

31 August 2016

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**By Post and Email**

Dear Mr Bay,

**REVIEW OF THE TELECOMMUNICATIONS ACT (CAP. 323) AND RELATED AMENDMENTS TO THE MEDIA DEVELOPMENT AUTHORITY OF SINGAPORE ACT (CAP. 172)**

1. We refer to the public consultation issued by the Ministry of Communications and Information (the "**Ministry**").
2. StarHub Ltd ("**StarHub**") hereby submits its response to the public consultation. The submission comprises two parts:

StarHub's comments which may be released publicly, labelled as **Annex A**; and

StarHub's confidential comments, labelled as **Annex B**.

We would respectfully request the Authority's consideration of these comments.

3. Please do not hesitate to contact me, should anything in this letter require clarification or elaboration.

Yours Sincerely,  
For and on behalf of  
**StarHub Ltd,**



Tim Goodchild

Head (Government & Strategic Affairs)

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**REVIEW OF THE TELECOMMUNICATIONS ACT (Cap. 323)  
AND RELATED AMENDMENTS TO THE MEDIA  
DEVELOPMENT AUTHORITY OF SINGAPORE ACT (Cap. 172)**

**Submission by StarHub Ltd**

**31 August 2016**

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## Table of Contents

|     |  |    |
|-----|--|----|
| 1.  | Summary of Major Points.....   | 3  |
| 2.  | Statement of Interest .....  | 4  |
| 3.  | Comments on Proposed Revisions to the Act .....  | 5  |
| 3.1 | Revisions to Provide IDA with the Powers to Include the Use of Rooftop Space for Mobile Deployments under its Current Regulatory Framework ..... | 5  |
| 3.2 | Notification and Objection Process for Telecommunication Licensees' Entry to Land and Buildings.....   | 10 |
| 3.3 | Prohibiting Exclusive Arrangements that Deny End-users' Choice of, or Access to, Telecommunication Services .....                                | 12 |
| 3.4 | Definition of Land or Building 'Owner' .....   | 12 |
| 3.5 | Powers to Establish and Alternative Dispute Resolution ("ADR") Scheme for Telecommunication and Media Sectors .....                              | 12 |
| 3.6 | Directions Relating to Control of DTLs/DBTs/DTs .....  | 14 |
| 3.7 | Approval Conditions for CEO and Board Appointments of DTLs.....  | 15 |
| 4.  | Conclusion .....   | 16 |

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1. **SUMMARY OF MAJOR POINTS:**

- 1.1 StarHub Ltd (“**StarHub**”) thanks the Ministry of Communications and Information (the “**Ministry**”) for providing parties with the opportunity to comment on the proposed review of the Telecommunications Act (Cap. 323) (the “**Act**”) and related amendments to the Media Development Authority of Singapore Act (Cap. 172).
- 1.2 The Ministry’s consultation is timely, given the rapid changes in the telecommunications and media industries, and the growing importance of communications services in Singapore. StarHub is largely supportive of the proposed changes to the Act. In particular, we welcome the amendments to facilitate the deployment of new telecommunications infrastructure. This is an important change, which will be needed to support the Government’s Smart Nation vision, and the need for ubiquitous connectivity (both fixed and mobile) island-wide.
- 1.3 From a StarHub-perspective, the critical issues to consider are:
- To ensure that the scope of the changes is made clear to all parties (including the building owners and the telecommunications providers), to reduce any misunderstandings and disputes; and
  - That the final implementation of these changes meets the Ministry’s policy intent and the public interest. We would urge the Ministry to consider the scenarios which could potentially prevent the telecommunications providers from successfully deploying their infrastructure.
- 1.4 We would also welcome clarity on the proposed establishment of an alternative dispute resolution (“**ADR**”) scheme for the telecommunications and media sectors. It is important that any ADR scheme meets the needs of consumers and the industry, and is more effective (and cost effective) than the ADR schemes already available today.
- 1.5 Our specific comments on the proposed changes to the Act are set out in the following sections of this submission.
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2. **STATEMENT OF INTEREST:**

