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SUBMISSION IN RESPONSE TO
IDA'S CONSULTATION DOCUMENT

FIRST TRIENNIAL REVIEW OF THE
CODE OF PRACTICE FOR COMPETITION IN THE
PROVISION OF TELECOMMUNICATIONS SERVICES

5 December 2003

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**FIRST TRIENNIAL REVIEW OF THE
CODE OF PRACTICE FOR COMPETITION IN THE
PROVISION OF TELECOMMUNICATIONS SERVICES**

1. SUMMARY

- REACH strongly supports the review of the Competition Code as we believe this is an essential component of the Singapore regime. While the current Code contains sound rules, amendment is necessary to ensure the Code is in line with best practice and can be implemented more effectively.

- The starting point for the review should be an assessment of the state of competition in telecommunications. This would reveal that SingTel still effectively dominates all key markets such that Code provisions controlling its power should be retained and strengthened.

- IDA must also make sure it does not review the Code in a vacuum and instead considers other relevant aspects of the regulatory regime. In particular, it should reassess licensing conditions and remove unnecessary obligations on non-dominant licensees eg. accounting separation. Such obligations should be transferred to the Code and restricted in application to Dominant Licensees.

- IDA should also review the Code in light of comments made as part of the RIO Consultation. At the same time, it should ensure that it acts on industry requests for interim changes to the RIO prior to completion of the formal Code and RIO reviews as current delays in addressing industry concerns are having a deleterious effect on competition.

- A number of changes suggested to the RIO should be reflected in the Code with the Code laying a foundation for RIO details. A key example is inclusion of enforceable SLAS in the RIO, reference in the Code to new or amended RIO services such as improved terms for connection and collocation at cable stations.

- In line with our RIO comments, we also believe the Code should be reviewed with a more balanced view of service versus facilities based competition. The Code should provide more support for new entrants where they decide to build but also prevent SingTel from frustrating them when they need to buy instead.

- Pricing under the Code and RIO should be more transparent, not just in terms of the final price but also the way prices are calculated and implemented. Industry should have the chance to comment on this and IDA should publish its approach.

- The Code should contain an effective wholesale regime. A Dominant Licensee should offer all services supplied to other licensees at a discount from retail prices in recognition of avoided costs and in order to promote competition. In other words, where it supplies a retail service, this should be provided to

licensees at retail minus. Where it supplies a specific wholesale service, this should also be supplied at retail minus (or a non-discriminatory wholesale price that allows for downstream competition if there is no retail benchmark). Where a resale or wholesale service is particularly critical to competition, it should be included under the RIO and provided at cost based prices unless the service characteristics dictate that retail minus would be more appropriate.

- Tariff rules should be even further strengthened so that there is a clear process for publication and review. In particular, the criteria for review of wholesale and resale tariffs must be improved to take account of relevant matters such as international benchmarks.

- The Code should provide for new RIO services such as LLCs and wholesale DSL.

- Guidelines should be developed to assist in interpretation and enforcement of anti-competitive conduct provisions and these guidelines should be mentioned in the Code. Guidelines are also needed for related dominance and SMP assessments.

- The IDA needs to be more transparent in its decision making and the Code should accordingly require it to provide detailed reasoning in its published decisions. The Code should similarly require IDA to provide indications to industry of the approach it intends to take prior to making final decisions on key matters such as dominance exemptions so that industry does not have to comment in a vacuum.

- REACH supports the strengthened information gathering provisions in the Code but the IDA should ensure that these are appropriately used against SingTel to address information asymmetries.

- The IDA should work with the Government to ensure that the Code is a more effective instrument through the introduction of higher maximum penalties and private rights of action. Even if the maximum penalty is not increased, IDA should start being more aggressive in actually imposing higher penalties on SingTel that ensure it is not rewarded for anti-competitive conduct.

- IDA must make dispute resolution and enforcement procedures more user friendly, including by shortening steps and timeframes, as well as by taking a more active role in informal dispute resolution.

2. STATEMENT OF INTEREST

Reach Ltd. ("*REACH*") provides this submission in response to IDA's Consultation Document "*First Triennial Review of the Code of Practice for Competition in the Provision of Telecommunications Services*" ("*Code Consultation*"). Our comments are made on behalf of our subsidiary, Reach International Telecom (Singapore) Pte Ltd. Of relevance to our status under the Code of Practice for Competition in the Provision of Telecommunications Services ("*Code*"), this entity is the holder of a Facilities Based

Operator Licence ("*FBO*") in Singapore and has signed up to the current Singapore Telecommunications Limited ("*SingTel*") Reference Interconnection Offer ("*RIO*").

3. GENERAL COMMENTS

IDA Code Review Should Reflect State Of Competition

REACH observes that the current Code (s1.5) requires IDA's review of the Code to reflect the state of competition in telecommunications markets. We submit that SingTel still dominates the Singapore telecommunications industry and most markets are not effectively competitive such that removal or winding back of Code provisions is inappropriate. We support the retention of most protections in the new draft Code in this regard and trust that IDA will continue to retain these in the final revised Code. At the same time, where competition has not been effective, certain Code provisions should be strengthened or new provisions included. We elaborate on some of these below, but a key area for improvement that we stress at the outset is the need for a stronger wholesale regime.

Timing Of RIO Review

REACH is pleased to see that IDA has recognised the need for the Code review to be completed before a thorough review of the RIO is possible. However, we are concerned that the change in approach is now going to cause significant delays in the release of a new RIO. We believe this highlights the need for IDA to publish regular work plans in advance of consultations and do so in consultation with industry.

REACH is particularly concerned as to how the delay in releasing a new RIO will impact on current outstanding RIO disputes. We trust that IDA will not use the fact that there will be a comprehensive overhaul by next year as a reason to delay some of the urgent amendments required to the current RIO. IDA should continue to make *ad hoc* amendments as necessary to meet the commercial needs of operators. It is simply unreasonable to expect that operators should put significant plans on hold just so that a RIO review can be done neatly and all at once. This is particularly so given that operators have already been waiting for the RIO review to address some of these issues since early 2003 and were expecting relief by the end of this year (worst case) rather than having to wait until the revised RIO release date in late 2004.

REACH raises as clear examples the inclusion of i2i as a submarine cable to be connected under Schedule 4 and the necessary changes to Schedule 8 collocation provisions to stop SingTel's obstructive behaviour in providing collocation for necessary connection equipment to certain cables. We refer to our RIO submission in this regard.

Need For Wider Regime Review

REACH understands that the Code Consultation is restricted to review of the Code and RIO and any legislation necessary to support amendments to these documents. However, we would like to take this opportunity to briefly highlight to IDA our concern as to when there will be a wider regime review. In particular, REACH believes that several aspects of the licensing regime are in need of reform to ensure that they remain in line with IDA's objectives for the Singapore telecommunications industry.

At the outset, we stress that we do not advocate a move to a convergent licensing regime as this is likely to be premature and would unnecessarily complicate what is currently a sound licensing model adopted by IDA. Rather, we believe that certain fine-tuning is necessary. For example, IDA has already reduced SBO licence fees dramatically and REACH believes that a similar review of FBO licence fees is overdue. Licence fees need to be reduced for a number of reasons including:

- to ensure that Singapore telcos are able to remain competitive and generate sufficient returns in a difficult economic environment;
- to ensure that the purpose of licence fees is cost recovery rather than revenue generation in line with international best practice;
- to ensure that FBOs are able to compete on a level playing field with SBOs offering exactly the same services and who may even have larger businesses in Singapore than some FBOs.

We also consider that the time is ripe for a review of other licensing provisions, including the requirement for non-dominant FBOs to comply with accounting separation requirements. Such an obligation is largely unprecedented and we believe that there is nothing to be gained by IDA collecting such information, especially when balanced against the burden on operator resources in having to provide it. Accounting separation should only be imposed on Dominant Licensees and obligations strengthened to include publication of accounts so that there is full transparency of costs. As suggested later in this submission, this proposal would best be implemented by amendment to existing standard FBO licences and inclusion of accounting separation as a Dominant Licensee obligation under section 4 of the Code.

4. KEY CONCERNS WITH CURRENT AND PROPOSED CODE

RIO-Related Concerns

A number of the concerns that REACH has with the Code have already been identified by us in our submission to the RIO Consultation. In many instances where we have proposed changes to the RIO, we believe that these should be supported by new or amended Code provisions, rather than left to SingTel interpretation when redrafting the RIO. We briefly restate these here for IDA's ease of reference but also cross refer you to our earlier submission.

- REACH believes that the RIO is a critical regulatory instrument and must be retained to ensure competition can develop in Singapore telecommunications markets.
- However, there is a real need for an overhaul of policies underlying the RIO and of RIO processes themselves to ensure continued relevance and to keep Singapore in line with international best practice.
- This may involve changes to the Code RIO provisions as well.

