

13 December 2000

Singapore Telecommunications Limited  
31 Exeter Road  
#18-00 Comcentre  
Singapore 239732

Attention: BG Lee Hsien Yang  
President and Chief Executive Officer

Dear Sir

**NOTIFICATION OF THE INFO-COMMUNICATIONS DEVELOPMENT  
AUTHORITY OF SINGAPORE PURSUANT TO SUB-SECTION 5.3.4 OF  
THE CODE OF PRACTICE FOR COMPETITION IN THE PROVISION OF  
TELECOMMUNICATION SERVICES: REQUIRED MODIFICATIONS TO  
SINGAPORE TELECOMMUNICATIONS LIMITED'S PROPOSED  
REFERENCE INTERCONNECTION OFFER**

1. On 30 October 2000, in compliance with sub-section 5.3.1 of the Code of Practice for Competition in the Provision of Telecommunication Services ("Code"), Singapore Telecommunications Limited ("SingTel") submitted to IDA its proposed Reference Interconnection Offer ("RIO").
2. On the same day, pursuant to sub-section 5.3.4 of the Code, IDA solicited public comments on SingTel's proposed RIO. IDA subsequently received comments from: British Telecommunications plc, Cable and Wireless plc, Concert Global Networks (Singapore), East Asia Crossing Singapore Pte Ltd, Equant Singapore Pte Ltd, Harmony Telecommunications Pte Ltd, Macquarie Corporate Telecommunications Pte Ltd, MCI WorldCom Asia Pte Ltd, MobileOne (Asia) Pte Ltd, Pacific Internet Limited, Qala Pte Ltd, Singapore Cable Vision Ltd, and StarHub Pte Ltd.
3. Sub-section 5.3.4 of the Code provides that IDA must complete its review of a proposed RIO within 30 days of the submission, unless IDA notifies the Dominant Licensee that it requires an additional 15 days for review. Pursuant to this provision, on 17 November 2000, IDA informed SingTel that it would require an additional 15 days to review SingTel's proposed RIO.

4. Sub-section 5.3.4 of the Code further provides that, at the end of the review period, the proposed RIO will be deemed approved, unless IDA informs the Dominant Licensee to the contrary. If IDA rejects any portion of the RIO, it must provide the Dominant Licensee with “a written explanation of the basis for the rejection and the modifications required to bring the proposed RIO into compliance with IDA’s requirements”.
5. IDA has carefully reviewed SingTel’s proposed RIO and has given full consideration to the comments submitted. IDA commends SingTel for the significant effort it has made to develop its proposed RIO.
6. IDA believes that SingTel is entitled to significant discretion in developing its RIO. However, pursuant to Section 5.3.4 of the Code, IDA must require SingTel to modify the proposed RIO to the extent that it does not: (a) satisfy the Minimum Interconnection Duties specified in sub-sections 4.2-4.28 of the Code; (b) contain all Required Elements specified in sub-section 5.3.2 of the Code; (c) fulfil the Minimum Requirements specified in sub-sections 5.3.5-5.3.5.8 of the Code; and (d) serve the public interest.
7. IDA hereby notifies SingTel of the specific provisions in its proposed RIO that IDA conditionally approves and the modifications that SingTel must make to comply with the Code.\* IDA has grouped the required modifications into three categories. First, SingTel must make changes throughout the proposed RIO to address certain General Concerns identified by IDA. These General Concerns are listed in Schedule A. Second, SingTel must modify the proposed RIO in order to include those Required Elements specified in the Code that SingTel has not included in its proposed RIO. These Required Elements are listed in Schedule B. Third, SingTel must revise specific provisions of the proposed RIO that are either inconsistent with the Code or do not serve the public interest. These revisions are indicated in the IDA Annotation of the proposed RIO. For each such provision, the IDA Annotation indicates the changes that SingTel must make. In most cases, IDA has provided general guidance, leaving it to SingTel to propose solutions that address IDA’s concerns. In some cases, however, IDA has provided specific language necessary to address its concerns.
8. Whilst the proposed RIO provides a good foundation, SingTel will need to make significant changes throughout the RIO. Ultimately, the RIO must reflect a good faith and commercially reasonable effort to provide services to Requesting Licensees in a co-operative, timely and efficient manner.
9. IDA wishes to call SingTel’s attention to certain issues that warrant particular attention. First, SingTel will have to redraft Part One of the Main Agreement to reflect the fact that the RIO is an offer that any FBO or eligible SBO can accept. Second, SingTel will need to extend the termination period for RIO Agreements beyond 30 September 2003. Third, SingTel will need to revise certain charging structures. Fourth, SingTel will need to commit to specific

