

REPUBLIC OF SINGAPORE

INFO-COMMUNICATIONS DEVELOPMENT AUTHORITY OF SINGAPORE

**PUBLIC CONSULTATION ON
REQUEST BY SINGAPORE TELECOMMUNICATIONS LIMITED
FOR EXEMPTION FROM DOMINANT LICENSEE OBLIGATIONS
WITH RESPECT TO THE INTERNATIONAL CAPACITY SERVICES MARKET
PURSUANT TO SUBSECTION 2.6.1 OF
THE CODE OF PRACTICE FOR COMPETITION
IN THE PROVISION OF TELECOMMUNICATION SERVICES**

ISSUED ON 4 March 2004

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REQUEST BY SINGAPORE TELECOMMUNICATIONS LIMITED FOR EXEMPTION FROM DOMINANT LICENSEE OBLIGATIONS WITH RESPECT TO THE INTERNATIONAL CAPACITY SERVICES MARKET PURSUANT TO SUBSECTION 2.6.1 OF THE CODE OF PRACTICE FOR COMPETITION IN THE PROVISION OF TELECOMMUNICATION SERVICES

In accordance with Subsection 2.6.2 of the Code of Practice for Competition in the Provision of Telecommunication Services (the "Code"), the Info-Communications Development Authority of Singapore ("IDA") hereby invites comments from the industry and the public on the request by Singapore Telecommunications Limited ("SingTel") for exemption from the Dominant Licensee obligations set out in the Code with respect to the International Capacity Services ("ICS") Market.

1. Introduction

- 1.1 Under the Code, IDA has designated SingTel as a Dominant Licensee¹. Arising from this designation, SingTel is subject to special provisions governing Dominant Licensees set out in Subsections 3.3 - 3.3.5, Section 5, and Subsections 7.2 - 7.2.2.2 of the Code. These special provisions are also referred to as the Dominant Licensee obligations.
- 1.2 Under Subsection 2.6 of the Code, IDA recognises that as competition develops, it may no longer be necessary to apply each of the Dominant Licensee obligations to every facility operated and/or service provided by a Dominant Licensee. Subsection 2.6.1 of the Code therefore provides for a process by which a Dominant Licensee may request IDA for exemption from complying with the Dominant Licensee obligations².
- 1.3 Before granting any request for exemption, IDA will generally provide an opportunity for public comment in accordance with Subsection 2.6.2 of the Code.

2. SingTel's Request for Exemption from Dominant Licensee Obligations

- 2.1 On 2 March 2004, SingTel submitted a request to IDA under Subsection 2.6.1 of the Code for a grant of exemption from the Dominant Licensee obligations with respect to

¹ By a *Gazette* notification published on 15 September 2000, IDA designated SingTel as a Dominant Licence with effect from 29 September 2000. Subsection 2.2.1 of the Code sets out the criteria applied by IDA in determining a Licensee's designation as a Dominant Licensee.

² Under Subsection 2.6.1 of the Code, the Dominant Licensee must, among others, submit an application to IDA identifying the specific provisions of the Code from which it seeks exemption and demonstrating that continued application of the provisions to a specific facility and/or service is not necessary to protect end-users or promote and preserve effective competition amongst Licensees.

the ICS market (the "SingTel Exemption Request"). A copy of the SingTel Exemption Request is enclosed as **Annex A**.

2.2 The ICS services provided by SingTel, for which it seeks an exemption, are set out below:

- (a) International Private Leased Circuits;
- (b) International Frame Relay;
- (c) International ATM;
- (d) International IP VPN;
- (e) Domestic Backhaul;
- (f) Satellite TV Uplink/Downlink;
- (g) Very Small Aperture Terminal (VSAT) Service;
- (h) Digital Video Broadcast (DVB) IP;
- (i) Leased Satellite Bandwidth; and
- (j) IP Transit service.

2.3 With respect to the ICS services listed in paragraph 2.2 above, SingTel has requested for a grant of exemption from the following Dominant Licensee obligations:

- (a) Section 3.3.1 – Duty to provide service on demand
- (b) Section 3.3.2 – Duty to provide service at just and reasonable prices, terms and conditions
- (c) Section 3.3.3 – Duty to provide service on a non-discriminatory basis
- (d) Section 3.3.4 – Duty to file and provide service pursuant to tariffs
- (e) Section 3.3.5 – Duty to provide unbundled telecommunication services
- (f) Section 5.8.1 – Duty to allow resale of end user telecommunication services
- (g) Section 5.8.2 – Duty to allow sales agency
- (h) Section 5.8.3 – Duty to tariff and make wholesale telecommunication services generally available
- (i) Section 7.2.1 – Pricing abuses, including Subsections 7.2.1.1 to 7.2.1.3
- (j) Section 7.2.2 – Other abuses, including Subsections 7.2.2.1 to 7.2.2.2

2.4 SingTel submitted that the continued application of the Dominant Licensee obligations listed in paragraph 2.3 above is not necessary to protect end users and to preserve effective competition amongst Licensees, in view of the vigorous competitiveness of the ICS market. Hence, SingTel submitted that it should be granted an exemption from the Dominant Licensee obligations listed in paragraph 2.3 above with respect to the ICS market.

3. Invitation to Comment

3.1 Pursuant to Section 2.6.2 of the Code, IDA hereby invites comments from the industry and public on the SingTel Exemption Request. Views and comments should be directed at the specific Dominant Licensee obligations and ICS services for which SingTel is seeking exemption. Respondents are also invited to comment on any other related issues not covered in this document, if they believe that such issues are relevant to this review.

3.2 All submissions must reach IDA **before 12 noon on 15 April 2004**. All comments must be submitted in writing (and a softcopy, preferably in Microsoft Word format, must be provided). Respondents are required to include their personal / company particulars as well as the correspondence address, contact numbers and email addresses in their submissions. IDA will make public all or parts of any written submissions made in response to the consultation paper and to disclose the identity of the source. Any part of the submission which is considered commercially confidential must be clearly marked and placed as an annex to the comments raised. IDA will take this into account in its assessment.

3.3 All comments must be addressed to:

**Ms Aileen Chia
Director (Competition and Market Access)
Infocomm Development Authority of Singapore
8 Temasek Boulevard
#14-00 Suntec Tower Three
Singapore 038955**

Fax: (65) 6211 2116

AND

3.4 Please submit your soft copies to: e-mail address: **Tan_Poh_Ling@ida.gov.sg**

3.5 IDA will consider all comments received and issue its decision thereafter. IDA may issue a preliminary decision, where appropriate, to seek public comments before issuing its final decision.