- 2.1 StarHub is a Facilities Based Operator (“**FBO**”) in Singapore, having been awarded a licence to provide Public Basic Telecommunication Services (“**PBTS**”) by the Telecommunications Authority of Singapore (“**TAS**”) (the predecessor to the Info-communications Development Authority of Singapore (“**IDA**”)) on 5 May 1998.
- 2.2 StarHub Mobile Pte Ltd is a wholly-owned subsidiary of StarHub. StarHub Mobile Pte Ltd was issued a licence to provide Public Cellular Mobile Telephone Services (“**PCMTS**”) by the TAS on 5 May 1998. Our commercial PBTS and PCMTS services were launched on 1 April 2000.
- 2.3 StarHub acquired CyberWay Pte Ltd (now StarHub Internet Pte Ltd) for the provision of Public Internet Access Services in Singapore on 21 January 1999.
- 2.4 In July 2002, Singapore Cable Vision Limited (now StarHub Cable Vision Ltd) merged with StarHub, and become a wholly-owned subsidiary of StarHub. StarHub Cable Vision Ltd (“**SCV**”) holds an FBO licence and a Nationwide Subscription Television Service Licence from the Media Development Authority of Singapore (“**MDA**”). SCV offers both pay-TV and wholesale broadband services.
- 2.5 StarHub Online Pte Ltd is a wholly-owned subsidiary of StarHub. StarHub Online Pte Ltd was issued a licence to provide Public Internet Access Services in Singapore on 22 February 2005.
- 2.6 Nucleus Connect Pte Ltd, a wholly-owned subsidiary of StarHub Ltd, incorporated on 14 April 2009, is the appointed Operating Company of the Next Generation Nationwide Broadband Network.
- 2.7 This submission represents the views of the StarHub group of companies, namely StarHub Ltd, StarHub Mobile Pte Ltd, StarHub Internet Pte Ltd, StarHub Online Pte Ltd and StarHub Cable Vision Ltd.
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### 3. COMMENTS ON PROPOSED REVISIONS TO THE ACT

#### 3.1 Revisions to Provide IDA with the Powers to Include the Use of Rooftop Space for Mobile Deployments under its Current Regulatory Framework

3.1.1 We strongly support the Ministry's proposal that developers / building owners must provide rent-free Mobile Deployment Spaces ("MDS") on building rooftops. This is a much-needed change which would greatly facilitate the deployment of mobile infrastructure in Singapore. Given consumers' growing expectations for mobile services, and the need to ramp-up mobile deployments for 4G (and 5G in the future), we would encourage the Ministry to ensure that these changes are implemented as soon as practicably possible.

3.1.2 We note that the proposed amendments to the Act are high level and broad. We urge the Ministry and IDA to provide details on how the changes will be implemented in practice, and to carefully review whether there could be any problems which could prevent the availability of rooftop MDS. In particular, StarHub is concerned about potential loopholes which, if used, could prevent the mobile telecommunications operators ("MTOs") from obtaining rooftop MDS on their buildings.

#### Payments to Building Owners need to be Clearly and Carefully Scoped:

3.1.3 In its consultation paper, the Ministry has highlighted that the MTOs will need to pay building owners for costs such as "*secured access to the rooftop space, increasing the roof's load bearing capability, improving the aesthetics of the equipment, or utility costs of running the equipment*".<sup>1</sup>

3.1.4 StarHub is prepared to pay **reasonable costs** incurred by the building owners for the provision of access to the rooftop MDS. However, such costs must be clearly scoped, to prevent building owners from seeking to pass-on unrelated or unnecessary costs to the MTOs (thereby thwarting the Ministry's policy objective).

