



January 19, 2001

Office of the Telecommunications Authority
29/F, Wu Chung House
213 Queen's Road East
Wan Chai
Hong Kong

Attn: Mr. Anthony Wong – Director-General

Dear Anthony

RE: "Open Network" Regulatory Framework for 3G in Hong Kong

We would like to thank you for giving us the opportunity to present Ericsson's views on the above subject matter at the industry workshop on January 5, 2001.

As presented at the workshop, we support the overall policy objective of the "Open Network". But we are of the view that the regulatory framework should facilitate the growth and development of the 3G market. As 3G is still developing, this framework should offer a large degree of flexibility for the players in the evolving market rather than dictate or restrict such development. As such, we maintain that the policy objective is best achieved through the commercial arrangements between the players.

Further, we are of the view that the compliance cost associated with the Open Network requirement, if any, should be kept at a minimum. That is, there should not be any undue financial and administrative burdens for the players in demonstrating their compliance.

We are pleased to be involved any further industry workshop or consultation on 3G.

Yours Sincerely,

Ulf Ewaldsson
Chief Operating Officer and Deputy Managing Director
Ericsson (Hong Kong) Limited