- Perhaps the most significant policy issue for IDA to deal with is the need for it to implement its support for infrastructure competition by way of supporting new entrants rather than protecting SingTel's existing investments.
- IDA also needs to improve transparency of the interconnect regime, particularly by allowing industry insight into how it sets prices and the validity of SingTel's claimed costs. Once set, interconnect prices should be publicly available.
- Infrastructure competition and transparency will also be promoted by removal of the excessive SingTel discretions in the RIO. SingTel should not, for example, be allowed to exploit maximum (or no) timeframes for key interconnect processes.
- IDA could improve the RIO markedly by requiring binding SLAs covering all matters from ordering to provisioning and fault management. Real penalties should bite on SingTel where its quality of service is inadequate. The basis for an effective QoS framework should be included in the Code.
- In relation to QoS, it is critical for IDA to understand the effect of SingTel's current delay tactics in an industry where time is of the essence and speed of delivery is often the deciding factor for customers selecting a supplier.
- The RIO (and Code) would also be strengthened with the inclusion of mechanisms to ensure non-discrimination, as general prohibitions on such conduct are otherwise meaningless. Proposals include SLAs, non-price record keeping rules and IDA monitoring. The Code itself should set out a framework for these tools, which are then detailed in the RIO.
- The Code Appendices should be expanded to include new or changed services as per the points below.
- In relation to RIO services, REACH submits IDA must ensure that SingTel puts into practice the intention of RIO provisions, rather than rely on ambiguities to avoid service provision.
- As a key example, IDA must ensure that cable connection services can be broadly used by FBOs to provide service to third parties as intended by recent RIO changes.
- The RIO process for introducing new cables to be connected under Schedule 4B must be improved to address current delays, with the ideal outcome being automatic inclusion under Schedule 4B once a system goes live.
- The provisioning or interconnection time for cables systems must be significantly reduced if IDA is serious about promoting Singapore as a competitive telecoms hub.
- Interconnection for cables should be available at the full range of speeds.

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- Aspects of backhaul should be addressed in the RIO to the extent they impact on other RIO services such as cable connection and collocation.
- Use of cable station collocation space to service multiple systems should be promoted by IDA in the RIO and Code given the obvious efficiencies.
- Collocation provisions in Schedule 8D must be updated to reflect that connection services and equipment can be used to provide service to third parties and that cable ownership or interest is no longer a prerequisite. This could be underscored by inclusion in the Code.
- IDA must ensure that all RIO prices, including for connection and collocation are truly cost based and at best practice benchmark levels. The ideal way to get industry buy in would be to involve other operators in the price setting process.
- IDA should also take on a more proactive role to support new FBOs in the critical area of access to MRT stations. It should use the Code and RIO to stop SingTel delay tactics in rejecting access via its lead-in ducts and manholes (and it should seek to influence LTA policy that allows this).
- Finally, the RIO and Code processes for dispute resolution require overhaul to shorten timeframes, promote IDA involvement and recognise that interconnection disputes with SingTel are not 'commercial'.

We again elaborate on some of these issues below.

Facilities Competition Requires Support For New FBOs, Not Protection Of SingTel

A key theme throughout our arguments is that reform is needed to the Code and RIO (in application as much, if not more, than the written procedures) if IDA is to support the Singapore government policy of promoting infrastructure competition.

REACH submits that promotion of infrastructure competition does not mean protecting SingTel but rather ensuring that SingTel does not frustrate the ability of new FBOs to build infrastructure or to offer services using their facilities that provide funding for further investment. This is the reason why Code and RIO procedures need to be streamlined and greater certainty provided to FBOs via transparency of regulation and removal of SingTel discretions.

As an example of conduct that SingTel has been able to get away with, an FBO may have built its own backhaul but, because of the conditions in the RIO, it is not allowed to use this backhaul to connect cable capacity it has leased. Instead, this "backhaul" connectivity has to be provided by SingTel and the FBO has to pay for local circuits from the cable station for connection to its POP. Clearly for an FBO to invest in and build its own infrastructure and not to be able to use it for its intended purpose is a powerful disincentive to invest in infrastructure development in Singapore.

REACH also believes that the Code and RIO should support new entrants by allowing them to supplement their infrastructure with service based competition where this makes better business sense. The Code needs to keep pace with the development of (and

trends in) the global telecommunications market. For example, today's dynamic international wholesale market demonstrates that many international carriers are no longer investing in long-term IRU or ownership interests in submarine cable systems for their wholesale capacity or services. This is because of the downward trend in international wholesale prices - carriers do not wish to be restricted by long-term cost floors in such a highly volatile market. Accordingly, it is increasingly common practice for carriers nowadays to invest in large capacity relatively short-term leases instead.

Where an international operator is licensed to provide international facilities based services, it should not be restricted to supporting only its long-term IRU and ownership capacity investments, or similar investments of its customers, but should also be allowed to support shorter term leased capacity based services in line with prevailing market requirements. Therefore, the Code should enable competing FBOs in Singapore to both co-locate and obtain connection services to support leased capacities of STM-4 or greater.

Transparency Of Price Regulation Required

REACH is pleased to see the Code Consultation statements that there will be an increase in transparency of SingTel prices under the new Code. However, we have some concerns about what appears to be some qualification on the extent of transparency in terms of Code Consultation references to limiting tariff publication to actual prices and terms.

As we have previously submitted, there is a real need for transparency in the process of setting wholesale and retail prices, as well as implementation of such prices. This has been stressed as key to ensuring Singapore markets are competitive, including in important documents such as the US-Singapore FTA.

We believe that industry should have the opportunity, at least in terms of wholesale prices, to review the methodology used by SingTel in setting its prices and by IDA in approving such prices. The industry is, we believe, in a much better position than IDA to provide real and practical advice on the impact of such prices and whether they are in line with international best practice. In terms of wholesale prices, we should be able to input to IDA whether the methodology would result in a price squeeze or other such anti-competitive conduct.

We also stress again our RIO submission arguments that while we support the IDA's use of LRAIC pricing and current review of what that pricing is, IDA still needs to ensure that the prices set are an accurate reflection of this principle and are in line with global best practice. Again, we believe that IDA would benefit from industry input rather than relying on external advisors or manipulated information provided by SingTel.

REACH also considers that the IDA may have unnecessarily complicated the Code by incorporating a range of different price models from LRAIC to retail minus to marginal cost. The latter in particular can be difficult to implement and perhaps use of an average incremental cost may be more appropriate under the Code (in place of marginal cost references in tariff and predatory pricing provisions).

As an additional comment, REACH would support IDA introducing an element of price control into tariff rules so that SingTel is forced to be increasingly efficient over time. The objective here is to prevent the sort of scenario that has occurred with LLCs, where prices have not reduced over the past decade despite the fact that market conditions dictate that they should have.

Provision Of Wholesale Services Should Be Mandatory

As indicated above, REACH supports IDA's initial decision to require publication of retail, resale and wholesale tariffs by SingTel. However, we believe that this change falls far short of what is necessary to stimulate effective competition in the market and lower retail prices. What is essential is for IDA to mandate provision of wholesale services in the first instance, rather than just mandating a public tariff if SingTel voluntarily decides to offer a wholesale product. Further, it is not enough to simply require SingTel to allow resale of retail services without requiring a wholesale discount. With IDA's proposed approach, SingTel will continue to be able to engage in anti-competitive conduct of the sort IDA is currently investigating in relation to SingTel's refusal to provide a reasonable wholesale LLC product.

We recognise that IDA is concerned to protect facilities based competition but stress that this concern should not equate to protecting SingTel ahead of new entrants. Promoting these new entrants will in itself serve to assist in promoting facilities based competition. We therefore believe there should be a requirement to provide wholesale and resale services at retail minus rates (or a non-discriminatory wholesale price that allows for downstream competition if there is no retail benchmark). The Code should provide for a list of services to be issued in this regard, comprising both retail services to be provided for resale as well as any services specifically developed for the wholesale market. The list should be able to be amended easily, whether as a result of SingTel explicitly introducing a new service or where the existence of the service must be implied (as will often be the case with internal supply of wholesale products).

IDA could then supplement this requirement with its current proposals to have special designated wholesale services which are particularly important to industry (such as LLCs). These services would be included under the RIO. However, rather than the currently proposed retail minus approach for these services, we submit that IDA should reserve the right to use whatever methodology is appropriate for such critical services. For example, it should have regard to whether the methodology would produce a reasonable price that allows other operators to compete in Singapore and whether that price is in line with international best practice.

Inclusion Of Designated Wholesale Services Under The Code – LLC, DSL

REACH refers to its previous submissions to IDA that Local Leased Circuits should be included as an IRS under the Code and RIO. We are aware that IDA is considering this matter alongside the Code and RIO Consultations. However, we believe it is critical that any changes to the Code which would allow for appropriate treatment of LLCs should be made now, rather than delaying matters by making amendments post the general Code review.

In this regard, we maintain the position that LLCs should be included under the Code and RIO as broadband OT&T services ie. core IRS subject to cost based pricing. This should not require amendment to the main body of the Code but would involve a new provision in section 3 of Appendix 2 providing a high level overview of the LLC service in terms of its use as a wholesale access product (rather than a retail end to end service).

REACH also submits that IDA must seriously consider the inclusion of wholesale DSL as a RIO service under the Code. This would be in line with an increasing number of international regimes which treat wholesale DSL as a critical service to promote competition. It is becoming evident that wholesale competition in broadband access will not come about merely by mandating unbundled local loop as implementation of ULL regimes has proven problematic. Wholesale DSL services are required to supplement the ULL regime and should be included as a designated wholesale service under Appendix 2 of the Code.

Anti-Competitive Conduct

REACH believes that anti-competitive conduct provisions in the Code would be rendered more effective by the IDA issuing guidelines about how it will assess such conduct and its approach to enforcement. We do not believe that the current lack of successful actions under this section reflects any lack of anti-competitive conduct by SingTel. Rather, it is symptomatic of the fact that there are problems with the actual implementation of anti-competitive conduct prohibitions.

We also believe that anti-competitive conduct regulation would be enhanced by third party enforcement rights, as outlined below. Anti-competitive conduct does not just result on societal losses but also direct damage to competitors and they should be allowed to protect their interests without having to rely on regulatory intervention, which may not be forthcoming given the lack of a history of competition law in Singapore.

Another way of giving these provisions teeth would be to impose higher penalties. By this, we do not just mean having substantial penalties written into the law or Code, but having IDA dish out penalties that have a deterrent effect and recognise that anti-competitive conduct in any form is a serious infringement of Singapore law.