3.1.5 For example:

- It is not clear when building owners could impose security-related charges on the MTOs. StarHub has experienced cases where building owners seek to impose unreasonably high escort fees for each request to enter the building. We may also be told to arrange security escorts in well in advance, and this will be subject to the availability. Such procedures significantly hinder the MTOs' operations, particularly when there is an urgent need to access the rooftop equipment (e.g., for maintenance or repair purposes).

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<sup>1</sup> Reference paragraph 11 of the Ministry's consultation paper.

In StarHub's view, unless building owners are required to comply with security requirements under law, there should not be any form of security-related costs imposed for access to MDS (whether indoor or on rooftops). We would appreciate the Ministry's and IDA's confirmation on this point, and further clarity on the types and levels of security charges that could be imposed on the MTOs;

- Allowing building owners to charge for "*improving the aesthetics*" in general may be too open-ended, and could expose MTOs to not just one-off, but also recurring charges, so long as the building owner justifies it as a matter of aesthetics. As an example, StarHub has experienced cases where we have been told to install and maintain flower planters or other external structures in order to camouflage our equipment. Allowing building owners to charge for aesthetics could result in building owners simply shifting the fees charged to MTOs, from monthly rooftop rentals, to monthly payments for the ongoing maintenance and upkeep of the facade of the building. We submit that this would not be in-line with the Ministry's policy intent; and
- We agree that MTOs should pay to improve the roof's load-bearing capabilities if this was reasonably required. However, there may be scenarios where building owners deliberately require the MTOs to deploy on a part of the roof which has the lowest load-bearing ability (e.g., taking a worst-case scenario, on glass panels installed on the roof). The type of rooftop space that should be allocated as MDS must be clearly scoped to be an area reasonably suitable for the deployment of MTOs equipment, to ensure that there is no room for ambiguity.

3.1.6 Given these concerns, it is critical that the upcoming changes to the Code of Practice for Info-communications Facilities in Buildings (the "**COPIF**") must specify and circumscribe the circumstances under which charges could be imposed for rooftop MDS. Not only will this provide clarity (to building owners and the industry), it would also minimise disputes, and reduce the need for regular intervention from IDA.

3.1.7 We would respectfully note that the existing COPIF already requires developers / building owners to provide rent-free space for MTOs. However, certain parties have exploited loopholes in the COPIF (e.g. by offering unsuitable space on void-decks or in basements) to circumvent the objective of this policy. We therefore strongly submit that the Ministry and IDA should ensure that such loopholes are not (inadvertently) created with the proposed changes to the Act.

Size of Rooftop MDS should Exclude Outdoor Antennas:

3.1.8 In its consultation paper, the Ministry has noted that the size of the rooftop MDS "*will be consistent with the current MDS provisions*"<sup>2</sup> prescribed under the COPIF

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<sup>2</sup> Reference paragraph 10a of the Ministry's consultation paper.

2013. I.e., the size of the rooftop MDS will be the same as the size of the MDS for indoor deployments.

- 3.1.9 For rooftop deployments, MTOs will also need to deploy additional antennas (typically on multiple corners of the rooftop), in order to maximise the outdoor mobile coverage area. We believe that these antennas (and the associated cabling connecting the antennas) should be excluded from the calculation of the MDS. We suggest that the Ministry and IDA make clear that building owners should not be allowed to charge the MTOs for the deployment of outdoor antennas. This is consistent with the current procedures under the COPIF 2013, where the internal cabling and indoor distributed antennas are excluded from the calculation of the MDS.
- 3.1.10 As noted in the Ministry's consultation paper, the MTOs' networks will be evolving from 4G to 5G, and this may well necessitate the installation of additional (and larger-sized) antennas to cater for the growing number of spectrum bands made available for mobile services. It is therefore an important clarification that any space used for antennas should be excluded from the calculation of the MDS. Otherwise, building owners could end-up charging rental for antenna poles, which would defeat the purpose of the Ministry's proposed change.

