OBAMA-BIDEN TRANSITION PROJECT

THIS DOCUMENT WAS PRODUCED BY AN OUTSIDE PARTY AND SUBMITTED TO THE OBAMA-BIDEN TRANSITION PROJECT.

U.S. RATIFICATION OF THE LAW OF THE SEA CONVENTION WILL PROVIDE IMPORTANT NEW PROTECTIONS FOR CRITICAL TELECOMMUNICATIONS INFRASTRUCTURE

Verizon, through its Verizon Business unit, is a global telecommunications service provider with investments in more than 65 submarine cable systems worldwide. As a major U.S. carrier using the international seabed, Verizon supports U.S. ratification of the Law of the Sea Convention and hopes that the new Administration will urge Senate advice and consent to ratification at the earliest opportunity. Critical U.S. telecommunications infrastructure is dependent upon submarine cables that connect the U.S. with the rest of the world, and the Convention provides an important legal framework to deploy, maintain, and protect these cables. The Convention also provides access to a well-established dispute resolution mechanism to enhance enforcement of these legal protections.

Verizon Business operates America's most technologically advanced global network through international cable investments covering more than 391,000 fiber route miles. Verizon Business is also a founding member of the consortium that recently deployed the Trans-Pacific Express (TPE) cable system, which provides much-needed capacity between the U.S. and Asia-Pacific countries.

Fiber optic undersea cables are the lifeblood of U.S. carriers' global business and indeed the world's economy, and are critical infrastructure for the U.S. Over 90 percent of the country's international voice, video, Internet, and data communications are carried on these cables. The protection of this critical infrastructure depends in large part upon international cooperation and law.

The Convention goes beyond existing international law to add new provisions that make it easier to install, maintain, operate, and protect undersea cables that are part of the critical infrastructure of the U.S. The Convention provides a comprehensive international legal regime for submarine cables in territorial seas, the Exclusive Economic Zone ("EEZ"), upon the continental shelves, and on the high seas, in ten specific articles. The Convention also provides binding dispute resolution to ensure proper enforcement of these new obligations. Currently operative international treaties do not provide suitable protection for cable owners to install, operate and maintain this critical undersea cable infrastructure in an EEZ and upon the continental shelf.

Recent attempts by some nations to encroach on the ability of U.S. operators to participate effectively in undersea cables underscore the need for Senate ratification of the Convention. Several countries have claimed the right to delineate cable routes in their EEZ or upon their continental shelf, which violates the Convention. Without the U.S. being a party to

THIS DOCUMENT WAS PRODUCED BY AN OUTSIDE PARTY AND SUBMITTED TO THE OBAMA-BIDEN TRANSITION PROJECT.

the Convention, however, U.S. telecommunications companies are on weaker grounds to challenge such actions, because the U.S. itself does not have the ability to enforce the Convention's freedoms to lay, maintain, and repair undersea cables in the EEZ and upon the continental shelf.

A recent disruption of undersea cables demonstrates another way in which U.S. telecommunications companies can be disadvantaged by the U.S. not being a party to the Convention. In March 2007, large sections of two active international cable systems in Southeast Asia, the Asia Pacific Cable Network (APCN) and the Thailand-Vietnam-Hong Kong (TVH), were heavily damaged by commercial vessels from Vietnam and taken out of service for about three months. More than 106 miles of cable were removed from the seabed and repair costs exceeded $7 million. In such circumstances, it would have been very helpful for the U.S. and affected U.S. companies to have been able to take advantage of the Convention's provisions to compensate affected cable owners and to provide binding dispute resolution to minimize the cost and impact of the resulting disruptions in service, as well as to deter future violations.

U.S. ratification of the Convention has been supported by President Bush, the State Department, the Defense Department, the Joint Chiefs of Staff, the U.S. Navy, the Coast Guard, the Governors of many coastal states, the oil and gas industry, the shipping industry and by environmental groups and fishing organizations, in addition to the telecommunications industry. The Senate Foreign Relations Committee has twice ordered the Convention favorably reported in recent years, in February 2004 and in October 2007, but on both occasions the Senate took no further action.

Ratification of the Convention by the Senate will provide confidence to U.S. companies that their investments are protected by more specific and reliable international law. The Convention provides tangible benefits to the U.S. via specific new protections for critical undersea cable infrastructure, which is ever more important in today's economy. Verizon strongly supports ratification at the earliest opportunity.