Transparency of IDA policy and decisions

REACH considers that the Code should retain and strengthen requirements for IDA to be quick and transparent in making decisions. To the extent that this transparency has been lacking to date, the IDA should consider Code provisions that make it more accountable in this area.

As a recent example, REACH was disappointed at the lack of analysis in the IDA's published decision on SingTel's ITS dominance exemption, particularly given the length of time IDA took to make a decision. Compared to the analysis produced by international regulators or general commentators, the IDA's comments on its approach to critical matters such as market conditions were superficial. We assume that the IDA did undertake a more detailed investigation, in which case obligations of transparency would dictate that this detail be published. This would ensure that industry had access to the

IDA's reasoning, both for the purposes of future precedent but also so that industry could check the IDA position and have the opportunity to challenge.

On this note, transparent decision making would have required that IDA seek industry comment on its approach. Regulators typically either issue consultation papers indicating their initial views or, if the consultation is vague on this, follow up with a draft or preliminary decision for comment. In the case of the ITS consultation, the consultation paper completely lacked any discussion of IDA's initial views such that industry comments had to be made in a vacuum. In this case, the IDA's recent decision should have been issued on a preliminary basis only with industry being provided a chance to question the IDA's approach.

As a side comment, REACH observes that the IDA allowed SingTel leeway in its provision of inadequate evidence to support its exemption application since this was the first time it had lodged an application (para 18 of IDA decision). It is critical in these cases that the IDA is even handed with both SingTel and new entrants. Just as it was SingTel's first time, it was also the first time that competitors had to challenge an application. Given the lack of detail in the IDA's consultation paper, competitors should have been given another chance to comment once there was actually something to comment on with the issue of the IDA's decision.

Strengthening Of Information Gathering

While IDA has powers to gather information for Code investigations, it has seemed reluctant to use these to date. These provisions should therefore be examined to assess how to make IDA feel more confident to get information out of SingTel eg. to assess anti-competitive conduct. We observe that the draft s11 does appear to indicate that IDA intends to take a stronger stance, including by way of enforcement action for failure to provide information. However, we believe that this will only prove effective if IDA does take a hard line approach against SingTel rather than seeking to rely on information from complaining parties who suffer information asymmetries.

Real Penalties Would Enhance Compliance

There is some industry concern that while the Code itself may be a solid document, its weakness is in its enforcement. When one has regard to reported enforcement actions and penalties, the majority seem to be restricted to complaints of false and misleading conduct or similar with fines of a few thousand dollars at most. REACH believes that the IDA should work to send out clear signals to all that it will not tolerate any form of anti-competitive conduct. The fact that enforcement action has not been taken to date under key provisions of the Code such as abuse of dominance should not be held out as illustrating that such abuses do not occur as Singapore cannot be so different from other jurisdictions.

IDA also needs to ensure that not only are legislated maximums in line with best practice but that the actual penalties imposed reflect the way anti-competitive conduct is treated elsewhere. More importantly, when successful enforcement action is taken, penalties should be set at a level that actually has some impact on operators such as SingTel. In cases such as those involving misleading advertising, it is well recognised elsewhere

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that operators can earn significantly more from a quick and targeted false advertisement then they stand to lose in small fines. Therefore regulatory agencies treat misleading conduct with some severity. The same applies to anticompetitive conduct such as abuse of dominance. IDA must strengthen its approach and apply real penalties. Given that the legislated maximums themselves are so low by reference to international standards, it should not hesitate to impose penalties at the high end of the scale.

REACH also suggests that IDA and the Government should consider incorporating criminal sanctions into the Code. Such sanctions, particularly where they target decision makers within an organisation, have a strong deterrent effect.

Right Of Third Party Enforcement

While this is a matter that is somewhat beyond the Code review, REACH strongly supports an approach where IDA works with the government to provide rights of third party enforcement through the competition law proposed for 2005. The IDA should also ensure that any general law is adequate to address telecommunications specific issues.

Of course, despite the new competition law, the Code will remain necessary as precedent shows that industry specific approaches are necessary in complex, networked industries such as telecommunications.

REACH still believes the best option would be to allow for private rights of action under the Code. The Code would then become a much more meaningful competition tool than it is today and such an approach would ensure that IDA resources are supported by industry resources. However, we recognise that IDA appears to have already decided that this is not an approach it will pursue.

5. COMMENTS ON KEY ISSUES RAISED IN CODE CONSULTATION

REACH comments in this section on proposed amendments mentioned by IDA in the Code Consultation. However, we observe that the draft Code includes many other amendments which have not been highlighted by IDA. We address these in section 6 of our submission. These changes may appear minor but could have a significant impact on licensees.

There has also been substantial superficial editing of the Code so that many section references have changed and it is very difficult to ascertain which provisions remain and which ones have been removed. While editing improvements may make the Code read better, the benefits should be weighed against the loss of regulatory certainty and transparency.

Proposed Section 1 – Telecommunications Industry Body

REACH is concerned about the implications of IDA's proposal to remove the reference in the Code to establishment of a telecommunications industry body. We acknowledge that the IDA has instead relied on small working groups to date to deal with various technical issues, however, we believe that this encourages a weak and fragmented approach to industry self regulation and side steps the question of whether there should be a strong and effective overall industry body that works with the IDA. We refer in this regard to

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proposals from industry made in correspondence earlier this year for there to be a Telecommunications Industry Forum ("TIF") chaired by IDA. This body would be extremely useful in terms of encouraging dialogue within the industry and with IDA. It would also assist IDA in both its regulatory and industry development functions.

We hope that the Code Consultation proposal to remove the Code reference to a telecommunications industry body is not a signal of how IDA plans to respond to industry desire for a TIF. If it is not meant as such, and IDA plans to be supportive of such a body outside the auspices of the Code, then we do not object to the proposed amendment.

Proposed Section 2 – Dominance Definition

REACH acknowledges that the proposed changes to the definition of dominance are more in line with international precedent and economic theory. However, we note that the end result of both the current and proposed definitions should generally be the same given that in telecommunications markets, control over the customer access network means everything and those that do not have such control will almost inevitably be in a weaker competitive position (and therefore non-dominant) as compared to those that do.

We also believe that the dominance provisions in the new Code must be supported by additional guidelines that indicate how IDA will assess dominance, particularly for the purposes of allowing incremental exemptions from dominance obligations. We believe that the issue of guidelines may help to avoid confusion and delay such as in the case of SingTel's request for exemption in relation to international services. These guidelines should be subject to industry consultation and outline all the relevant factors demonstrating dominance. In this regard, while we agree that market share by itself does not prove dominance, any guidelines should recognise that market share is a powerful prima facie indicator of dominance which can then be countered by other criteria as proven by the relevant dominant operator. To facilitate analysis, presumptive market share thresholds should be included in the Code or guidelines such as those used in Hong Kong or the EU.

We believe that guidelines will be essential to ensure that SingTel does not abuse the dominance exemption process. IDA and competitors need to be clear on the way applications will be treated in advance otherwise the uncertainty will facilitate SingTel attempts to incrementally escape dominance obligations. SingTel must not be allowed to submit ad hoc exemption applications with insufficient evidence, with the IDA treating these as minor matters on the basis that only limited services are involved and those services are subject to some competition. IDA must take a holistic approach to SingTel's dominance so that it does not 'salami slice' its way through the exemption process to full non-dominance. There should be a difference between the grant of an exemption and granting non-dominance on a service by service basis.

In terms of the IDA proposal to limit dominance classification to a licensed entity and to exclude its related or associated companies, REACH strongly urges the IDA to ensure that this provision is not abused, for example through artificial restructuring of business units. Where an operator such as SingTel is dominant as a result of its control of the local access network, such dominance will almost inevitably be leveraged into other markets where SingTel has an interest. For example, SingTel can use its dominance

over leased circuits to leverage into Internet and data markets where SingNet operates such that IDA must retain the ability to control SingNet. Section 2.4 only provides partial protection in this regard and does not address the situation where the Dominant Licensee retains all assets but still uses these to leverage into other markets. REACH submits that the Code and/or guidelines should recognise the importance of the leverage concept to dominance assessments.

As a separate issue, we also believe that where guidelines are needed to clarify the Code, the Code should itself refer to the fact that guidelines will be developed by IDA and be binding in nature. This will ensure that any guidelines have a sound legal basis and cannot be ignored by SingTel.

Proposed Section 3 – Simplification Of End User Protections

REACH provides limited comment on end user protection provisions of the Code. This by no means reflects our view on the adequacy or otherwise of such, or the importance of end user protection, but is simply because REACH serves wholesale, rather than retail, markets.

However, we note our support in general for winding back of obligations on non-Dominant Licensees.

Proposed Section 4 – Improvements To Dominant Licensee Tariff Obligations

While REACH believes that the clarifications to resale obligations and requirements to allow operators to use SingTel services as an input to their own services are useful, we do not consider they go far enough towards stimulating effective competition or curbing SingTel dominance. Similarly, the requirement for SingTel to publish tariffs is helpful but does little to improve from the current situation.

As stressed earlier in this submission, REACH submits that dominant operators should be required to provide detailed information on how tariffs are derived so that industry can assist IDA in determining whether such tariffs are appropriate. IDA should be required to engage in industry consultation in this regard. More importantly, there should be obligations to have a wholesale tariff in the first place ie. it should not be voluntary for SingTel to offer a product it offers at retail with a reduced wholesale rate, given the lower costs (even if only in terms of avoided marketing costs etc) of serving the wholesale market. For the same reason, while resale services are required, the Code should go further and require wholesale pricing.

