

# Next Generation NBN Lighthouse Specialised Track Regulatory and Licensing Overview

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IDA MPH1



# **SERVICES-BASED OPERATOR LICENSING FRAMEWORK**

**Presented by:  
Lee Kah Hui  
Manager (Competition & Market Access)**

# IDA LICENSING FRAMEWORK

- > **Under the Telecommunications Act (Cap. 323), any person who intends to operate and/or provide telecommunication systems and/or services in Singapore requires the relevant licence from IDA**
- > **The licensing framework uses a two-pronged approach that differentiates licensees based on the nature of their operations:**
  - **Facilities-Based Operator (“FBO”) Licence**
  - **Services-Based Operator (“SBO”) Licence**

# IDA LICENSING FRAMEWORK

## > FBO Licence

- Operators who need to deploy telecom systems and infrastructure (e.g. fibre in the ground, island-wide networks, submarine cable systems)

## > SBO Licence

- Operators who do not need to deploy telecom infrastructure
- Lease network elements from other licensees
- 2 categories: SBO (Individual) & SBO (Class)

# SBO (INDIVIDUAL) LICENCE

> Requires application to IDA

> SBO (Individual) Services:

- International Simple Resale
- Resale of Leased Circuit Services
- Public Internet Access Services
- Internet Exchange Services
- Virtual Private Network Services
- Managed Data Network Services
- Store-and-Forward Value-Added Network Services
- Mobile Virtual Network Operation
- Bandwidth Capacity Exchange Operation
- Backhaul Bandwidth Capacity Services
- Live Audiotex Services
- Global Mobile Personal Communications by Satellite Services
- IP Telephony Services

# SBO (INDIVIDUAL) LICENCE

## > SBO (Individual) Services:

- **Prepaid Services for other telecommunication service:**
  - **Call-back / Call Re-origination Services**
  - **Internet Based Voice and Data Services**
  - **Store-and-Retrieve Value-Added Network Services**
  - **International Calling Card Services**
  - **Resale of Public Switched Telecommunication Services**
- **Voice and Data Services with Masking of Calling Line Identity**
- **Satellite Mobile Telephone or Data Services**
- **Mobile Communications on Aircraft**

# KEY SBO (INDIVIDUAL) LICENCE CONDITIONS

## > Technical Obligations:

- **Must not establish or provide telecom link outside the licensee's premises, whether by wire, cable, radio, fibre optics or otherwise, for the purpose of connecting its systems to any other telecom system or equipment without prior approval of IDA**
- **Separate licences are required from IDA for operation of any radio-communication station or network installed**
- **If there is use of radio frequencies, licensee can only use the frequencies allocated and granted by IDA**

# KEY SBO (INDIVIDUAL) LICENCE CONDITIONS

## > Service Obligations:

- Publish information such as description and pricing of services offered, terms & conditions
- Ensure confidentiality of subscriber information
- Appointed resale agencies of the licensee shall not market themselves as licensees providing the services, but as appointed resellers of the licensee

## > Comply with applicable codes of practice and guidelines issued by IDA

# **SBO (CLASS) LICENCE**

- > Licence terms and conditions are gazetted under the Telecommunications (Class Licences) Regulations**
- > Requires registration with IDA**
- > Parties deemed to have read the terms and conditions and to ensure compliance with the Regulations**
- > SBO (Class) Services:**
  - Call-back / Call Re-origination Services**
  - Internet Based Voice and Data Services**
  - Resale of Public Switched Telecommunication Services**
  - Store-and-Retrieve Value-Added Network Services**
  - International Calling Card Services**
  - Audiotex Services**
  - Public Chain Payphone Services**

# KEY SBO (CLASS) LICENCE CONDITIONS

- > Must not establish or provide telecom link outside the licensee's premises, whether by wire, cable, radio, fibre optics or otherwise, for the purpose of connecting its systems to any other telecom system or equipment without prior approval of IDA**
- > Publish information such as description and pricing of services offered, terms & conditions**
- > Comply with applicable codes of practice and guidelines issued by IDA**

