

Proposal to Streamline Regulatory Arrangements for Filing and Publication of Interconnection Agreements

Telecommunications Regulatory Affairs Advisory Committee

27 November 2019



Current Arrangements



On Filing

- **Section 36A(5A)** of the Telecommunications Ordinance (Cap 106) (“TO”): file a copy of interconnection agreement with the Communications Authority (“CA”) within 14 days, unless being waived



On Publication

- Section 36A(5C) of the TO: the CA may publish all or any part of an interconnection agreement filed with it
- Only Type I, Type II and blockwiring interconnection agreements are published

Objectives of the Current Arrangements



To fulfil HKSARG's obligations as a member of the WTO and under the General Agreement on Trade in Services to ensure that *"a major supplier will make publicly available either its interconnection agreements or a reference interconnection offer"*

To preserve transparency to facilitate prompt and efficient interconnections among existing and new operators



To facilitate the CA to conduct market surveillance and regulatory oversight

Latest Developments

Since 2012, over 170 interconnection agreements filed with the CA -

- Market mechanism has been operating well **without need of regulatory intervention**
- The CA has been monitoring the market developments, with a view to considering **further streamlining**



Recent feedback received from the industry:

Removing the requirements can **reduce licensees' compliance cost**

Requirements are **conductive to establishment of interconnection agreements** especially between new and incumbent operators

Objectives of the Review

Streamlining the arrangements



To **strike a balance** between the needs:

- To facilitate interconnecting parties' efficient negotiation and establishment of interconnection agreements
- To minimise the industry's compliance cost



The Proposal

To comply with
section 36A(5A) of TO

Option A:
Publication of a Reference
Interconnection Offer (“RIO”)

Option B:
Status quo

Option A



To waive the obligation to file interconnection agreements by a carrier licensee for a type of interconnection arrangement on the condition that **a RIO for that type of interconnection arrangement** has been published

Option A (Cont'd)

The carrier licensee shall -

- publish a RIO in compliance with CA's guidelines
- file a copy of RIO with the CA which may publish it
- comply with requests to interconnect per the RIO
- inform the party requesting interconnection the key terms in the interconnection agreement it has most recently entered into upon request
- provide the CA with a copy of an interconnection agreement it has entered into upon the CA's request

Option B



To file a full version of an interconnection agreement entered into with other licensees by a carrier licensee and a redacted version for publication by the CA

Rationale for the Proposal

The Objectives of filing and publication of interconnection agreements would continue to be served



Licensees may reduce their costs of compliance with the filing and publication requirements



In line with international practice and help maintain an effective interconnection regime



Way Forward

- Subject to views and comments from the industry, OFCA will proceed to formulate a draft revised waiver under section 36A(5B) of the TO and draft guidelines for publication of RIOs.
- OFCA will further consult the relevant licensees before finalising the draft revised waiver and guidelines for consideration by the CA.

Thank You