Once again, we note that while a retail minus approach may be suitable for pricing of wholesale services generally under a mandatory wholesale regime, there will be certain wholesale services that are so critical to competition, such as local leased circuits, that they should be specially designated under the RIO and then subject to cost based pricing. Even if IDA does not want to entrench such an approach in the Code, it should at least retain the option of using other pricing models besides retail minus for wholesale services.

REACH considers that the requirement for a Dominant Licensee to modify a service to accommodate wholesale usage appears to be an improvement but suggests that further

clarification is necessary to ensure that SingTel cannot evade this obligation. For example, it is not clear what SingTel can charge for such a modified service or the grounds it can refuse to make such modifications. We also query the degree of modification that can be required in the first instance.

REACH notes that the requirement for SingTel to actually provide service in accordance with filed tariffs will be important in ensuring that the tariffing regime works and that SingTel cannot engage in price predation. However, this provision, while useful on paper, will only be effective if IDA takes an active monitoring role and uses its information gathering powers to ensure that SingTel is complying, rather than relying on SingTel assurances.

In terms of IDA's review of tariffs, REACH submits that resale and wholesale pricing should be reviewed with regard to end user prices, avoided costs, international benchmarks and the resale price that an efficient competitor would need to be able to viably compete. If IDA simply relies on reference to end user prices in the case of resale services, and retail minus in the case of wholesale services, it will not be promoting effective competition nor the international competitiveness of the Singapore telecommunications industry. REACH sees no reason to deviate from the IDA's review criteria for end user tariffs in terms of the importance placed on international benchmarking.

Proposed Section 6 – Dominant Licensee Interconnect Obligations/RIO

REACH does not have any particular comments on the clarifications and editing to proposed section 6. We have no issue with details being moved to Appendix 2, however, we make certain comments in section 6 of our submission where we feel that the amendments have resulted in important references being omitted altogether.

We do note our full support for the IDA's statement in para 7.4 of the Code Consultation that it is essential to have a thorough review of any revised RIO including adequate public consultation. However, the key question is what is an adequate period for this – REACH submits that the 1 month already provided by IDA was not. Industry should have a further opportunity for input on a new draft RIO prior to its finalisation.

We comment further on the dispute resolution aspects of section 6 in our discussion of section 11 of the proposed Code. However, we feel the need to state our outright disagreement with the suggestion in para 7.7 of the Code Consultation that interconnect disputes with a dominant operator such as SingTel may be 'commercial'. This view should not be an easy excuse for a regulator to avoid, or delay, regulatory intervention.

Proposed Section 7 – Infrastructure Sharing Timeframes

REACH notes that Code timeframes have been extended – in most cases doubled. While the Code Consultation states that this is to reflect experience to date, we query whether it is fair to say that it is impossible to comply with current timeframes. Perhaps it should really be a matter of industry and IDA ensuring that they negotiate and resolve issues in a more efficient manner. REACH submits that the IDA should retain current timeframes unless there is clear justification to extend.

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Proposed Section 8

Abuse of dominance

REACH observes that the Code Consultation does not raise any substantive issues in relation to abuse of dominance provisions. We therefore comment in section 6 of our submission on matters that we believe should be subject to review and amendment, including price squeeze provisions.

We also restate our view that, regardless of the changes made to section 8, IDA should issue clear guidelines setting out how it will investigate and assess different types of anti-competitive conduct. The provisions in the Code itself are too brief in this regard and do not give industry sufficient certainty. The position in Singapore is markedly different from other jurisdictions such as the EU where there is ample case law to refer to and in many cases detailed guidelines on conduct have been issued.

Removal of provisions governing false and misleading claims

REACH supports the addition of a prohibition on licensees using information obtained under the Code from another licensee to target that licensee's customers. However, as with so many Code provisions, the value of the amendment will be in how it is implemented. It can be very difficult for licensees to pursue such anti-competitive conduct unless the regulator is proactive in its enforcement policies and aggressively uses its information gathering powers to prove contraventions.

REACH is concerned by the principal change that IDA has proposed to section 8, being the removal of prohibitions on false and misleading claims. These provisions under the current Code have proven their importance, with many of the successful actions and penalty awards to date relating to false and misleading claims. It is worrying to contemplate that with their removal, the Code may become a relatively dormant document in terms of enforcement of unfair competition.

We do not believe that it is sufficient response that industry and consumers can instead rely on the forthcoming *Fair Trading Act*. In a dynamic, fast moving industry such as telecommunications, false and misleading conduct can have a particularly quick and damaging effect. It is essential that consumers and industry are able to turn to a specific regulator focused on addressing such conduct. While the IDA can do this under the Code, there is no equivalent under the *Fair Trading Act*. We also understand that industry may not have rights to initiate action for false and misleading conduct, given the Act's focus on consumers. This leaves a huge gap from current Code provisions. Generally, competitors will suffer greatly from such conduct and should have recourse. They are also more informed to monitor such conduct and have better resources to initiate action. This can be seen from the fact that complainants to date under the Code have been licensees rather than members of the public.

Should these provisions be retained as we propose, REACH also advocates that they be treated as sufficiently important for IDA to impose real sanctions where breached. IDA should review international best practice approaches to misleading conduct that illustrate such conduct should be taken seriously and significant sanctions imposed. It is

absolutely critical that an operator is not able to make significantly more from breaching such prohibitions than it risks through penalties.

Proposed Section 11

Enforcement

REACH believes that the Code itself is a solid document based on international best practice. However, we submit that improvements may be necessary more in its implementation and enforcement. In this regard, we are concerned that the IDA continues to emphasis a 'hands-off' approach where it will treat telecommunications disputes with a powerful incumbent such as SingTel as 'commercial' matters which can be negotiated in the same manner as any business deal between equal parties.

We agree with the notion of regulating only where necessary but believe that the IDA approach may be based on an inaccurate view of when intervention is necessary. There is nothing commercial about most negotiations with a dominant operator and IDA must take a more proactive approach in assisting new entrants to resolve disputes with SingTel, whether it be by formal action or applying appropriate regulatory pressure on SingTel. IDA needs to make absolutely clear that it will take a strong enforcement approach to minimise the manner in which SingTel currently exploits the situation by dragging on or ignoring competitor complaints over a multitude of issues, which cumulatively cause significant competitive damage.

We also refer to our RIO submissions where we suggest that IDA could take a balanced approach by acting in an informal role to guide dispute resolution rather than necessarily having to intervene according to formal processes.

Review process

IDA has proposed two review options:

- Reconsideration by IDA within 14 days, then appeal to Minister within 7 days
- Reconsideration by IDA within 14 days OR direct appeal to Minister.

REACH supports the second option as more flexible and believe that the 14 day timeframe is appropriate. However, we do not agree with the IDA proposal that where the parties cannot agree between IDA reconsideration and Minister appeal that the Minister should be able to leave the matter to IDA reconsideration. This allows parties to delay the review process for the wrong reasons. We submit that where both parties are aggrieved by an IDA decision but cannot agree on the review process, the matter should go directly to the Minister.

Regardless of which option IDA decides on, REACH considers that a party seeking review should not have to notify other parties to the dispute upon lodging its request for reconsideration/appeal. While such notification would usually be desirable, it may encourage gaming if IDA implements the second review option as per the draft Code.

Information gathering

REACH considers that any improvements to the IDA's information gathering powers will be beneficial provided that they are used to their best effect. In particular, it is vital that such tools be used to require information from SingTel such as to prove claims of anti-competitive conduct. IDA should not simply rely on information from competitors given the huge information asymmetries found in telecommunications markets. Nor should it allow SingTel to hide behind superficial responses to IDA questions.

Proposed Section 12 – Transitional Provisions

REACH is supportive of clear transitional provisions which do not allow for a lapse in dominance classifications and ensure a swift move to new obligations such as Dominant Licensee tariff filing.

We are a little confused at how the provisions requiring SingTel to submit a revised RIO within 30 days will work, given the IDA has indicated that the revised RIO will not be released until late 2004 and it has not made clear how it will handle matters raised in the RIO Consultation.

Proposed Appendix 1 – Pricing Models

REACH refers to our comments on the RIO Consultation to the effect that while we strongly support the use of LRAIC, the IDA must ensure that the prices SingTel charges really are in line with this cost model. IDA would be assisted greatly in this regard if it would adopt a transparent regulatory approach and consult with industry while analysing SingTel costs and implementing the model.

Proposed Appendix 2 – IRS And Mandated Wholesale Services

REACH has no issue with details of IRS and wholesale services being collated in Appendix 2. We note the IDA's specific request for comments on the proposed list of such services but are concerned that no wholesale services are identified in the draft.

We have some concern with the IDA's clarification of SingTel rights to reserve space for anticipated growth over a 24 month period. This type of provision is too open to abuse unless the IDA makes clear how it will assess what is a reasonable space reservation and other licensees have an opportunity to inspect SingTel space. REACH submits that the scope for abuse may be somewhat reduced if a shorter reservation period is included.

Dispute Resolution Guidelines

REACH has real concerns with the underlying approach in these guidelines. Too much reliance is placed on commercial negotiation with the IDA avoiding involvement. The need for IDA to intervene in interconnection disputes rather than deciding whether and when it will assist has been identified in the Singapore – US FTA, which requires that operators have recourse to the regulator for such disputes within a reasonable period of time. It is not a true recourse option where IDA may, and often does, turn away complainants or requests them to continue to deal direct with SingTel. REACH strongly

urges IDA to be more proactive in interconnection disputes involving implementation matters.

However, assuming IDA will not move from this approach, we comment below on the actual process in the proposed Dispute Resolution Guidelines.

