THE DISPUTE RESOLUTION IN TELECOMMUNICATION MARKET
Kingdom of Cambodia

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TRC - 2015
1. Telecommunication Sector Reform
2. Dispute resolution Procedure of TRC
3. Experience of Dispute Resolution in Cambodia
4. Challenges
• Telecommunication Policy Maker / International Cooperation

• Regulator (Regulation/Tariff & Interconnection / Numbering /Radio Frequency/Authorization (Licensing, Certificate and Other Approval/ Domain Name Registration (.kh)/Internet Café License)

• Public Enterprise/Private Company

• Market
THE DUTIES AND RESPONSIBILITIES OF INSTITUTIONS IN ICT SECTOR

Ministry of Posts and Telecommunications (MPTC)
- Determining the National Telecom and ICT Policy
- International Telecom & ICT Cooperation, as State Member

Ministry of Information
- Determining the National Radio and TV Broadcasting Policy and Regulation
- International Radio & TV Broadcasting Sector Cooperation, as State Member

Telecommunication Regulator of Cambodia (TRC)
- Telecom & ICT Regulation
- Managing the Market and Dispute Resolution
- Telecom Numbering and IP Address
- Frequency Assignment and Allotment
- Authorization (Licensing & Approval)
- Domain Name System Registration and Internet Café Registration
Delay the introduction of new services and infrastructure

Block or reduce the flow of capital from investors

Limit competition, leading to higher pricing and lower service quality; and

Retard liberalization – and with it, general economic, social and technical development
WHAT IS THE MAIN ROLE OF TELECOMMUNICATION REGULATOR OF CAMBODIA FOR TELECOM MARKET?

Investment  Growth  Development

Service Provider’s interests  Service User’s interests

FOR ?

TO PROTECT/BALANCE
THE DISPUTE RESOLUTION PROCEDURE
OF TELECOMMUNICATION REGULATOR OF CAMBODIA

Step 1: Data Collection, Investigation, and Legal Verification;

Step 2: Coordination and Negotiation with related dispute parties;

Step 3: Issue officially the Announcement or Decision on Dispute Resolution to related dispute parties;

Step 4: In case of failure of coordination and negotiation, and it cannot get any agreeable from related parties, the case will go to the court.
Telecom Market Situation in Cambodia

- **7 Operators**
  - 2008: 3,791,834
  - 2009: 6,346,720
  - 2010: 10,537,628
  - 2011: 15,678,829
  - 2012: 19,105,115
  - 2013: 20,264,514
  - 2014: 20,451,982
  - 2015: 21,913,960

- **8 Operators**
  - 2008: 20,402
  - 2009: 291,589
  - 2010: 320,190
  - 2011: 1,689,389
  - 2012: 2,706,922
  - 2013: 3,861,843
  - 2014: 5,025,945
  - 2015: 5,809,611

- **29 Operators**
  - 2008: 0.14%
  - 2009: 1.99%
  - 2010: 2.18%
  - 2011: 3.81%
  - 2012: 3.98%
  - 2013: 2.87%
  - 2014: 2.46%
  - 2015: 2.47%
WHAT KIND OF DISPUTES HAPPENED IN CAMBODIA TELECOM MARKET?

- **Price War**
  - Predatory Pricing in mobile on-net call
  - Message of promotion, blaming each other

- **Interconnection Block**
  - Not allow to connect and put the conditions
  - Discrimination
Some operators were promoted own retail prices below the cost as Supper Zero, bonus to their costumers 100% to 500% when top up (Predatory Prices and Price War);

Some operators were not allowed the partners to inter-connect to their network, and some allowed to connect with, but to block the incoming phone traffics, flowing from own partners.

RGC’s Order No. 01 Bar.Bar dated on 21 October, 2009 on the measure to stop the block of the network interconnection between one operator and other.

Inter-ministries Directive No. 1277 MEF.-MPTC dated on 29 Sept., 2009 on the Measure to obstruct the un-fairied competition in Telecommunication Sector.

Inter-ministries Prakas No. 232 MEF.-MPTC dated on 07 Dec., 2009 On the floor price termination for Mobile, Fixed Phone Services and Interconnection rate between mobile/fixed operators.
To declare the cool war for disputing over the costumers from each other by putting the low rate of on-net retailed prices below the cost base (Predatory Prices), and to provide the very high rate of bonus to their costumers as 200% up to 500% when top up etc., (Oppose the Inter-ministries Prakas 232 and Inter-ministries Directive 1277);

To connect the networks between operators directly, bypass TC’s Transit Switch, which are opposed TRC’s Order 01 Bar.Bar.
THE EXPERIENCE ON DISPUTE RESOLUTION OF TRC

Studies & Recommendations

Studies, Consultation With Operators & Sum-up The Results to Inter-ministries

Regulatory Meeting Between TRC and Operators

Inter-Ministries Meeting Between MPTC, MEF & TRC
THE EXPERIENCE ON DISPUTE RESOLUTION OF TRC

On-net Calls
* All operators shall be respected to the fair-competition principle as guided by ITU and WTO on predatory prices;
* All operators shall be submitted the calculated cost base every 6 months to TRC for following and controlling the fair-competition.

Off-net Calls
* Cost and other fees related with the off-net calls and other obligation to RGC shall keep as meaning in 232 temporarily.
* MPTC, MEF, TRC and also Operators shall continue to find out the way to reform and correct those.

Telecom Association
* The state encourage and welcome the initiative idea from TRC to establish the Telecom Association among the operators for one voice communication between State/TRC and operators, and also for dispute resolution.
THE EXPERIENCE ON DISPUTE RESOLUTION OF TRC

On – Net Calls:
Cost Base submission is the obligation of each operator!

Off – Net Calls:
TRC & Operators shall continue to discuss and find out the agreeable together for submission to RGC for decision via MPTC/MEF.

Telecom Association
This is also the obligation among operators
What is Cost Base?

It is your expenses for your products/services, and is not the prices, which are fixed or terminated by the state.

Why is we needed Cost Base?

It is for following and controlling the fair competition.

ARTICLE 10 OF LAW ON AMENDMENT TO THE LAW ON INVESTMENT OF THE KINGDOM OF CAMBODIA:

“The Royal Government shall not fix the price of fee of the products or services of a QIP“
THE CHALLENGES

A lack of proper regulations, unrealistic market data and a constant stream of disputes between Cambodia’s mobile operators will likely hinder the country’s telecommunications regulator from effectively governing the sector.

Without the enactment of telecommunications law, which is still in draft, the current Telecom Regulator of Cambodia (TRC), will have no way to settle disputes between operators.

Cambodia has 7 mobile phone companies in operation. The firms have accused one another of unfair business practices such as price dumping, not paying fees for operator interconnectivity, and inflating subscriber numbers to satisfy shareholders.
សុំអរគុណ! Thank You!