

Postal and Telecommunications (Interconnection Guidelines) Notice, 2001

IT is hereby notified, that for public information, the Postal and Telecommunications Authority has, in terms of subsection (3) of section 61 of the Postal and Telecommunication Act [Chapter 12:05], issued the following guidelines:—

1. Title

This notice may be cited as the Postal and Telecommunications (Interconnection Guidelines) Notice, 2001.

2. Interpretation

In these guidelines—

“hub” means an earth station operating with VSAT in a star configuration;

“interconnection” means the physical or logical linking of telecommunication networks used by licensees to originate and terminate calls in their networks;

“ITU-T” means Inter Telecommunications Union Technical Standards;

“point of interconnection (POI)” means a physical point where the system of one licensee is connected to the system of another operator for routing of calls from one system to the other.

3. Licence obligations

A licensee must provide interconnection and access to his system to other licensees—

- (a) to ensure that users enjoy transparent and seamless telecommunications services regardless of the networks to which they are connected; and
- (b) to ensure that there is competitive and level playing field.

4. Interconnection agreements

Interconnection agreements should—

- (a) be economically, technically and administratively efficient; and
- (b) promote greater efficiency levels within a competitive telecommunications environment; and
- (c) be transparent to users and independent from any internal network characteristics by providing interconnectivity and interoperability;
- (d) provide for the customer to choose, access and use the services of any licensee regardless of the network or system to which the customer is directly connected; and
- (e) be non-discriminatory in terms of overall functionality, price, quality and performance.

5. Technical interconnection

(1) Interconnection of networks shall occur at the trunk or gateway level at two or more interconnection points.

(2) Other points of interconnection may be explored by the parties to the interconnection.

(3) Points of interconnection are to be a notional point along a link.

(4) The cost of maintenance of the link connecting the gateways is to be shared between the licensees.

(5) A local loop may be leased from the licensee, with points of access at the exchange Main Distribution Frames (MDFs), building MDFs or roadside cabinets.

(6) International gateway may serve as access for international service interconnection.

6. Interconnection negotiations

(1) Licensees negotiating to be interconnected must—

- (a) show good faith when negotiating by responding promptly and constructively; and
- (b) treat each other in a non-discriminatory and non-exclusive manner; and
- (c) discuss interconnection issues collectively and enter into bilateral or multi-lateral agreements.

(2) A licensee seeking to interconnect shall—

- (a) apply to another licensee for interconnection and supply all technical information for the requested interconnection;
- (b) send a copy of such application for interconnection to the Authority.

(3) If a licensee to which an application for interconnection has been made objects to the proposed interconnection he shall submit to the Authority his objection and the reasons for his objection within 30 days of receiving an application for interconnection.

(4) Negotiations for interconnection should commence within 30 days from the date of application for interconnection.

(5) All negotiations for interconnection should be completed within 6 months from the date of application for interconnection.

7. Dispute resolution

(1) In the event, of a dispute resulting from the failure of the parties to conclude negotiations for interconnection within the specified six months, the parties shall first attempt to resolve the dispute themselves.

(2) Where the licensees fail to resolve their interconnection dispute, one or more of the parties to the negotiations may petition the Authority providing relevant documentation concerning—

- (a) the unresolved issues;
- (b) the position of each of the parties with respect to these issues; and
- (c) the areas of agreement between the parties.

(3) The other parties to the dispute shall respond to the petition and provide any other information which may assist in the resolution of the dispute.

(4) The Authority will facilitate the engagement of an independent arbitrator at the parties' expense.

8. Interconnection tariff

(1) Licensees have to agree on costing models for interconnection tariffs bearing in mind the licensee's cost and network design.

(2) From 1st January, 2005, interconnection tariffs will be based on commercial negotiations between parties taking into account the following framework—

- (a) charges shall be based on forward looking economic costs (i.e. the cost to the licensee to expand his network and operations sufficiently to carry the new entrant's interconnecting traffic using current technology and international best practice);
- (b) only those incremental costs incurred in the provision of relevant interconnect services that could be avoided if such services ceased to be provided shall be relevant;
- (c) long-run average incremental cost will be used (i.e. all directly attributable to the incremental change in the service as well as the share of indirect costs discernibly caused by the provision of those services. Cost components include depreciation, costs of capital employed and incremental operating expenses. Executive salaries, corporate overheads and licence fees are excluded);
- (d) in areas where duplication of networks is not wasteful or inefficient and after a certain period when the new entrants are expected to have established their own networks, a mark-up will be added to the long-run average incremental costs;
- (e) incremental cost will be based on network capacity;
- (f) all interconnect charges will be reciprocal and symmetrical; and
- (g) charges will be desegregated, including into peak and off peak.

9. Interconnection services

(1) The following are classes of interconnection services—

- (a) physical interconnect between networks (including physical co-location and network conditioning);
- (b) originating and terminating service (i.e. between a P01 and the originating/terminating exchange and between this exchange and the end-user);
- (c) unbundled network elements (including loop distribution and feeder facilities, local switching, trunk transmission and international gateway switching); and
- (d) facilities sharing.

(2) Licensees who share physical interconnecting services share the cost of establishing and maintaining points of interconnection based on relative use.

(3) Each licensee shall meet the cost of network conditioning.

(4) Interconnecting licensees who share services shall ensure that—

- (a) a service that is offered to the public is restored as soon as is practicable in the event of breakdown of the network; and
- (b) in the event that a service that is offered to the public is not available due to *force majeure*, the operators concerned shall endeavour to maintain the highest level of service standards to meet emergency services; and
- (c) the integrity of a public telecommunication network is maintained by remaining physically joined and operational at all times; and

- (d) interoperability of services is maintained during the duration of their licences; and
- (e) data stored in a technical system which is deemed confidential by either party is protected.

10. Technical standards and service quality

(1) The International Telecommunications Union Technical Standards (ITU-T) and any other standards authorised by the Authority are to be employed for the purposes of these guidelines.

(2) A licensee shall ensure that a service passing through his network is delivered at the level of quality prescribed by the Authority, and that the quality is not impaired by interconnection.

(3) In order to maintain interoperability, a licensee shall inform interconnection partners of any planned change in network capacity, technology, structure and configuration, and provide details relating to any change in the licensee's network, including traffic forecast within 6 months of effecting the intended changes.

11. Facilities sharing

(1) The Authority, from time to time shall determine which facilities are required to be shared, including Main Distribution Frame (MDF) rooms, ducts, megabites towers, land, exchange space, cable risers and cable entry points.

(2) The Authority shall issue a direction to licensee to share facilities where there is no feasible alternative to certain types of facilities, taking into account—

- (a) whether the facility is a bottleneck;
- (b) whether the facility can be reasonably duplicated or substituted in a reasonable time;
- (c) whether joint use encourages effective and efficient use of scarce resources; and
- (d) the cost and inconvenience to the public of alternatives to shared use.

(3) The party requesting facilities sharing must prove to the Authority that there is no feasible alternative.

(4) The party being requested to share must prove that sharing will cause unreasonable or excessive constraints and adversely impact on his operations.