Total Size of MDS Provided in Buildings:

- 3.1.11 We would also suggest that the Ministry review its proposal that "*the total amount of MDS will remain unchanged for a start*", and that "*such space will now encompass both rooftop and non-rooftop areas*".<sup>3</sup> In certain cases, the MTOs may need to deploy equipment on **both** the rooftops as well as indoors. For example, the rooftops for large buildings may be important sites for enhancing outdoor coverage. MTOs may also need to deploy dedicated indoor equipment (such as lamp sites and small cells) to cover certain areas of the building, or to cater for additional data capacity requirements. Technologies such as multiple-input and multiple-output (MIMO) may also require the setup of a duplicate antenna system in order to boost overall speeds enjoyed by consumers.
- 3.1.12 If the size of the MDS remains the same (but now has to cover equipment for both indoor and outdoor deployments), this could result in the MTOs having to either: (a) choose between outdoor or indoor deployments; or (b) continue having to pay rental fees once the sum total of their outdoor and indoor deployments exceeds the size of the MDS. This would mean that the Ministry's proposed changes would have no effect on buildings where both indoor and outdoor deployments are required. In such cases, MTOs would also have to continue their commercial negotiations with the building owners for space, which could delay and discourage: (1) the deployment of equipment for mobile coverage; and (2) enhancements to cater for more spectrum bands, and to improve customer experience.

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<sup>3</sup> Reference paragraph 10(a) of the Ministry's consultation paper.



3.1.13 To avoid this situation, StarHub therefore proposes that the size of the MDS should be doubled, in cases where the MTOs require both indoor and outdoor space for their equipment. We would also suggest that the Ministry and IDA consider reaching out to building owners to educate them on the need for such extensive mobile deployments, in order to meet the Government's Smart Nation Vision.

Renewal of Existing Rooftop Space Agreements:

3.1.14 Today, MTOs are making ongoing payments to building owners (both private and Government entities) for rental of rooftop space. We welcome the Ministry's confirmation that the rent-free MDS arrangements will apply to rooftop spaces "*after the expiry or termination of the [existing] agreements or contracts*"<sup>4</sup>.

3.1.15 Moreover, certain agreements for the lease of rooftop space are evergreen, with no clause allowing the re-negotiation of the terms of the agreement. This means that building owners could potentially reject the MTOs' request to re-negotiate any existing arrangements.

3.1.16 If the MTOs choose to terminate the existing agreements, and subsequently request for MDS, the building owners could require the MTOs to first remove all their equipment from the building rooftops, pending the final decision on the MDS. This would mean a significant disruption to coverage for mobile subscribers in the vicinity, effectively deterring the MTOs from seeking to re-negotiate the agreements, and defeating the Ministry's policy objective.

3.1.17 We therefore respectfully suggest that the Ministry / IDA mandate a process for re-negotiations of evergreen rooftop rental agreements. This process should allow a smooth transition from a paid to a rent-free arrangement, without any disruptions to mobile subscribers' services. We submit that this would be in the best interests of both consumers and the industry.

3.1.18 Furthermore, there are currently a large number of variants for rooftop rental agreements between StarHub and the building owners. These agreements are usually customised based on commercial negotiations with the individual building owners and may contain building specific terms and conditions. For standardisation and ease of contract management, it makes sense that all rooftop spaces are eventually converted into rent-free MDS, and subject to the requirements under the COPIF (rather than based on individual contractual agreements).

3.1.19 We would also suggest that the Ministry and IDA make clear that the terms for rooftop MDS should strictly follow the COPIF requirements. In order to deploy its mobile infrastructure on rooftops, StarHub has had to enter into various one-sided agreements, with terms such as: (1) unlimited liability or very high liability caps

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<sup>4</sup> Reference paragraph 11 of the Ministry's consultation paper.

imposed on StarHub; (2) StarHub's indemnification to the building owner for any damage caused to the licensed area and building owner's exclusion of liabilities for damaged StarHub's infrastructure; (3) security deposits (with refunds only taking place when the mobile equipment is removed); and (4) requiring StarHub to be responsible for security arrangements in the use of the licensed area. We sincerely hope that such one-sided onerous terms will no longer be imposed on the MTOs going forward.

