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Infocomm Development Authority
8 Temasek Boulevard
#14 Suntec Tower Three
Singapore 038988

Attention: Mr. Andrew Haire, Assistant Director-General (Telecoms)

Re: AT&T Comments on the Infocomm Development Authority Public Consultation Paper, "Review of Direct and Indirect Interconnection Arrangements Between Telecommunications Licensees"

Dear Mr. Haire,

On behalf of AT&T Worldwide Telecommunications Services Singapore Private Limited and its parent corporation AT&T Inc. (collectively, "AT&T"), I am pleased to submit AT&T comments on the Infocomm Development Authority ("IDA") Consultation Paper, "*Review of Direct and Indirect Interconnection Arrangements Between Telecommunications Licensees*" dated November 3, 2006 (the "*Consultation*").

In the *Consultation*, IDA reviews the current direct and/or indirect interconnection arrangements that are in place between telecommunications licensees with a view to ensuring that they remain robust and efficient; catering to and will effectively serve future market developments and needs.

Currently, under the seamless any-to-any connectivity doctrine as adopted in the Telecom Competition Code (2005), all licensees are obliged to interconnect with other and that Interconnection Agreements entered into between licensees are required to fulfill the Minimum Interconnection Duties as set out in the same Code. The IDA has, however, generally left it to the licensees to negotiate their interconnection arrangements with each other on a commercial basis. The only exceptions are for interconnection with a dominant licensee, which is subject to more stringent requirements, and where one of the parties seeking interconnection is a mobile network operator, which is based on a Mobile-Party-Pays ("MPP") regime. Under MPP, mobile operators are responsible for the costs of call origination and termination on their networks in addition to the costs of the interconnection links between mobile and fixed networks.

IDA notes that the telecommunications industry has been undergoing rapid developments, driven by advances in technologies, notably the emergence of Internet Protocol Telephony and Wireless Broadband Access such as WiMAX, and that these operators are likely to provide further competitive services in future. AT&T commends the



IDA for maintaining the momentum in ensuring the promotion of a level-playing field, effective and sustainable competition and growth in the Singapore infocomm sector, and thus helping to ensure that Singapore remains a leading telecommunications hub in the region.

IDA seeks from the public views on a number of issues including (i) would the current direct and/or indirect interconnection arrangements be appropriate for emerging players, services and industry trends, such as IP telephony, new mobile data offerings, etc; (ii) should IDA harmonize the requirement for all licensees to be responsible for the provision and costs of interconnection links on their side of the interconnection; and (iii) should IDA prescribe for all licensees, including mobile operators to either share the cost of interconnection links on a 50:50 basis, or fully bear the costs of interconnection links which only convey their own traffic.

AT&T submits that irrespective of the form of interconnection settlement to be permitted in the market on conclusion of the current review, whether MPP or calling party pays, it remains critical that the IDA remains ready to intervene in the event of any attempt by carriers to impose non-cost-based rate increases in fixed and mobile termination charges. To date, international fixed and mobile termination rates have largely been cost-oriented and transparent in Singapore, as determined primarily by market forces, backed by prompt and effective IDA supervision and intervention. AT&T urges the IDA to ensure that it continues its successful record of fostering cost-based fixed and mobile termination rates.

AT&T would be pleased to respond to any questions concerning these comments and to provide any further information that would be helpful to the IDA with respect to its current interconnection review. Please do not hesitate to contact me in that regard.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Vincent Ma".

[Vincent Ma]

for AT&T Worldwide Telecommunications Services Singapore Pte.Ltd