

IDA'S CONTRIBUTION TO GSR CONSULTATION

Background

1. This paper serves as Infocomm Development Authority (IDA) of Singapore's contribution to the consultation conducted by the Global Symposium of Regulators (GSR) on innovative regulatory best practices in the areas of:

- (a) Passive and active infrastructure sharing
- (b) Open access to international capacity
- (c) Harmonized and regional policy and regulatory approaches to sharing

IDA's Regulatory Principles

2. IDA's regulatory principle is to rely on market forces to the extent possible to achieve our policy objectives. This is driven by our belief that market forces are generally more effective than regulation in promoting consumer welfare. IDA will therefore apply regulation only in areas of market failure and in proportion to the extent of competition in the market.

3. IDA also encourages facilities-based competition to the extent possible to ensure effective and sustainable competition. In general, licensees are not required to share the use of any infrastructure that it controls with its competitors. Each licensee is expected to build or lease the use of infrastructure that it requires. Notwithstanding this, infrastructure sharing is mandated in certain situations.

- Firstly, where the infrastructure is controlled by a dominant licensee, and is necessary for competing operators to provide services, IDA will require the dominant licensee to provide such services on regulated prices, terms and conditions. For example, IDA has required SingTel, as a dominant licensee, to provide any requesting facilities-based operators that owns submarine cable capacity in a submarine cable system that lands at SingTel's submarine cable landing station (SCLS) with co-location space and connection service for the provision of backhaul facilities so as to enable competitive entry in the international facilities market. This is in recognition that access to SingTel's SCLS is an essential input to many telecom services and any restriction to an FBO's ability to do so would limit the competitive effect in the provision of international telecom services.
- Secondly, where IDA finds that specific infrastructure meets the criteria to be classified as Critical Support Infrastructure (CSI) or where IDA concludes that it is in the public interest to mandate the shared use of the infrastructure with other Licensees.

4. The criteria for CSI are:
 - The infrastructure is required to provide telecom services
 - An efficient new entrant would neither be able to replicate the infrastructure within the foreseeable future, nor obtain it from a third-party through a commercial transaction, at a cost that would allow market entry
 - The Licensee that controls the infrastructure has sufficient capacity to share with other Licensees;
 - The Licensee that controls the infrastructure has no legitimate justification for refusing to share the infrastructure with other Licensees; and
 - Failure to share the infrastructure would unreasonable restrict competition in any telecommunication market in Singapore.

5. Accordingly, IDA has designated that the following types of infrastructure must be shared:
 - Radio distribution systems for mobile coverage in train or road tunnels
 - In-building cabling (where the occupant elects to take service from another service provider); and
 - Lead-in ducts and associated manholes

6. IDA also encourages licensees to enter into interconnection agreements through commercial negotiations. IDA however has taken a more active role in ensuring the adoption of just, reasonable and non-discriminatory interconnection agreements involving dominant licensees. As such, a dominant licensee is required to provide Interconnection-related Services and Mandated Wholesale Services to other licensees under its Reference Interconnection Offer.

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