Our general view is that the process for dispute resolution remains cumbersome and overly long. While we realise it reflects existing guidelines, this is no reason why improvements cannot be made now. In terms of specific stages in the process:

- REACH is not convinced that it is necessary to provide advance notice to a party that a dispute will be referred to IDA. Generally parties will be aware that this is likely when negotiations are not working. In any event, 15 days is far too long given parties' existing awareness and the fact that time will already have been wasted on negotiations. A 3-5 day notice period would be more appropriate.

- The IDA should not require an undue amount of evidence that a party has attempted lengthy negotiations in good faith. In some cases, it will be self-evident from the start that negotiations will go nowhere and parties should not be forced to suffer competitive damage merely for the sake of process. The IDA should also take account of evidence of bad faith of the other party (such as one line letters responding to attempts to negotiate) and this should be given due weight in considering a request for intervention.

- 30 days is far too long for IDA to simply consider *whether* it will intervene. Rather, it is a more appropriate timeframe for IDA to actually make a final decision. A maximum of 10 days from when the responding party provides its comments would be more appropriate.

- It is unnecessarily cumbersome and duplicative to then require a party to submit a petition for dispute resolution as a further step, given that it will already have submitted a request for intervention at the outset.

- The same can be said of the further requirement for a response to that petition when there has already been a response to the request for intervention. This step is unnecessary and any information that the IDA is intending to get at this stage should instead be sought at the outset. If the IDA insists on retaining this unnecessary step, then 15 days is too long a timeframe, given that a response will largely be based on information already provided.

- The further 15+15 day right of reply and counter reply also unnecessarily delay dispute resolution.

- At worst case, there should be a process involving an initial request for intervention and response, an IDA decision on whether to intervene, and then an opportunity for rights of reply ie. omitting the petition stage.

- The 60 day period for IDA to make a decision after it has received all information with a possibility for unlimited extension is too long and does not ensure sufficient

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accountability. It also makes the dispute resolution process unworkable for all but the most major interconnection disputes. Parties will continue to be left with no recourse for smaller disputes such as those of a technical or operational nature. At worst case, the timeframe for IDA to make decisions should be 30 days from when it receives the last response.

REACH also submits that para 6.2(a) of the guidelines should be clarified such that a new issue may be raised during the course of dispute resolution if it was not possible to have included it at the outset and the issue is related to those being considered. This is because the process of dispute resolution often reveals new perspectives on a dispute or additional information that gives rise to new and related issues. Once again, it would be a very cumbersome process if a party had to start a whole new dispute resolution process over an issue that could and should easily be dealt with alongside matters already under consideration.

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6. COMMENTS ON OTHER SPECIFIC CODE PROVISIONS

In this section, REACH comments on specific Code provisions that are critical to its business, as well as those which are of general import and require re-examination. We refer also to our RIO submission comments, which supplement those made below in relation to Code provisions on the RIO.

Note: References to provisions are to those in the proposed draft Code.

SECTION 1 INTRODUCTION			
Provision	**Subject**	**Comment**	**Proposed Improvement**
1.1, 1.5.1	Industry self-regulation	REACH observes that IDA is meant to promote industry self regulation. We stress again the need for IDA to assist with establishing a body for this purpose, such as the Telecommunications Industry Forum recently proposed to IDA by our grouping of licensees, APCCC.	As outlined above, retain the previous Code reference to IDA establishing an industry body and broaden its function to industry self-regulation generally (rather than limiting to technical and operational matters).
1.5.3	Facilities-based competition	REACH supports this new provision in recognising that network build is not always the ideal such that service-based competition should be supported. We hope that this policy will increasingly filter through to decisions that IDA makes in practice.	Provide further support for service-based competition by improving specific provisions including those mentioned in our RIO and Code submissions eg. strengthening requirements to provide resale/wholesale services.
1.5.6-7	IDA decision-making	The Code provides that IDA decisions are to be open, reasoned, quick etc. However, this is not really reflected in the limited detail of decisions on IDA's website or the length of time taken to consider key matters such as LLC regulation. REACH also considers that these key regulatory principles should be reflected in improvements to dispute resolution processes, particularly with regard to shortened timeframes and less cumbersome processes.	Increase the level of detail about IDA decisions on website. Reduce, in practice, the amount of time taken to resolve issues raised by industry. Shorten and simplify dispute resolution procedures.
1.6.2-3	Code modification	The draft Code retains the current right for IDA to modify the Code on its own initiative or to do so on	Include a requirement for public consultation for

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SECTION 1 INTRODUCTION			
Provision	**Subject**	**Comment**	**Proposed Improvement**
		licensee petition. While REACH agrees that this right is essential, we believe that there should be an opportunity for industry to comment on proposed modifications, particularly where their interests may be adversely affected. This would be in line with the approach taken for Code modifications pursuant to the triennial review where public consultation is required. It would also be in line with the principle of transparent decision-making.	Code modifications.
1.7.1	Code exemptions	As per above comment, we believe that there should be an opportunity for industry to comment on proposed exemptions in the case of a Dominant Licensee. We agree that this is likely to be unnecessary where other licensees seek exemption from simple procedural requirements such as filing or publication rules.	Include a requirement for public consultation for Code exemptions sought by a Dominant Licensee.

SECTION 2 CLASSIFICATION OF LICENSEES			
Provision	**Subject**	**Comment**	**Proposed Improvement**
2.3(b)(i)	Dominance reclassification	We believe that there should be an opportunity for industry to comment on proposed dominance reclassifications, particularly where their interests may be adversely affected.	Include a requirement for public consultation for reclassifications under s2.3(b)(i).
2.5.2	Dominance exemptions	As per above comment, we believe that there should be an opportunity for industry to comment on proposed exemptions, particularly where their interests may be adversely affected.	Include a requirement for public consultation for exemptions from dominance classifications. Provide notice to licensees of extensions to IDA period for consideration of exemption applications.

SECTION 2 CLASSIFICATION OF LICENSEES			
Provision	**Subject**	**Comment**	**Proposed Improvement**
		Where IDA needs to extend the time for considering exemption applications, it should also ensure that other licensees are aware of this as a matter of regulatory transparency.	At worst case, publish this on the website or at least notify licensees that have indicated interest in the application eg. by making submissions to IDA.

SECTION 4 DUTY OF DOMINANT LICENSEES TO PROVIDE TELECOMMUNICATIONS SERVICES ON JUST, REASONABLE AND NON-DISCRIMINATORY TERMS			
Provision	**Subject**	**Comment**	**Proposed Improvement**
4	New obligations	As commented earlier in this submission, the Code should include strengthened obligations on SingTel in terms of accounting separation and QoS. Currently, accounting separation is not mentioned in the Code despite the fact that it is a typical obligation imposed on dominant operators elsewhere. Not only should accounts be filed, they should also be published as a matter of regulatory transparency. QoS is mentioned but only superficially as an obligation applicable to all licensees when supplying end user services and as a term to be included in the RIO. Again, QoS obligations on dominant operators are typically much stronger in other jurisdictions eg. we refer to Oftel imposition of KPIs in relation to key wholesale/interconnect services.	Incorporate obligations to file and publish separate accounts as a Dominant Licensee obligation under section 4. Require Dominant Licensees to include enforceable QoS in their tariffs for retail, resale and wholesale services as well as in the RIO. Outline the type of QoS expected as a matter of law.
4.2.1.2	Non-discrimination	SingTel has, in a number of instances, taken advantage of non-discrimination principles by refusing to negotiate even minor changes to its	The Code should clarify that the non-discrimination principle should not be manipulated by SingTel as an excuse to refuse to negotiate its standard terms

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SECTION 4 DUTY OF DOMINANT LICENSEES TO PROVIDE TELECOMMUNICATIONS SERVICES ON JUST, REASONABLE AND NON-DISCRIMINATORY TERMS			
Provision	**Subject**	**Comment**	**Proposed Improvement**
		standard agreements. Such changes typically have no adverse competitive effects and may simply meet a particular need of customer. Aside from this comment, REACH supports the extension of this protection to services provided to other licensees.	when requested by a licensee, where changes proposed would not have an adverse competitive effect. Perhaps IDA could somehow incorporate the concept it has used in s6.4.2.1, which allows for individual interconnect agreements to differ from the standard RIO provided that they do not *unreasonably* discriminate against other licensees.
4.2.1.3	Unbundling	REACH supports the extension of this protection to services provided to other licensees. We are concerned that the provision by itself leaves the impression that there is no tariff requirement for bundled products where they are offered on an optional basis.	We consider that this provision should cross refer to the obligation that where services are bundled, the tariff must include terms for the entire bundle including services that would not otherwise by subject to tariff obligations.
4.2.2.2	Resale	As per earlier comments, the proposed resale regime is inadequate in only providing for retail pricing of resale services. This obligation is meaningless as without a discount, licensees will be unable to compete in supply to end users. Resale obligations should apply to all telecommunications services and not just tariffed products. Further, if wholesale competition is to be promoted, resale of wholesale services, and not just end user products, should be made available by SingTel for resale. SingTel is only required to file a resale tariff on request of a licensee with no timeframe for filing specified. The provision is therefore open to abuse	As per earlier comments, require retail minus pricing of resale services. Include this resale obligation under s4.2.1 as applying to all telecommunications services. Specify a clear timeframe and process for resale filings. Amend this section to provide that SingTel must amend all effective tariffs to remove resale restrictions upon finalisation of the Code rather than only when requested by a licensee.

