

23 May 2006

THE MINISTER'S DECISION IN SINGTEL'S APPEAL AGAINST THE IDA'S DIRECTION DATED 19 OCTOBER 2005 IN RELATION TO THE PROVISION OF TAIL LOCAL LEASED CIRCUITS AT G.703 INTERFACE STANDARD

1. On 2 November 2005, Singapore Telecommunications Limited ("SingTel") submitted an appeal to the Minister for Information, Communications and the Arts against the Info-communications Development Authority's ("IDA") direction dated 19 October 2005 ("IDA's Direction") requiring SingTel to make certain amendments to its Reference Interconnection Offer ("RIO") in respect of the provision of tail local leased circuits ("TLLC") at the G.703 interface standard. SingTel has requested that the Minister set aside IDA's Direction in its entirety.
2. MICA Minister carefully considered the submissions from the IDA and SingTel. The Minister also took into consideration the policy objective of promoting efficiency and competitiveness of the telecommunications market, and the policy intent of the IDA's LLC Decision of 16 December 2003 to ensure sustainable and effective competition in the telecoms market in the long-term by encouraging facilities-based competition.
3. Based on the issues brought up on appeal against IDA's Direction, the Minister's decision in this appeal is to uphold IDA's Direction in its entirety in the context of this appeal, specifically,
 - a. SingTel is to offer to provide both V.35 and G.703 as the default interface standards for TLLCs of bandwidths from 64kbps to 1984kbps, and permit Facilities-based Operators ("FBOs") to choose either V.35 or G.703 as the interface standard at which SingTel is to handover the TLLCs;
 - b. Where an FBO requests for handover using the G.703 interface standard, SingTel must offer to groom the individual TLLC into circuits of 1984kbps each before handing over to the FBO using the G.703 interface standard;
 - c. Upon designation of SingTel's TLLCs as an Interconnection Related Services ("IRS"), the provision of grooming service shall be at cost-based rates.