CLARIFICATION ON THE IMPLEMENTATION OF MINISTERIAL DIRECTION ON MOBILE INTERCONNECTION COST (MINISTERIAL DIRECTION NO. 2 OF 2010), AS VARIED BY DIRECTION NO. 4 OF 2010

1. **What is the effective date of the new price?**

   In order to provide adequate time to address operational issues, the new price will apply from 15 July 2010. During the transitional period from 30 June 2010 to 14 July 2010, licensees may continue using the prices currently specified in the respective access agreements.

2. **Which services are covered by the Ministerial Direction?**

   The new rate will apply to all voice calls (excluding video calls) originating and terminating on fixed (PSTN) network and mobile network including WiMAX network (both fixed and mobile WiMAX).

   However, the new rate will not be applicable to telephony service over IP network (TSoIP). They are also not applicable to Required Application Services (RAS) such as Directory services, Emergency services and Operator Assistance services.

3. **Is the price applicable to message communications?**

   No, the new rate is only applicable to voice calls.

4. **Will the 5 sen per minute rate apply to Fixed Origination/Termination for local, single tandem, double tandem and double tandem with submarine cable?**

   Yes, the 5 sen per minute rate will apply to all.

   As for the price of “local call termination”, this has never been regulated by the Commission and remains as such.

5. **Will the 5 sen per minute rate apply to Mobile Origination/Termination for local, national and national with submarine cable?**

   Yes, the 5 sen per minute rate will apply to all.
6. **Should the rate of 5 sen per minute be applied on a weighted average basis?**

Yes, the rate of 5 sen per minute should be applied on a 24 hour weighted average basis. The negotiating parties are free to apply peak and off peak prices or adopt a single 24 hour weighted average.

7. **Can the service providers negotiate and agree on a different rate?**

The rate of 5 sen per minute is a **maximum price**. If a single 24 hour weighted average is adopted, the negotiating parties can negotiate for prices lower than 5 sen per minute. If peak and off peak prices are adopted, the peak and off peak prices can be higher or lower than 5 sen per minute but the 24 hour weighted average rate should not exceed 5 sen per minute.

8. **What about prices of other services previously regulated by the Mandatory Standard on Access Pricing (MSAP)?**

Other than the services covered by the Ministerial Direction No 4 of 2010, the prices of other services and facilities on the MSAP which expired on 30 June 2010 are no longer regulated and as such are subject to commercial negotiation between service providers.

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