SECTION 4 DUTY OF DOMINANT LICENSEES TO PROVIDE TELECOMMUNICATIONS SERVICES ON JUST, REASONABLE AND NON-DISCRIMINATORY TERMS			
Provision	**Subject**	**Comment**	**Proposed Improvement**
		by SingTel delaying any filing. Similarly, there is no timeframe specified for wholesale tariff filing. We also believe that it will introduce unnecessary delays if a licensee has to first request SingTel to remove resale prohibitions from existing tariffs before resale will be allowed.	
4.3	Wholesale services	S4.3 requires SingTel to provide a service on wholesale terms only if it provides such a service on a wholesale basis to itself or another party. However, this is easily manipulated by SingTel - it does not publicly offer wholesale tariffs to itself for key services such as LLCs so it can evade the obligation to provide to others. REACH refers to its earlier comments to the effect that this section of the Code should be strengthened to require provision of wholesale services. Assuming that IDA intends to proceed with its current approach, we note our concern that the current draft of s4.3 is too vague in simply providing for 'retail-minus' pricing without further expansion. While IDA provides some further explanation in s4.4.3.1, as noted below there is still insufficient Code detail to ensure that SingTel does not engage in anti-competitive pricing.	Require provision of a wholesale product. This provision should be broadened significantly so that there is a proper wholesale regime in Singapore eg. as per countries like the US. SingTel should be required to offer wholesale terms whenever it is supplying to another licensee. The extent of discount or whether cost-oriented pricing is required may then depend on whether it is a designated wholesale service under s6. Ensure that any price model is sufficiently clear and will promote effective competition eg. by setting out further relevant considerations in s4.4.3.1.
4.4.1	Tariffed services	REACH is concerned that as IDA winds back SingTel's dominance classification and thus obligations to file tariffs for 'competitive' retail services, it may leave itself with inadequate historic	Retain the ability to require tariffing of SingTel services even where the service may be exempted from dominance classification. Ie, make clear that while there may be an exemption, IDA can still

SECTION 4 DUTY OF DOMINANT LICENSEES TO PROVIDE TELECOMMUNICATIONS SERVICES ON JUST, REASONABLE AND NON-DISCRIMINATORY TERMS			
Provision	**Subject**	**Comment**	**Proposed Improvement**
		records of SingTel pricing. These records may be needed to prove claims of anti-competitive conduct such as price squeezing and cross-subsidisation. Consider, for example, allegations of price squeezes between wholesale LLC prices and downstream international services. Both IDA and industry need visibility of the downstream prices to make a case.	impose certain dominant licensee obligations such as tariffing in relation to the service.
4.4.2.1	Tariff information	Current SingTel terms are often unclear in relation to the scope of the service covered and what other services/products may be required to meet a licensee's needs. For example, LLC terms do not adequately explain the various service components required such as grooming pipes. As mentioned earlier, REACH is also concerned that there is no transparency in relation to how prices are set, approved and implemented. This means that the tariff publication requirements fall short of their objective. The IDA should not use commercial sensitivity or the need for SingTel to have incentives to compete as an excuse for excluding needed pricing information. As a matter of law, a service will only be subject to the tariff rules if it is not subject to effective competition anyway.	Amend s4.4.2.1(e) to require explanations of the exact scope of the service and an indication of possibly related services that are not included and would be subject to a separate purchase. As per earlier comments, require tariffs or supporting filings to include detail of how prices are implemented. The Code should also require IDA to provide details of why it approves tariffs and industry comment should be sought as part of the approval process.
4.4.3.1	Tariff review	We consider that it may be appropriate for resale products to be subject to a wholesale pricing regime given avoided costs eg. retail marketing and customer care. Resale prices may therefore be unjust or unreasonable where they are the same as	Provide that resale and wholesale pricing will be reviewed with regard to end user prices, avoided costs, international benchmarks and the resale price that an efficient competitor would need to be

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SECTION 4 DUTY OF DOMINANT LICENSEES TO PROVIDE TELECOMMUNICATIONS SERVICES ON JUST, REASONABLE AND NON-DISCRIMINATORY TERMS			
Provision	**Subject**	**Comment**	**Proposed Improvement**
		end user prices. They may also be completely out of line with international best practice and be damaging to effective competition. The same comments apply to wholesale services generally.	able to viably compete.
4.5	Tariff publication	REACH again states that it supports new publication requirements but believes that the obligations fall short of what is necessary to promote competition. In addition to the shortcomings already mentioned, we submit that the process for publication is insufficiently detailed in the Code.	Include tariff publication process in the Code with details of timeframe within which tariffs must be published and the sort of format required (or refer to guidelines that will detail format).
4.6	Supply on tariff	REACH supports the IDA taking a strong stance in relation to supply off tariff, which will often be discriminatory. However, we are concerned at the lack of recourse for competitors who may be adversely affected by such conduct. We also submit that s4.6(b)(iii) should not be left open to abuse with SingTel able to have tariffs retrospectively approved without penalty.	While private rights of action would be preferable, at worst case the IDA should clarify this section to reflect that IDA must act on complaints of other licensees and end users affected by the conduct. SingTel should be required to file a tariff for an agreement where it has breached the prior filing requirement so that it is forced to offer that service to others. However, at the same time it should be penalised eg. with a fine so that it does not continually try to evade filing obligations on the basis that it can easily ‘fix’ matters with a retrospective filing.
4.7	Tariff review	REACH is concerned that this provision is too open-ended in requiring ‘periodic’ review. This does not ensure sufficient accountability that reviews will happen and often.	Specify a period for review or at least a maximum period during which a review must take place.

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SECTION 5 REQUIRED COOPERATION AMONGST LICENSEES TO PROMOTE COMPETITION			
Provision	**Subject**	**Comment**	**Proposed Improvement**
5.3(a)(ii) 5.6.1.1(a)(ii)	Submission of agreement to IDA / modification	REACH is concerned that throughout the revised Code there appear to be a number of minor amendments slipped in which extend timeframes for most interconnect processes. In this instance, we are not sure why the IDA has extended from 15 to 21 days the period it has to reject an interconnect agreement (or modification thereto) between non-Dominant Licensees. The Code review should not be taken as an opportunity to gradually increase timeframes and there should be constant pressure on industry and IDA to ensure that telecommunications issues are deal with efficiently. REACH is also unsure as to the rationale for IDA including new concluding words to this provision requiring that non-Dominant Licensee agreements be subject to IDA approval. This is inconsistent with IDA's stance that it will generally not involve itself in such agreements. In any event, IDA would still retain the power to intervene on the basis of non-compliance with minimum interconnection duties. The same comments apply to approval of modifications under s5.6.1.1(a)(ii).	Unless the IDA has sound experience to date that the 15 day period is unreasonably short, retain this period. Omit requirement for non-Dominant Licensee agreements/modifications to be subject to IDA approval. Retain current wording.
5.4(b)	Rejection of agreement	REACH supports the position in the draft Code that IDA can direct licensees to make changes to an agreement and that where one of the parties is dominant, it must make those changes and cannot simply withdraw the agreement unless the other party agrees. This minimises the scope for gaming	

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SECTION 5 REQUIRED COOPERATION AMONGST LICENSEES TO PROMOTE COMPETITION			
		by a Dominant Licensee.	
5.4	Minimum interconnection duties	REACH queries why these duties have been rephrased so that rather than obligating an operator to comply with a duty, the obligation is to include the duty in an agreement. This weakens the importance of the duty and enforcement approach as it is possible to say that once the duty is included in the agreement, it is not a breach of the Code to breach the duty – it is simply a breach of the agreement. Even if IDA treats non-Dominant Licensee disputes as private contractual matters, the same cannot apply to Dominant Licensee interconnection to which the minimum duties also apply.	Retain current approach that duties must not only be reflected in agreement but also must be complied with as a Code obligation at least where the agreement is with a Dominant Licensee.

SECTION 6 INTERCONNECTION WITH DOMINANT LICENSEES			
6.2.1	RIO term	This section provides that the RIO is effective for 3 years. However, as IDA has found, this does not allow sufficient flexibility in case IDA and industry are not ready to complete a review and introduce a revised RIO within the 3 year period. While the IDA has attempted to deal with this by providing for a further 3 year extension, it is likely that early in the extended term the RIO will be reviewed. The Code should make clear that any revised Code is subject to the 3 year extension rather than commencing afresh. Otherwise RIO reviews will fall further and further behind their 3 yearly schedule. It may also be less clumsy to simply provide that the RIO term continues until a review is finalised	Amend s6.2.1 to provide that RIO terms will be reviewed every 3 years and that the RIO will remain effective until completion of such a review and approval of new terms. Include provision for interim review of aspects of the RIO.

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SECTION 6 INTERCONNECTION WITH DOMINANT LICENSEES			
		and a new RIO issued. We also believe that the IDA should clarify that it can review parts of the RIO at any time (separate from the 3 yearly review) for example to introduce new services or improve current provisions. While IDA has taken this approach to date, there are no clear Code processes for this.	
6.3	RIO content	The Code is extremely vague in its requirements for RIO content, simply listing 'topics' for inclusion rather than setting a clear framework. Of particular concern, s6.3.4.2 states that a RIO must set out QoS matters and O&P procedures but does not clearly require enforceable SLAs or otherwise provide guidelines to SingTel. We refer to our RIO submission in this regard. Similarly, the section requires a RIO to set out terms for services such as collocation but provides little detail as to what are appropriate terms. Further, the process for introducing new services is not specified. Again, we refer to our RIO submission as to the problems this causes.	In line with best practice, elaborate on required RIO content in the Code, with a specific requirement for enforceable SLAs. Key price and non-price terms for various services such as collocation should be set out in the Code, rather than left to SingTel to develop under the RIO. For matters requiring coverage, we refer to our RIO submission. The same improvement is required to the process for addition of new services to the RIO. The detail in the Appendices is simply not enough to set clear ground rules for SingTel.
6.3.1	Development of RIO	REACH questions why delays are being introduced with the draft Code allowing SingTel 60 days to submit a RIO to IDA, rather than the current 30 days. As IDA keeps stressing, its RIO review is not going to result in a major overhaul of the RIO. Therefore SingTel will be able to substantially rely on the current RIO and make simple amendments to it. It does not make sense that SingTel should have more time for a redraft than it did for the initial version of the RIO.	Retain current 30 day drafting period.