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\* IDA is continuing to audit the Charges specified in Schedule 9 of SingTel’s proposed RIO. Whilst this Notification indicates certain changes that SingTel must make in the proposed charging structure, IDA may require SingTel to make additional changes following the completion of the audit process.

and measurable deployment and service standards, and provide a remedy in the event that it materially fails to satisfy them. Fifth, SingTel must revise those provisions that IDA has determined are not commercially reasonable. This includes provisions that IDA has determined are unduly one-sided, unduly burdensome or inadequate to achieve the goals of the Code. Sixth, where appropriate, SingTel will need to impose mutual rights and obligations on both parties to any RIO Agreement. Seventh, SingTel will need to revise the procedures governing forecasting of interconnect and network capacity. Eighth, SingTel must specify additional Points of Interconnection and Points of Access, and must offer additional options for establishing the location of the POI. Ninth, SingTel must offer to provide all Essential Support Facilities specified in Appendix Two of the Code. Tenth, SingTel must revise the collocation provisions to fully comply with the Code.

10. Pursuant to sub-section 5.3.4 of the Code, SingTel must submit its revised proposed RIO to IDA, incorporating the modifications required by IDA, within 15 days from the date hereof. SingTel is to submit its revised proposed RIO in two formats. The first format should contain a redraft of the proposed RIO. The second format should enable IDA to assess whether the changes that SingTel has made between the proposed RIO and the revised proposed RIO are fully responsive to this Notification. SingTel may fulfil this obligation by providing a “marked-up” version of the IDA Annotations, showing the proposed RIO, IDA Annotation, and all changes made by SingTel. In addition, SingTel should submit a separate memorandum highlighting significant changes to the revised proposed RIO and providing any additional information that SingTel believes will assist IDA in conducting its review.
11. IDA will post SingTel’s revised proposed RIO and the separate memorandum on its Website. However, IDA will not seek further public comment.
12. In reviewing SingTel’s revised proposed RIO, IDA will determine whether the changes that SingTel has made are adequate to meet the requirements of the Code, as elaborated in this Notification. IDA emphasises that, as a Licensee, SingTel must comply with all applicable provisions contained in the Code. If SingTel believes that it should be excused from complying with any provision of the Code, the proper course is to file a request for an exemption pursuant to sub-section 2.6 of the Code.
13. Within 15 days of receiving SingTel’s revised proposed RIO, IDA will either inform SingTel that it approves the RIO or will direct SingTel to incorporate specific language that meets IDA’s requirements.
14. In conducting its review of SingTel’s revised proposed RIO, IDA does not intend to review the provisions that it has conditionally approved and that SingTel has not altered. However, IDA reserves the right to direct SingTel to change these provisions to the extent necessary to give effect to, or to be consistent with, any other modifications required by IDA.

15. If you should require any clarification, please direct your written queries to us (at 211-2116, if by fax) marked for the attention of our Ms Audrey Lee (Director, Interconnection). Please note that any query directed to us for clarification shall not affect your obligations to comply with this Notification.

Yours faithfully,

Leong Keng Thai  
Director-General  
Info-communications Development Authority of Singapore