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| Case Reference | R/E/I/082 |
| Title | SingTel's Contraventions of the Telecom Competition Code |
| Case Opened | 17 May 2010 |
| Case Closed | 21 December 2010 |
| Complainant | IDA initiated enforcement proceeding |
| Respondent | Singapore Telecommunications Limited (" SingTel ") |
| Case Summary | <p>Arising from a complaint received from another licensee, IDA discovered that SingTel had offered, from 1 October 2009 to 31 December 2009, an unapproved promotion (the "Unapproved Promotion") for its 4Mbps and 10Mbps wholesale B-Access services (the "Services"), which allows Internet Access Service Providers ("IASPs") to provide retail broadband services to business end users. IDA's investigations also revealed that SingTel had offered the Unapproved Promotion only to one IASP without publicising or informing all other eligible IASPs of the Unapproved Promotion.</p> |
| IDA's Determination | <p>Section 4.4.1 (Services for Which A Dominant Licensee Must File Tariffs) of the Telecom Competition Code 2005 (the "Code") states that: "[a] <i>Dominant Licensee must file a tariff with IDA and obtain IDA's written approval prior to offering, or modifying the terms on which it offers, any of the following telecommunication services ...</i>".</p> <p>SingTel had sought IDA's approval to offer a wholesale B-Access promotion from 1 October 2009 to 31 December 2009. However, under the terms of the tariff submitted to IDA for approval, SingTel had not specified that this promotion would include the 4Mbps and 10Mbps Services.</p> <p>Therefore, for failing to obtain IDA's approval for the Unapproved Promotion, IDA found that SingTel had contravened Section 4.4.1 of the Code.</p> <p>Section 4.2.1.2 of the Code states that: "[a] <i>Dominant Licensee: (a) must provide telecommunications services to Customers at prices, terms and conditions that are not discriminatory ...</i>".</p> <p>By offering the Unapproved Promotion only to one IASP, and not informing other eligible IASPs of the Unapproved Promotion, IDA found that SingTel had acted in a discriminatory manner, in contravention of Section 4.2.1.2 of the Code.</p> <p>In determining the appropriate enforcement measures to be taken against SingTel, IDA considered the following</p> |

aggravating factors:

Section 4.4.1 of the Code

- (a) This is not the first contravention of Section 4.4.1 of the Code by SingTel. In September 2008, IDA had imposed a financial penalty of \$20,000 on SingTel for contravening Section 4.4.1 of the Code. Prior to that, there were other occasions where SingTel had failed to file tariffs for new services or modifications to existing tariffs for IDA's approval, for which it was issued a warning.
- (b) In previous cases of non-compliance with Section 4.4.1, SingTel had disclosed the lapses, voluntarily admitted to its failure to file tariffs and quickly sought IDA's approval for the tariffs. In this case, IDA learnt of SingTel's offer of the Unapproved Promotion only after receiving a complaint from the industry, six months after SingTel started offering the Unapproved Promotion.

Section 4.2.1.2 of the Code

- (c) As a Dominant Licensee, SingTel should by now be well aware of its obligations under the Code. In particular, SingTel should be aware of its duty not to discriminate, particularly against other licensees, one of the core tenets of the Dominant Licensee's obligations. Therefore, notwithstanding that this was SingTel's first contravention of Section 4.2.1.2 of the Code, IDA took a very serious view of SingTel's non-compliance.

In consideration of the above, IDA imposed a financial penalty of \$80,000 on SingTel for its contravention of Section 4.4.1 of the Code and a financial penalty of \$50,000 on SingTel for its contravention of Section 4.2.1.2 of the Code. IDA also directed SingTel to submit the Unapproved Promotion as a tariff (the "**Tariff**") to IDA. SingTel submitted the Tariff on 14 October 2010. IDA approved the Tariff on 20 October 2010.