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Initiatives on Interconnection and Access by Malaysia

ABSTRACT

This presentation provides insights about the initiatives undertaken by the Malaysian Communications and Multimedia Commission (MCMC) to promote competition by establishing a forward looking framework for access and interconnection in Malaysia. The MCMC recognizes access as the key for increasing availability of communications and multimedia (C&M) services at affordable prices which will enable Malaysia to be transformed into knowledge based society. The MCMC addresses the access issues by establishing an appropriate Access Regime which facilitates access to facilities / services of operators.

The CMA 1998 stipulated National Policy Objectives which amongst others, resolve to build a civil society and to ensure an equitable provision of affordable services. The MCMC Framework for Industry Development, a five-year rolling plan to develop the industry identified eight challenges that included 'access to affordable communications and multimedia services'. Keeping the above objectives and challenges in view, the MCMC has taken various policy and regulatory measures to achieve them.

Due to dominance in certain market segments, access seekers may not be able to obtain equitable and fair terms and conditions of access from access providers in upstream market. This potentially limits the ability of access seekers to compete in the downstream market. Mandating access would promote competition in the upstream market hence allowing the service providers to compete effectively in the downstream retail markets.

The new framework looks beyond the telecommunications and narrowband services and considers interconnection and access in upstream market to facilities and services that include broadband, data, IP, broadcasting and new technologies. The proposed framework is based on principles of technology and service neutrality which will accord same regulatory treatment to functionally equivalent services provided by different technologies.

Mandating the terms and conditions of access is not sufficient without stipulating the prices for those facilities and services. This is to prevent access providers in position of dominance from extracting monopoly prices from the access seekers. The presentation concludes that the above measures will address many critical issues faced by the C&M industry and the MCMC encourages the forums to play a more active role in the process of self-regulation.

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