



DECISION ISSUED BY
THE INFO-COMMUNICATIONS MEDIA DEVELOPMENT AUTHORITY
ON
INCORPORATING COMMON DUCT NETWORK AS AN INTERCONNECTION
RELATED SERVICE

13 DECEMBER 2019

DECISION ON INCORPORATING COMMON DUCT NETWORK AS AN INTERCONNECTION RELATED SERVICE

1. On 18 October 2019, the Info-communications Media Development Authority (“**IMDA**”) issued a public consultation to seek comments prior to incorporating the Common Duct Network (“**CDN**”) as an Interconnection Related Service (“**IRS**”) under Appendix 2 of the Code of Practice for Competition in the Provision of Telecommunication Services 2012 (also known as the Telecom Competition Code, or “**TCC**”) (the “**Public Consultation**”).
2. The intended incorporation of the CDN as a regulated service under Appendix 2 of the TCC would facilitate IMDA’s regulation of the offer for the access to the Tuas 9-way CDN¹ under Singapore Telecommunications Limited’s (“**Singtel**”) Reference Interconnection Offer (“**RIO**”).
3. At the close of the Public Consultation, IMDA received comments from two respondents, namely:
 - (a) NTT Singapore Pte Ltd (“**NTT**”); and
 - (b) Singtel.
4. IMDA thanks the respondents for their views and comments, and has given careful consideration to the submissions. IMDA’s decisions regarding the Public Consultation are set out in the following sections.

Designation of Tuas 9-way CDN under TCC

5. In its submission, Singtel highlighted the extensive land reclamation works that were being planned at the Tuas South region and the potential construction of an alternative duct network along the south-bound side of Tuas South Boulevard Extension (“**TSBE**”). Thus, Singtel opined that the Tuas 9-way CDN would not meet the criteria to be designated as an Essential Support Facility (“**ESF**”) pursuant to the TCC, given that practical or viable alternatives could exist which would facilitate operators’ deployments of telecommunication infrastructure. Singtel submitted that the Tuas 9-way CDN ought to instead be designated as a Mandated Wholesale Service (“**MWS**”) to be offered under Singtel’s RIO.
6. In the Public Consultation, IMDA had highlighted the need for a common set of ducts to be built by appointed operator(s) to cater to current and future demand by submarine cable operators to bring submarine cables from the beach manhole (“**BMH**”) to the in-land termination points in the Tuas South area or beyond. IMDA viewed that such a common set of ducts would optimise the utilisation of the limited space from the Tuas South landing site to in-land

¹ Tuas 9-way CDN refers to the 9-way duct network constructed along the north-bound side of Tuas South Boulevard Extension.

Singapore and minimise disruptions from subsequent road opening works. The said common set of ducts would be required for sharing among the operators.

7. Besides catering for the deployment of telecommunication infrastructure, IMDA notes that the limited space in the Tuas South region is also allocated and prioritised in advance for various developmental needs and objectives for the region. This would restrict multiple submarine cable operators, who land their submarine cable systems at the Tuas South landing site, to using only route(s) planned and approved by relevant agencies, including IMDA, instead of freely choosing to deploy their own terrestrial duct networks to in-land Singapore along their preferred routes. Notwithstanding the plan for a duct network along the south-bound side of the TSBE, such a network cannot be constructed in the immediate term due to the land constraints in the TSBE. There is thus no practical or viable alternative to the Tuas 9-way CDN to bring submarine cables from the BMH to in-land termination points. Should the south-bound common duct network at the TSBE be constructed in the future, IMDA will require the appointed operator(s) to similarly make available the common duct network as an ESF in view of the land constraints in the TSBE.
8. Considering the above, IMDA remains of the view that the CDN fulfils the characteristics of ESF in the list of IRS, in that the CDN is a passive support structure, for which no practical or viable alternatives exist, that enable multiple operators to deploy their own telecommunication infrastructure. In addition, we note that MWS is usually associated with high costs and/or other barriers to the provision of a competitive service, which is not the case in this situation.

Designation of all CDNs under TCC

9. Singtel commented that given IMDA's on-going discussions with various licensees regarding the construction of other CDNs around Singapore, the Tuas 9-way CDN would not be the only CDN to be constructed and required to be shared. As the arrangement and principle for sharing would be different for different CDNs, Singtel submitted that it would be appropriate and necessary for IMDA to modify the TCC to designate all CDNs as MWS.
10. IMDA notes that the circumstances that require the construction of a CDN are generally due to constraints relating to physical space and/or other factors that restrict multiple operators from constructing their individual duct networks over time. Such circumstances are not limited to submarine cable system deployments along Singapore's coastal areas, and could also include in-land deployments of telecommunication infrastructure and networks around Singapore. However, IMDA considers it possible that the arrangements and principles for sharing may vary for different CDNs used for deployment of domestic connectivity. Therefore, IMDA will separately review the regulation required to facilitate the sharing of these infrastructure. In this regard, for purposes of this Public Consultation, the designation of the CDN under the TCC will be scoped to only the CDNs used for the deployment of international connectivity. IMDA may expand the scope to incorporate other in-land CDNs for domestic connectivity, upon completion of the review, if appropriate.

Modification of TCC

11. Singtel submitted that IMDA should only modify the TCC to designate the Tuas 9-way CDN as a MWS after the execution of the relevant and necessary agreement between IMDA and Singtel ("**Construction Agreement**"). It would be premature for IMDA to modify the TCC to designate the Tuas 9-way CDN as a MWS until after the Construction Agreement has been finalised.
12. IMDA would like to highlight that the Construction Agreement does not cover the regulatory requirements to be set out in the TCC to facilitate FBOs' access to the Tuas 9-way CDN. It is necessary to finalise the relevant agreements between IMDA, Singtel and the FBOs for the access to the Tuas 9-way CDN on or before the completion of the construction of the Tuas 9-way CDN to facilitate the upcoming new submarine cables landings in the Tuas South area. In this regard, IMDA views that both the modification of the TCC to designate the Tuas 9-way CDN as an IRS, and the finalisation of Construction Agreement can be carried out concurrently. This will also provide clarity to the industry and address on-going interest in the use of the Tuas 9-way CDN, as evident from NTT's submission.

CONCLUSION

13. In summary, IMDA will designate only the CDNs, which are used to deploy submarine cables, as IRS under the TCC.
14. The proposed Appendix 2 of the TCC to take into account IMDA's decision to the Public Consultation is appended together with this document, and will take effect immediately.