



**Our Ref: AW/L00900**

15th Jan. 2001

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

By Fax: 2803 5112

**Attn: Senior Regulatory Affairs Manager - Services Licensing**

Dear Sir,

**Re: "Open Network" Regulatory Framework for 3rd Generation PMRS in HK**

I refer to the discussion paper entitled "'Open Network" Regulatory Framework for Third Generation Public Mobile Radio Services in Hong Kong".

PSINet HK would like to express its views on the captioned issue:

1. PSINet HK fully supports the proposal of "non-affiliated service providers" (NSP) and should be incorporated into the terms and conditions of the 3G licenses at the first day of the licenses.
2. The introduction of NSP's would stimulate small & medium-scale companies to participate in the 3G environment with creating more business opportunities and innovative services.
3. The introduction of NSP's would provide the consumers more choices of 3G services and this would drive the 3G services to be charged at affordable level for most of the consumers.
4. Mandatory "open network" requirement would be the only way to prevent the 3G MNO's from delaying the introduction of service provider competition.
5. Regarding the wholesale price to NSP's, a retail-minus is supported in order to prevent MNO's from adopting anti-competition strategy of selling below cost to kick out competitive NSP's.
6. NSP's should be treated by the 3G MNO's in a non-discriminatory basis. OFTA should set a mechanism to prevent 3G MNO's from providing discriminatory services and pricing to NSP's.

Should you have any enquiry, please feel free to contact me.

Best regards,

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