Access to Rooftop MDS must take Priority:

3.1.20 We would also recommend that the Ministry clarify the circumstances under which building owners could reject requests for rooftop MDS. Today, the MTOs face the following scenarios:

- Increasingly, private residential developments have penthouses on the rooftops. This makes it difficult for the MTOs to deploy mobile equipment on the rooftops of these developments. If a cluster of condominiums are built, all with penthouses on the rooftops, the MTOs may have no suitable space for deployment of their equipment. We respectfully suggest that the Ministry and IDA engage the relevant Government agencies to discuss whether private residential developers should be mandated to set aside a minimum amount of rooftop space within their developments for the deployment of rooftop mobile infrastructure;
- As Singapore becomes increasingly built-up and population-dense, more mobile equipment will be needed on the rooftops to provide mobile coverage and enhanced capacity for mobile services. In certain cases, this has created negative public perceptions, and increased the number of complaints from customers about living near to mobile base stations, as well as the prominence of mobile antennas. We note that the Government has disputed these concerns.<sup>5</sup> However, the MTOs do frequently encounter delays with their outdoor deployments when faced with such complaints, and have had to address these complaints through actions such as the lowering of equipment power, or agreeing to deploy a smaller number of antennas. It is important for the Ministry and IDA to clarify its position that such unfounded concerns should not disrupt the provision of rooftop MDS; and
- Some rooftop spaces are already taken-up by other forms of deployments (e.g., solar panels). Given the importance of mobile coverage, we believe that the Ministry and IDA should clarify that mobile installations should take precedence over other forms of rooftop deployments. Otherwise, the MTOs may end-up being rejected from rooftop MDS because of space constraints.

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<sup>5</sup> For example, IDA's website provides links to various studies stating that there is no scientific evidence that emissions from mobile equipment cause adverse health effects. Reference Q10 under "Tips and Guides for Consumer" → "Telecommunication Services" → "Mobile-Related" at the following link: [http://www.ifaq.gov.sg/IMDA/apps/fcd\\_faqmain.aspx](http://www.ifaq.gov.sg/IMDA/apps/fcd_faqmain.aspx).

### Other Locations where MDS should be Mandated:

- 3.1.21 As noted in the Ministry's consultation paper: "*monopoles and towers are suitable solutions only in areas where there is minimal build-up, such as at parks and water reservoirs*".<sup>6</sup> We would add that, in certain areas, it is also necessary for the MTOs to deploy their infrastructure on-top of lampposts. These include locations such as parks and along expressways, where it may be impractical to install monopoles or towers. To this end, the MTOs regularly work with agencies such as the Land Transport Authority, the Urban Redevelopment Authority and the National Environment Agency to lease space on lampposts.
- 3.1.22 In-line with the Ministry's goal to "*ensure that mobile operators can **secure the necessary spaces** required for the timely deployment of mobile networks, in order for them **to ensure nationwide coverage and good QoS standards***"<sup>7</sup> (emphasis added), we propose further revisions to the Act, to require that rent-free MDS must be provided at remote locations, either: (a) for the deployment of towers / monopoles; or (b) on existing lampposts. This would greatly facilitate outdoor mobile coverage at remote sites, where there are otherwise no suitable buildings for the deployment of mobile equipment.
- 3.1.23 We would also suggest that, for providing coverage at remote sites, the Ministry and IDA should also review the adequacy of the MDS provided. For example, the MTOs must be able to connect to the site with backhaul (whether wired or wireless), and there should be adequate electrical power provided.