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SECTION 6 INTERCONNECTION WITH DOMINANT LICENSEES			
6.3.3.3	Collocation space	REACH observes that the requirement for SingTel to inform of the amount of collocation space available has been removed from s6.3.3.3.	While REACH agrees that the RIO cannot state upfront the amount of space at each location, the Code should still require that SingTel be obliged to provide this information under the RIO eg. by maintaining a register of space or similar.
6.3.3.4	UNE/UNS	REACH observes that the current references in s5.3.5.3 of the Code to requirements for SingTel to condition, provision and combine UNE and UNS efficiently have been removed from the proposed draft. These obligations are essential if IRS are to be useable by competitors and if effective wholesale competition is to be promoted. The Code also requires UNE and UNS to be provided on an unbundled basis but does not adequately deal with situations such as SingTel's bundling of cable capacity with backhaul. In this case, services are being bundled in a manner that still obstructs the acquisition of connection service UNS by making it pointless to acquire such a service. We refer to our RIO submission for further details.	Retain wording of current s5.3.5.3. Expand on s6.3.3.4 so that SingTel is prohibited from bundling non-RIO products to the extent that this hinders or obstructs the acquisition or use of IRS.
6.3.3.5	Wholesale services	This section is very limited as SingTel only needs to offer wholesale terms to other licensees for services that IDA designates. Currently, there is no service listed and consequently no real wholesale regime.	This provision should be broadened significantly so that there is a proper wholesale regime in Singapore eg. as per countries like the US. The amended provision should also reflect the fact that there are some services which should be provided on a wholesale basis in the long term and that wholesale regulation is not just an interim measure prior to build out of alternate networks. This would reflect a more balanced approach to service versus facilities based competition.

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SECTION 6 INTERCONNECTION WITH DOMINANT LICENSEES			
6.3.4.1	Discrimination	The Code simply requires that supply of IRS and wholesale services must be non-discriminatory, with no guidance as to how this principle can be enforced.	We refer to our RIO submission and propose that measures such as introduction of enforceable SLAs and improved SingTel reporting/IDA monitoring would assist in making the non-discrimination obligation meaningful. We refer IDA to the recent Oftel publication on publication of Key Performance Indicators by dominant operators for services such as LLCs, interconnect links etc.
6.3.4.2	Required terms	REACH queries the rationale for deletion of the current s5.3.2(p). While aspects of this are addressed in other provisions of the draft Code, we cannot find, for example, provision for assignment of the RIO. While this may be unlikely/undesirable in the case of SingTel, interconnecting parties may need to restructure their businesses and would require flexibility to assign the RIO along with any licence transfer or replacement.	Retain current s5.3.2(p) wording.
6.3.5(b)	Retail minus pricing	Leaving aside REACH's concerns as to Code proposals for regulation and pricing of wholesale services, REACH believes that any inclusion of retail minus references in the Code should be adequately explained. This is not a term that has a concrete meaning. To the contrary such a model often gives rise to much confusion eg. as to the retail benchmark to be used and the way to determine the appropriate 'minus' factor.	In the same way that cost-based pricing for IRS is elaborated in Appendix 1, there should be further explanation of wholesale pricing beyond a simple reference to 'retail-minus'.
6.3.6	Modification of RIO	REACH comments again that the Code should provide a clearer process for modification of the RIO, including how new services can be introduced or existing ones improved. For example, there should be provision for licensees and IDA to initiate the process, timeframes for IDA to deal with this	Back up s6.3.6(b)(ii) with some detail as to the process leading up to an IDA direction to modify the RIO.

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SECTION 6 INTERCONNECTION WITH DOMINANT LICENSEES			
		and for SingTel to respond.	
6.3.7	Review of RIO	Once again, we are extremely concerned as to the increased delays found in the draft Code. The timeframe for each stage of the RIO process has been doubled despite the fact that all parties should have more experience and be able to work through issues more efficiently than 3 years ago. The entire RIO process in the draft Code now appears to take at least 6 months: • 60 days to develop RIO • 30 days for public comment • 30 more days for IDA to respond (possible extension) • 30 days for SingTel to redraft • 30 days for IDA to approve or direct changes. We also query the loose reference in s6.3.7(c) to SingTel being able to modify the RIO.	Retain current timeframes, although in line with general IDA practice allow 30 days for public comment. As the Code Consultation stresses, it is important for there to be a proper consultation process. Provide for a public notice and consultation process before any unilateral SingTel change to its RIO where other licensees may be adversely affected.
6.4.3.2	Dispute resolution	REACH queries the IDA rationale for removing the previous s5.5.6.6.3 requirement for disputes regarding implementation of agreements reached through the dispute resolution process to be referred to IDA. We are concerned that this is yet another example of IDA stepping back from obligations to facilitate dispute resolution and ensure that interconnection rules work in practice (beyond the initial signing of an interconnect agreement).	Include a provision that IDA must assist with resolution of disputes about implementation of Dominant Licensee interconnection rather than current section 11 provision for discretionary intervention.

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SECTION 7 INFRASTRUCTURE SHARING			
7.6.2	Interim sharing	REACH queries how IDA intends to deal with interim sharing directions, for example, how it will determine terms.	

SECTION 8 UNFAIR METHODS OF COMPETITION			
Provision	**Subject**	**Comment**	**Proposed Improvement**
8.2.1.2	Price squeezes	The recent confusion over allegations of price squeezing in the supply of LLCs demonstrates that there is insufficient regulatory guidance as to how this provision will work. We believe that part of this stems from IDA taking too literal a reading of the provision. While the provision is based on similar prohibitions elsewhere eg. in the EU, in these countries the literal meaning is supplemented by a solid background in price squeeze assessments. One of the confusing aspects of the section is the focus on whether SingTel's downstream price to itself is too high, rather than referring to whether the downstream price to competitors is too high for them to effectively compete. Further, there is no general recognition that where retail prices are the same or less than wholesale prices, there is a presumption of a price squeeze.	Section 8.2.1.2 should be clarified so that the IDA will assess what SingTel is charging to other licensees and whether this allows them to compete. There should also be a statement that price squeezing will be presumed where the Dominant Licensee charges retail prices equal to or lower than wholesale prices.
8.2.1.3	Cross-subsidisation	REACH observes that the IDA has introduced a new requirement that cross-subsidisation must be proven to unreasonably restrict competition. Under the current Code, cross-subsidisation is treated as conduct that in itself has this effect. REACH is concerned at the level of uncertainty the new	Retain current wording.

SECTION 8 UNFAIR METHODS OF COMPETITION			
Provision	**Subject**	**Comment**	**Proposed Improvement**
		provision introduces and the fact that it will make it even harder for anyone to bring claims against SingTel for abuse of dominance.	
8.2.2	Anti-competitive bundling or lock-ins	REACH submits that the Code inadequately deals with anti-competitive bundling and lock-ins by SingTel. As commented earlier, the sections 4 and 6 unbundling requirements do not deal with all scenarios that may arise. We raise again the example of SingTel indirectly forcing the acquisition of its backhaul together with IRS since other FBOs are not allowed to connect directly to certain cables.	Include Code reference to anti-competitive bundling or lock-ins that force a competitor to acquire products it does not otherwise want. Incorporate more detailed analysis in supporting guidelines.
8.2.2.1	Discrimination	REACH observes that the IDA has introduced a new requirement that the infrastructure, systems, services or information in question be 'necessary' as a 'practical' matter to other licensee services. Under the current Code, discriminatory conduct is treated as an abuse regardless. REACH is concerned at the level of uncertainty the new provision introduces and the fact that it will make it even harder for anyone to bring claims against SingTel for abuse of dominance. It is entirely unclear as to what will be considered a 'practical necessity'.	

SECTION 9 AGREEMENTS INVOLVING LICENSEES THAT UNREASONABLY RESTRICT COMPETITION			
9.1.2	IDA action	REACH supports the IDA's move to strengthen its enforcement powers by clarifying its right to intervene in existing contracts and require	

		amendment or termination.	
9.3.2.4	Group boycotts	REACH considers that a boycott may also arise in the case of a Customer who is not a competitor nor an End User.	Replace reference to End User with the broader term, Customer.

SECTION 11 ADMINISTRATIVE PROCEDURES			
Provision	**Subject**	**Comment**	**Proposed Improvement**
11.1	General	REACH queries why IDA has deleted the previous ss10.2.2 (open and reasoned decision making) and 10.2.3 (proportionality). We believe it is very important in terms of industry certainty and regulatory transparency for IDA to continue to publish details of enforcement action. We therefore consider that this requirement should be retained and in fact strengthened. We also believe that IDA should continue to emphasise that its enforcement action will be based on the principle of proportionality but also deterrent value. As mentioned earlier in this submission, REACH is concerned that the low level of penalties imposed to date sends out the wrong signal that IDA does not see a breach of the Code as a serious matter.	Retain current s10.2.2 requirement for publication of enforcement action and further strengthen. Currently, IDA publishes limited summaries of decisions, once made. There may be some benefit to IDA publishing a complaint once made, prior to deciding it, as other operators may have useful information or similar complaints that are relevant to IDA's deliberations. REACH also believes that far more detailed reasoning for decisions would achieve the objectives of this section. It would provide greater clarity and precedent value to industry and ensure accountability and transparency of decisions. Retain similar wording to current s10.2.3. Increase penalties actually issued and develop clearer guidelines for enforcement action.
11.3	Dispute resolution	REACH refers to its comments throughout this submission to the effect that IDA should be playing a stronger role in facilitating telecommunications disputes rather than its current discretionary approach and undue emphasis placed on commercial negotiation.	

