITU), which has in response to the problem created a mandate to define recommendations or technical reports to address the mobile device counterfeiting issue, and proposed a structure for the creation of a formal report to describe the problem, solutions, measures and the role of the ITU, as a result of several contributions submitted at the meetings held on October 2013;
- j) That the problems related to counterfeit, substandard and unapproved phones have reached such a high magnitude that it has become a worldwide priority for the major mobile phone manufacturers who have recently reacted to this problem by publishing a comprehensive report on the problem (see Mobile Manufacturers' Forum Resource Guide for Governments).
- k) That, "the prevention, detection, policies and actions" concerning counterfeit, substandard and unapproved mobile devices necessitates the sharing of information and the exchange of experiences among Member States, and
- l) That in order to achieve that objective it is deemed desirable to create a correspondence group to study the issue of counterfeit, substandard and unapproved mobile devices that is designed to evaluate the scope and nature of the problem and to recommend best practices and alternative solutions for use by Member States, which should be constituted by interested members of the Rapporteurship on Regulatory Non-compliance Practices, Fraud Control in Telecommunications and regional Measures against Theft of Mobile Terminal Devices,

RECOGNIZING FURTHER:

That it is necessary for the Member States to join forces to obtain information on the progress made by other entities or organizations, including through bi-national or multinational agreements or treaties, regarding effective solutions to this particular problem, given the innovative and creative ways manufacturers use to evade local regulations;

RESOLVES:

1. To create the correspondence group under the Rapporteurship on Regulatory Non-compliance Practices, Fraud Control in Telecommunications and regional Measures against Theft of Mobile Terminal Devices named "Correspondence Group to examine the issues relative to counterfeit, substandard and unapproved mobile devices" whose purpose is to develop regional definitions for counterfeit, substandard

and unapproved mobile devices, evaluate the scope and nature of the problem with such devices, to recommend technical and regulatory solutions, to document best practices from around the world, and to promote the sharing of information and the exchange of experiences among Member States and associate members of CITEL.

2. To appoint Mr. João Zanon (zanon@anatel.gov.br) of the Administration of Brazil as the Coordinator of this correspondence group, who will have the task of organizing the discussion with the interested parties (Member States and associate members of CITEL) and coordinating the development of a plan to meet the general objectives described in the terms of reference of the correspondence group.

3. To invite Member States and associate members of CITEL to take part in this correspondence group by sharing information on measures and initiatives taken by Member States to combat the sale and circulation of counterfeit, substandard and unapproved mobile devices.

4. To instruct the Secretariat of CITEL to create a collaborative working space for this correspondence group on the CITEL Collaborative Space and inform Member States and associate members of CITEL, in order to begin the process of gathering information.

ANNEX OF THE RESOLUTION PCC.I/RES. 222 (XXIV-14)

Terms of Reference of Correspondence Group to examine the issues relative to Counterfeit, Substandard and Unapproved Mobile Devices

1. To draw up a definition of what is meant by the following terms: (i) counterfeit mobile devices; (ii) substandard mobile devices; (ii) and unapproved mobile devices;
2. To evaluate the scope and nature of the counterfeit, substandard and unapproved mobile devices problem;
3. To promote sharing of information and exchanging of experiences among CITEL Members regarding measures taken to combat trade and use of counterfeit, substandard and unapproved mobile devices;
4. To document best practices from around the world in combating trade and use of counterfeit, substandard and unapproved mobile devices;
5. To propose the creation of technical notebooks, recommendations and/or resolutions of CITEL addressing technical and regulatory measures to combat trade and use of counterfeit, substandard and unapproved mobile devices in the Americas region.
6. To finish the work and report the results achieved to the Rapporteurship on Regulatory Non-compliance Practices and Fraud Control in Telecommunications and regional Measures against Theft of Mobile Terminal Devices.