### **3.2 Notification and Objection Process for Telecommunication Licensees' Entry to Land and Buildings**

3.2.1 We agree with the Ministry's proposals to clarify and align the process for notification and dispute resolution under Sections 14 and 21 of the Act. We believe that such changes are necessary to facilitate the deployment of connectivity as part of the Government's Smart Nation Vision. We have reviewed the changes in detail, and would like to highlight the following comments for the Ministry's consideration:

- The change to Section 14, and the creation of Section 14(8), appears to create a new obligation for Public Telecommunications Licensees ("**PTLs**"). PTLs will now have an obligation to use "*all reasonable efforts to resolve the objection with the objector*". It is unclear how "*all reasonable efforts*" is defined, and this could deter the deployment of telecommunications infrastructure. It would be advisable to refer to the PTL using "*reasonable efforts to resolve the objection*"

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<sup>6</sup> Reference footnote 1 of the Ministry's consultation paper.

<sup>7</sup> Reference paragraph 10 of the Ministry's consultation paper.

*with the objector*” instead. This comment also applies to the proposed Section 21(3B) of the Act;

- There may be cases where a building owner does not raise any objections to IDA when a licensee seeks to enter its building. However, the building owner may subsequently refuse entry to the licensee. It is important to understand what recourse licensees have under the Act to compel the building owner to provide access. In such a scenario, it is also important to understand whether the building owner can then subsequently raise the matter to IDA, even past the original 14 day timeline. We respectfully submit that this should not be allowed as the stipulated timelines under the Act would already have lapsed;
- We would respectfully suggest that the Ministry could provide indicative timelines on how long IDA would take to resolve disputes between building owners and licensees. This would provide clarity to both building owners and licensees;
- The changes to Section 21(2) of the Act set an obligation on licensees to notify developers / owners *“as fully and accurately as possible”* on the work to be carried out. Again, it is unclear how this term will be defined, and this which may create disputes and uncertainty, discouraging or delaying the deployment of infrastructure. It would be preferable for this obligation to refer to the notification providing *“a reasonable”* statement of the work to be carried out;
- In its consultation paper, the Ministry has stated that *“a telecommunication licensee will have to make clear of its intention to use the space in the land/building to serve any other land or building”*. We would appreciate confirmation as to whether this applies to MTOs seeking to obtain rent-free MDS on building rooftops. The very purpose of a rooftop mobile deployment is to provide mobile coverage to the surrounding areas (and not just to the building itself); and
- Today, many fixed-line providers deploy a ring network. This is an internationally-accepted network deployment method which provides diversity and promotes resiliency of telecommunications services. In the event of any service disruption to one side of the ring (e.g., if there is a cable cut), traffic can continue to pass through the other side of the ring, ensuring that customers’ services are not disrupted. It is important to clarify that the deployment of ring infrastructure should **not** be deemed as “springboarding”. In certain cases, the ring may also not be fully completed (as time is needed to fully deploy the network). Operators should not be deemed to have carried out “springboarding” during the period where the ring network is yet to be completed.

### **3.3 Prohibiting Exclusive Arrangements that Deny End-users' Choice of, or Access to, Telecommunication Services**

3.3.1 We support the Ministry's proposed changes. However, we would appreciate clarification as to whether this change would also apply for telecommunications facilities such as central offices, telecommunications exchanges, and Government facilities/premises. Such facilities may only house a single licensee today, and could place restrictions on access by other licensees.

### **3.4 Definition of Land or Building 'Owner'**

3.4.1 We agree with the Ministry's proposals that the definition of "owner" in Section 2 of the Act should cover person(s) having the day-to-day charge, management or control of the premises. For example, HDB blocks are managed by the Town Councils, and the telecommunications operators primarily deal with the Town Councils for access issues. We respectfully submit that Town Councils should be deemed to be the "owner" of the HDB blocks for the purposes of the Act.