SECTION 11 ADMINISTRATIVE PROCEDURES			
Provision	**Subject**	**Comment**	**Proposed Improvement**
11.4	IDA enforcement actions	REACH is concerned that the timeframes for consideration of a complaint are too long (120 days up to an unlimited time period for third party complaints and 75 days up to an unlimited time period for IDA actions). These timeframes are likely in practice to drag out due to information asymmetries etc. REACH is also concerned at the IDA's apparent view that it is constrained from intervening in contractual matters, and taking enforcement action such as invalidating contracts. We note that the Code now contemplates that the IDA will intervene in such cases but believe that this should be more clearly emphasised in section 11. We are also concerned about the fact that IDA has such an open discretion whether it will take enforcement action for breach of the Code, given that private action is not possible. The IDA should make it clear when it will take action and then do so on a proactive basis.	Where action is initiated by a third party, the periods for licensees to provide information should be 10 days each and IDA should decide a matter within 30 days of receiving the last right of reply. Where action is initiated by IDA, REACH submits that a licensee should have no more than 10 working days to respond to a complaint and IDA should decide a matter within 30 days of the response. If it is concerned about getting adequate information, it should start using its information gathering powers more aggressively against wrongdoers, rather than relying on input from licensees who cannot readily access such information. The open-ended provision for IDA to extend the timeframe for its decision should be deleted and a maximum included eg. a target of 30 days with a maximum 30 day extension subject to qualifications as in s11.4.1.2(b). REACH also believes that this review is an opportune time to assess why IDA feels unable to intervene in contracts and make clear amendments to rectify this weakness. To the extent that changes are necessary to the Telecommunications Act, IDA Act or otherwise, these should be made as a priority. We also believe that the power should be detailed in s11 eg. as a clarification to s11.4.4.3. We submit that IDA should also issue clear guidelines as to when it will take enforcement action for Code breaches, rather than exercising a

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SECTION 11 ADMINISTRATIVE PROCEDURES			
Provision	**Subject**	**Comment**	**Proposed Improvement**
			broad discretion not to intervene.
11.4.1.1(v)	Private requests for enforcement	We believe that it is unnecessary to show good faith efforts to resolve all disputes. Consider the case of misleading conduct or conduct by a competitor that denigrates your products. Clearly negotiation is inappropriate in such cases.	The Code needs to more clearly distinguish different types of disputes such that where a matter is commercial, it is relevant for IDA to consider whether parties have tried to resolve disputes prior to regulatory intervention, but in other cases IDA will intervene immediately as a matter of regulator obligation.
11.4.1.3	Deferment of action	REACH suggests that this provision is too open ended.	There should be a further explanation in this section as to why deferment might be appropriate, the process to follow and notice IDA will give.
11.4.2.4	Extension of decision	IDA has provided that it may extend its timeframe for a decision where it has initiated action. However, this section only provides for notice of extension to be given to the subject of the action. Clearly there may be other parties interested in the progress of investigations.	Include an obligation for IDA to notify of extensions on its website or, where there are limited parties with a legitimate interest, it should notify them directly.

SECTION 12 TRANSITIONAL PROVISIONS			
Provision	**Subject**	**Comment**	**Proposed Improvement**
12.4.3	Tariffs	REACH is confused as to why it should take SingTel 90 days to publish a tariff that is already prepared, filed and approved by IDA and in effect. We are also concerned that there is no limit on the time that IDA may allow SingTel to publish tariffs subsequently approved.	A maximum 30 day period should be provided for publication of tariffs already in effect. New tariffs should be published upon approval by IDA so that there is no lapse between when the tariff becomes effective and when interested parties are made aware of its terms.

SECTION 12 TRANSITIONAL PROVISIONS			
Provision	**Subject**	**Comment**	**Proposed Improvement**
12.4.5	RIO	REACH is confused by the fact that section 6 has a revised 60 day period for SingTel to submit a proposed RIO. However, we are not sure why IDA amended this when it appears that it intends s12.4.5 to apply to the forthcoming RIO review and this provision only has a 30 day period. S12.4.5 also indicates that the s6.3.6 modification process will apply to the RIO review rather than the full RIO review process. As highlighted earlier, if this is the case, REACH is concerned at the lack of detail as to how the modification process will work prior to IDA issuing directions eg. the consultation and response periods. These may not be so necessary in the case of minor modifications contemplated under s6.3.6 but are critical in the case of major modifications pursuant to a triennial review.	Clarify the process for the forthcoming RIO review. As per above, retain current streamlined process while at the same time ensuring adequate public consultation.
APPENDIX 1 PRINCIPLES GOVERNING THE PRICING OF INTERCONNECTION RELATED SERVICES			
2	Charging standards	The use of LRAIC is in line with best practice and continues to be appropriate for all IRS in the Singapore context. However, REACH believes IDA must ensure that LRAIC is implemented accurately and with transparency. We refer to our RIO submission in this regard.	Retain LRAIC model. Revise current 'costs' down in line with best practice cost models and after proper review of SingTel costs, subject to industry input.
	Retail minus	As indicated above, retail minus pricing should be elaborated on in the Code. While the broad concept may be understood, implementation generally gives rise to much confusion. Further detail is essential for industry certainty and to ensure regulatory accountability and transparency.	Include details of IDA's intended approach to retail minus pricing in Appendix 1, including matters such as how it will select the retail price benchmark and how it will determine the appropriate discount.

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APPENDIX 2 PRICE, TERMS AND CONDITIONS AT WHICH A DOMINANT LICENSEE MUST OFFER TO PROVIDE INTERCONNECTION RELATED SERVICES			
1	General	The Code lacks any mention of key wholesale services that need to be included in the RIO. Currently, Appendix 2 provides that the IRS price list is only to be made available to licensees where applicable. The section also provides that IRS prices and terms are to remain effective for 3 years. We believe that this period may be too long for price reviews given the dynamic nature of the market. We note that the draft Code is silent on the above points and believe the IDA should clarify the approach it intends to take going forward.	Include LLCs and DSL as RIO services as per earlier comments – LLCs as broadband OT&T and DSL as a designated wholesale service. In line with the objective of improved accountability and transparency, IRS price lists should be public. As submitted earlier, the IDA must ensure IRS terms should roll over until after a review is completed rather than expire after a set period. Further, IRS prices should be reviewed on an annual basis to ensure consistency with international benchmarks and to reflect changes in costs.
4	ESF	REACH believes that the streamlining of current section 5 collocation provisions and Appendix 2 provisions may have caused certain relevant Code references to be omitted. We are not sure of the IDA rationale for these omissions but comment on aspects of these below. We also note our vies that the general collocation principles in Appendix 2 are not so much of an issue for industry as is SingTel's application of them.	Retain current collocation provisions that protect competitors from SingTel abuses. Provide in Code for IDA to be able to intervene and supplement its general principles where SingTel is abusing these by taking an extreme stance. This is in line with earlier comments that the IDA should set a more detailed framework for development and subsequent improvement of RIO provisions.
4.2.1.3	Collocation space limitations	The current Code provides for checks on SingTel claims that collocation is unavailable such as requesting licensee rights to inspect premises and SingTel obligations to take measures to make space, however, these are not adequately reflected	Do not delete current checks and balances re reservation of space. To the contrary, either strengthen Code provisions to ensure that the checks on SingTel are implemented or require explicit provision in the RIO.

APPENDIX 2 PRICE, TERMS AND CONDITIONS AT WHICH A DOMINANT LICENSEE MUST OFFER TO PROVIDE INTERCONNECTION RELATED SERVICES			
		in the RIO or in practice. We are concerned that the draft Code even further weakens the position of requesting licensees. It is inadequate to simply require SingTel to 'demonstrate' its need for space with no checks and balances such as what it needs to do to prove this and to whom.	IDA should also consider a monitoring process where if SingTel fails to use space it must release it. Repeated failure by SingTel to use space it has reserved should result in a penalty.
4.2.1.5	Collocation equipment	REACH submits that collocation space and equipment sited thereon should be useable for multiple purposes of an interconnect related nature. For example, equipment and space used to connect one submarine cable should be useable for another cable without further application to SingTel. We refer to our RIO submission in this regard. We also query the omission of the current s5.3.5.5.4 Code requirement for a Dominant Licensee to allow equipment on a non-discriminatory basis and current s4.2.1.4 Appendix 2 requirements re power to be provided.	Amend s4.2.1.5 or include new provision providing that collocation space can be used for multiple purposes of an interconnect related nature and that SingTel may not require separate applications in each instance. Ensure current s5 references are followed through to the revised Appendix 2.
4.2.1.7	Security	REACH queries the omission of previous security provisions in s5.3.5.5.5 and failure to include in the new draft Appendix. For example, the current Code requires that SingTel security measures be non-discriminatory and that it must take all reasonable actions to reduce unnecessary costs of licensees in imposing security requirements.	Reflect wording of current s5.3.5.5.5 of the Code in new s4.2.1.7 Appendix 2.

7. CONCLUDING COMMENT

REACH trusts that the above provides some useful feedback on the Code Consultation. We remain ready to discuss Code issues with the IDA as and when required and hope that there will be further opportunity for dialogue on such an important review exercise.