# SERVICES OVER NGNBN

> Only qualifying persons can obtain services from the IDA appointed OpCo

Entities	Eligible to take services from OpCo ?
FBO/SBO licensees	<b>Yes</b>
MDA Broadcasting licensees	<b>Yes</b>
Non-service provider	<b>No</b>

Types of licence required for IPTV Service	
FBO/SBO licence	<b>No</b>
MDA Broadcasting licence	<b>Yes</b>

> Details of ICO offering to be covered in the Industry Briefing to FBO/SBO licensees in August 2009

# ALL SBO LICENCE

- > Applicant needs to be incorporated company in Singapore
- > No direct or indirect foreign equity limits
- > No limit on number of licences granted
- > Licence fee and duration :

<b>SBO (Individual)</b> (5 yrs)	\$5,000 annual
<b>SBO (Class)</b> (lifetime)	\$200 one time

# SBO LICENCE

- > Guidelines for SBO Licence posted at URL: [www.ida.gov.sg](http://www.ida.gov.sg) -> Licensing -> SBO Licence (Licensing Framework & Guidelines)
- > SBO licences can be applied online at: <https://licences.business.gov.sg>
- > SingPass ID is required for application
- > Licence application processed within 2 weeks

# **DEALER'S LICENSING FRAMEWORK**

**Presented by:  
Badrul Hisham  
Manager (Competition & Market Access)**

# DEALER'S LICENCE FRAMEWORK

- > Importers, retailers, manufacturers intending to manufacture, import, let for hire, sell, or offer or possess for sale any telecommunication equipment must apply/register for the above Dealer's Licence

# TWO TYPES OF DEALER'S LICENCE

## > Dealers Class Licence

- A dealer who manufactures, imports, lets for hire, sells, or offers or possesses for sale any registered equipment or telecommunication equipment set out in the First Schedule of the Telecommunications (Dealers) Regulations
- Licence fee - one-time payment of \$50

## > Dealers Individual Licence

- A dealer who wishes to manufacture, import, let for hire, sell or offer or possess for sale any telecommunication equipment that is not –
  - Registered equipment; or
  - Telecommunication equipment set out in the First Schedule shall obtain a Dealer's Individual Licence
- Licence fee - \$250 per annum

# FIRST SCHEDULE

## > TELECOMMUNICATION EQUIPMENT NOT REQUIRING APPROVAL

- Telephone (Standard/Multi-Feature/Image/Data/Switching)
- Telephone Line Interface
- Telephone Ancillary
- Autodialler
- Auto Answering/Recording Set
- Caller Identification Equipment
- Security Alarm System
- Facsimile Transceiver
- Voice Band Modem
- EFTPOS/CCAT
- Telex Equipment
- Digital Leased Circuit Equipment
- Other equipment as determined by the Authority

# WHERE TO APPLY FOR THE LICENCE?

- > Online application for the Dealer's licence can be submitted @ <http://www.business.gov.sg/licences>

# EQUIPMENT REGISTRATION FRAMEWORK

**Presented By:  
Salamah Hashim,  
Manager (Competition & Market Access)**

# Equipment Registration Framework

## > Telecommunications (Dealers) Regulations

- Approval for sale
  - §20 provides for IDA to approve any telecommunication/radio-communication equipment for sale and use by way of equipment registration
- Equipment conformity to IDA Standards
  - To ensure technical and network compatibility without causing any harmful radio interference

# Equipment Registration Schemes

## > Simplified Equipment Registration (SER)

- Self-declaration
  - GSM and DECT phones, WLAN, RFID, remote controls and alarm systems, ADSL and Cable modem
- Enhanced SER (ESER)
  - Immediate registration of ISM-band Short-Range/Low Power Devices (SRD/LPD) operating  $\leq 100$  mW (e.g. WiFi and Bluetooth devices)

## > General Equipment Registration (GER)

- Declaration evaluated by IDA or certified by IDA recognized Certification Body (CB)
  - All types of telecom/radio-com equipment

[Guide for Registration of Telecommunication Equipment](#)