### **3.5 Powers to Establish and Alternative Dispute Resolution ("ADR") Scheme for Telecommunication and Media Sectors**

#### Proposed Amendments to the Act:

3.5.1 We note that the proposed Section 32M of the Act sets out the general policy. However, the Ministry's consultation paper is more detailed, confirming that the ADR scheme will focus on:

- Resolving disputes between the service providers and residential customers. i.e., the ADR scheme will not cover corporate/business customers.<sup>8</sup> We agree with the Ministry's comments that "*Business end-users generally have greater bargaining power and hence most disputes would usually be resolved amicably*"<sup>9</sup>; and
- Mediation as the form of dispute resolution. The Singapore Courts have also stated that "*Mediation is generally regarded as the default ADR option as it addresses most of the concerns commonly faced by litigants*".<sup>10</sup>

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<sup>8</sup> From a StarHub perspective, business customers include customers registered using a business registration number, customers taking service at non-residential premises, and corporate individual scheme customers covered under a master service contract between StarHub and their employer.

<sup>9</sup> Reference footnote 14 of the Ministry's consultation paper.

<sup>10</sup> Reference: [https://www.statecourts.gov.sg/Mediation\\_ADR/Pages/Overview-of-Alternative-Dispute-Resolution.aspx](https://www.statecourts.gov.sg/Mediation_ADR/Pages/Overview-of-Alternative-Dispute-Resolution.aspx).

For clarity, we would suggest that the amendments to the Act clearly capture these two points.

Types of Disputes to be Covered:

3.5.2 We respectfully disagree with the Ministry's suggestions that the ADR scheme should cover disputes over "*request for compensation, and customer care and support services*". These are very subjective matters, and may not be suitable for a mandated mediation process. Instead, we suggest that the proposed ADR scheme focus on billing-type disputes, which will be based on fact and evidence. We refer to the example of Hong Kong, where a similar mediation scheme has been setup with the assistance of the sectoral regulator (the Office of the Communications Authority ("**OFCA**")). The Hong Kong mediation scheme covers **only** billing-type disputes<sup>11</sup>, and explicitly excludes all other disputes (including disputes over quality of service, requests for compensation, customer care issues and charges that have already been covered under contract). We strongly submit that a similar approach should be adopted in Singapore.

Effectiveness of the ADR Scheme:

3.5.3 Today, the Small Claims Tribunal ("**SCT**") offers mediation services as part of any case filed. We understand that the mediation sessions are carried out by Registrars, and the service providers are required to attend the sessions when notified to do so. The application fee for consumers to file a claim at the SCT is \$10.<sup>12</sup>

3.5.4 Therefore, mandated mediation, at a low fee, and carried out by professional and neutral parties, is already available for consumers today. If the Ministry intends to implement a separate ADR scheme, this scheme needs to improve on the current SCT process. Specifically:

- The charges for application must be comparable with the \$10 fee imposed by the SCT. Higher charges would deter consumers from raising cases for mediation;
- The mediator carrying out the mediation must be professional and neutral (and seen to be professional and neutral). This provides confidence to the industry and the public; and
- The mediation must be carried out in a timely manner, to provide quick resolution of disputes.

3.5.5 We would also suggest that there should be a monetary threshold for disputes raised under the proposed ADR scheme. This should be aligned to the SCT limit of \$10,000.

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<sup>11</sup> Reference: <http://ccss.cahk.hk/en/mediation.html>.

<sup>12</sup> Reference: <https://www.statecourts.gov.sg/SmallClaims/Pages/GeneralInformation.aspx>.

A threshold of \$10,000 would cover the vast majority of consumer cases. Any disputes exceeding \$10,000 may be more suitable for resolution by the Courts (and not via mediation).

Clear Cost-Causation Principles:

- 3.5.6 We would also respectfully suggest that there should be clear principles for the costs to be paid for mediation. The party raising the dispute should primarily be expected to bear the charges for dispute resolution. It should not be the case that service providers are automatically expected to pay for all forms of mediation.
- 3.5.7 If service providers are required to pay for all disputes, this could create an opportunity for “gaming” by customers. For example, take the scenario where the service providers are automatically charged \$50 for each mediation session. Customers with billing disputes for amounts close to \$50 could threaten to raise the matter to mediation, in the knowledge that the providers would likely waive the disputed amount, rather than incur the mediation fees (and associated manpower costs) involved.
- 3.5.8 We would also highlight the example in Hong Kong, where OFCA provides a funding to the setup and operations of the independent mediation provider.<sup>13</sup> Under the proposed amendments to the Act, the mediation provider may have obligations in relation to: *“the records that the operator must keep and the period of retention of such records”* and *“reports that the operator must submit to the Authority”*.
- 3.5.9 As these are additional requirements imposed by IDA / MDA, the compliance costs should be borne by IDA / MDA, rather than being imposed on consumers or the service providers. Otherwise, this would add to the cost burden on consumers / providers for settling disputes.

**3.6 Directions Relating to Control of DTLs/DBTs/DTs**

- 3.6.1 The proposed Section 32DA(3) of the Act states that, prior to the issuance of a direction to any person under Section 32DA(2), IDA must provide written notice of its intention to issue a direction, *“unless the Authority decides that it is not practicable or desirable to do so”*. We would respectfully request clarity on the circumstances under which IDA could consider that a written notice is not practicable or desirable. We believe that there needs to be clarity on this matter, to properly scope the IDA’s powers under this section.

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<sup>13</sup> Reference: [http://ccss.cahk.hk/en/pdf/Schedule%204%20-%20contribution%2020150430%20\(final\).pdf](http://ccss.cahk.hk/en/pdf/Schedule%204%20-%20contribution%2020150430%20(final).pdf). OFCA provides up to HK\$2,000,000 per annum for the scheme.

### **3.7 Approval Conditions for CEO and Board Appointments of DTLs**

- 3.7.1 Similarly, we are concerned that the powers afforded under the proposed Section 32F(1A)(b) may be overly wide, as it allows IDA to: *“at any time add to, vary or revoke any condition of the approval under paragraph (a) or impose any conditions to the approval”*. Should IDA intend to impose any new requirements, we strongly submit that there should involve proper due process – involving prior notice and consultation.
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#### 4. CONCLUSION:

- 4.1.1 StarHub appreciates the opportunity to comment on the Ministry's proposed changes to the Act.
- 4.1.2 StarHub supports many of the Ministry's proposed changes, in particular the amendments which would facilitate the deployment of both fixed and mobile networks in Singapore. Telecommunications connectivity is growing in importance, and will be a critical part of the Government's Smart Nation Vision. It is therefore timely for the Ministry to review its existing frameworks to enable more timely deployments by the telecommunications operators.
- 4.1.3 To provide further clarity on the Ministry's proposals, StarHub has suggested certain points of clarification in its response. This would greatly assist in avoiding disputes going forward, and avoid creating loopholes. StarHub also suggests that:
- There is a mandated process for re-negotiations of perpetual rooftop rental agreements. This must ensure that mobile services are not disrupted for consumers. We believe that it is logical that all agreements for rooftop space should eventually move towards COPIF-type arrangements; and
  - The Ministry consider mandating that MDS be provided at remote locations, where there are no suitable rooftops for deployment of mobile equipment. This would meet the policy intent of ensuring good mobile coverage island-wide.
- 4.1.4 We also welcome more clarity on the proposed ADR scheme for telecommunications and media sectors. We believe that the ADR scheme should be clearly circumscribed to cover residential customers, and employ mediation as the means to settle billing-type disputes within a certain monetary threshold. Any ADR scheme implemented must be cost effective, professionally and neutrally conducted, and be able to resolve disputes in a timely manner.
- 4.1.5 StarHub is grateful for the opportunity to comment on this matter. We would be happy to discuss this matter in greater detail with the Ministry.

StarHub Ltd  
31 August 2016

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