# Significance of Equipment Approval / Registration

## > IDA Approved Equipment

- Equipment Search List at <http://tls.ida.gov.sg>

## > Radio Interference

- Free from unacceptable risk of radio interference

## > Network Compatibility

- Suitability of telecommunication / radio-communication products for inter-working with the public telecommunication networks / systems without causing unacceptable disruption or radio interference

# Equipment Supplier's Responsibilities

- > Before selling any registered telecommunication equipment, the suppliers shall ensure that:
  - Equipment meets the applicable IDA standards
  - Equipment works correctly with the relevant operator's network
  - Validity of the declaration of conformity can be maintained
- > To notify IDA of any modifications to the registered equipment

# Competition and Regulatory Framework

**Presented by:**  
**Karen Wong**  
**Senior Manager (Competition & Market Access)**

# Telecom Competition Code (TCC)

- > First issued in September 2000
- > Sector-specific competition management framework
- > Subject to review every 3 years
- > Last revised in March 2005
- > All licensees must comply with TCC



# TCC - Goals

- > Promote the efficiency and competitiveness of Singapore's infocomm industry
- > Ensure telecom services are reasonably accessible to all people in Singapore
- > Promote and maintain fair and efficient market conduct and effective competition
- > Promote effective participation of all sectors of Singapore's infocomm industry
- > Encourage, facilitate and promote industry self-regulation
- > Encourage, facilitate and promote investment in infocomm infrastructure in Singapore

# TCC – Main Areas Covered

- > Duties of all licensees to end users [section 3]
- > Duties of dominant licensees [sections 4 and 6]
- > Co-operation (interconnection) and infrastructure sharing among licensees [sections 5 and 7]
- > Abuse of dominant position and unfair methods of competition [section 8]
- > Agreements that unreasonably restrict competition [section 9]
- > Consolidations [section 10]
- > Enforcement mechanism [section 11]

# TCC - Consumer Protection

## > Applies to all licensees (section 3)

- Duty to comply with Quality of Service (QoS) standards
- Duty to disclose price, terms and conditions
- Prohibition on disproportionate early termination charges
- Restrictions on service termination or suspension
- Prohibition on “slamming”
- Duty to prevent unauthorised use of end user service information

# TCC - Anti-Competitive Agreements

- > All licensees are prohibited from entering into agreements that unreasonably restrict, or are likely to unreasonably restrict, competition in any telecom markets in S'pore (section 9)
  
- > Specific prohibited horizontal agreements:
  - Price fixing/output restriction
  - Bid rigging
  - Market/customer allocation
  - Group boycotts
  
- > Non-horizontal agreements that may be assessed:
  - Resale price maintenance
  - Vertical market allocation

# Other Regulatory Requirements – Quality of Service (QoS) Standards

- > Applies to Licensees providing following services:
  - Residential & Business DEL
  - Leased Circuits
  - Public Cellular Mobile Telephone
  - Broadband Internet
  
- > QoS framework sets minimum acceptable standards
  - Measures average performance over a 1-month period
  
- > Why is QoS important?
  - Ensure minimum acceptable level of service quality
  - Motivate continual improvement in service quality
  
- > Licensees submit monthly performance results on a quarterly basis
  - IDA assesses Licensees' results to ensure they meet QoS requirements
  
- > IDA publishes performance results periodically on IDA website

# Other Regulatory Requirements – Premium Rate Services (PRS) Code

- > Applies to Licensees providing value-added services over public telecom network:
  - Provision of content over mobile phones, e.g. entertainment/ sports news, games, jokes, ringtones, wallpapers, etc
  - Provision of facility to any person for chat services, contest participation, charitable fund raising, vote lines etc
  
- > PRS Code requires PRS providers, e.g.:
  - Not use misleading terms or presentation styles in advertisements
  - Send reminder/confirmation messages for PRS purchases
  - Indicate charges in all chargeable messages
  - Charge only for content
  - Provide specific keywords for subscribing and unsubscribing
  
- > Why PRS Code is important?
  - Increase consumer confidence in using PRS
  - Provide PRS providers more certainty on how they should operate, by having a clear set of obligations that promotes responsible business practices

## NOTE:

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**Thank You**

# Lighthouse Series

## Functional Contacts

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