Suruhanjaya Komunikasi dan Multimedia Malaysia

Malaysian Communications and Multimedia Commission

PROPOSAL FOR REVOCATION OF COMMISSION DETERMINATION ON MANDATORY STANDARDS FOR QUALITY OF SERVICE (DIGITAL LEASED LINE SERVICE) DETERMINATION No. 3 of 2009

Public Inquiry Paper

18 April 2025

This Public Inquiry Paper is prepared in fulfilment of Sections 55(2) of the Communications and Multimedia Act 1998.

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PREFACE

The Malaysian Communications and Multimedia Commission ("the Commission") is hereby holding a Public Inquiry on the proposal for the revocation of Commission Determination on Mandatory Standards for Quality of Service (Digital Leased Line Service) and invites members of the public and interested parties to participate in this inquiry by making written submissions on any matter they consider relevant to the inquiry. Written submissions, in both hardcopy and electronic form, should be provided to the Commission in full by 12 noon, **2 June 2025 (Monday)** and addressed to:

Malaysian Communications and Multimedia Commission
MCMC Tower 1
Jalan Impact
Cyber 6
63000 Cyberjaya
Selangor Darul Ehsan

Attention : Communication and Postal Regulation Department
Or E-mail : cprd.pi@mcmc.gov.my
Or Fax : +603 8688 8008

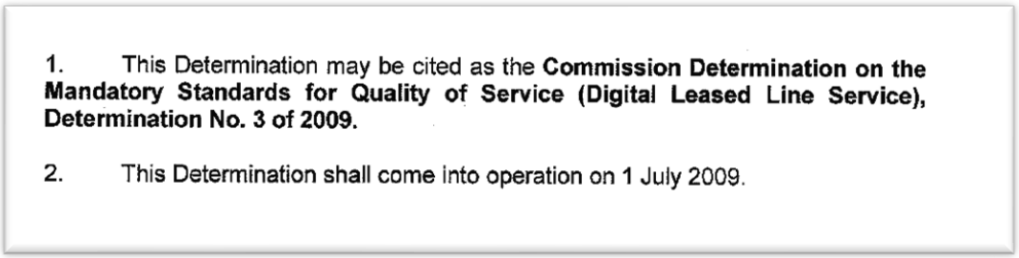
In the interest of fostering an informed and robust consultative process, the Commission may make available extracts of or entire submissions for others to read. Any commercially sensitive information should be provided under a separate cover and clearly marked "CONFIDENTIAL". Respondents are encouraged to support their comments with reasons and where appropriate provide or refer to evidence or other relevant information in support of their comments. Incomplete and/or late submissions will not be considered.

The Commission thanks the public and all interested parties for their participation in this consultative process and for providing their submissions and feedback.

GLOSSARY

CMA1998	Communications and Multimedia Act 1998 (Act 588)
Commission	Malaysian Communications and Multimedia Commission
MS	Mandatory Standards
MSQoS	Mandatory Standards for Quality of Service
DLL	Digital Leased Line
QoS	Quality of Service
IP	Internet Protocol
NSP	Network Service Provider
SLA	Service Level Agreement

PREAMBLE



1. This Determination may be cited as the **Commission Determination on the Mandatory Standards for Quality of Service (Digital Leased Line Service), Determination No. 3 of 2009.**

2. This Determination shall come into operation on 1 July 2009.

1. The existing Commission Determination on Mandatory Standard for Quality of Service (Digital Leased Line Service) Determination No. 3 of 2009 came into force on 1 July 2009.

2. For the purpose of reviewing the relevancy of the MSQoS DLL or Determination, the Commission took into consideration initial engagement and consultation sessions with stakeholders and relevant user departments from performance standards, consumer, and technical perspectives.

3. The proposed revocation of the MSQoS DLL is based on several key considerations:

   a) **Digital Leased Line Speed**: The MSQoS DLL was enforced from 1 July 2009, taking into account the landscape and situation at that time. It is timely to review the relevancy of the MSQoS DLL because the existing speed rate of DLL less relevant.

   b) **Service Level Agreement (SLA):** The majority of enterprise customers have established their own SLAs with service providers, which effectively safeguard service quality and may reduce the necessity for mandatory standards.

   c) **Bargaining Power:** Given that all DLL services operate on a commercial basis, customers comprising corporations possess the bargaining power to negotiate terms directly with NSPs. As a result, the Commission is of the view that there may no longer be a need to impose the MSQoS DLL on the NSPs.

PUBLIC INQUIRY PROCESS

4. Section 58(2) of the CMA1998 provides that the Commission may hold a public inquiry if it is satisfied that the matter is of significant interest to either the public or to current or prospective licensees under the CMA1998. The objective of such a public inquiry is to inform as well as to invite views of the public and the licensees under the CMA1998 on the matter at hand.

5. The Commission is of the view that it is appropriate in the circumstances to hold a public inquiry under section 58(2)(b) of the CMA1998 in order to obtain industry and public comments, and to promote transparency in the exercise of its powers.

6. Under section 61(1) (d) of the CMA1998, the public Inquiry period shall be a minimum of forty-five (45) days, within which public submissions are invited. In the present Public Inquiry, licensees and the public are to formulate and submit their views on the matter within the stipulated period.

7. The Commission shall take into consideration all submissions received within the Public Inquiry period. The Commission is required under section 65 of the CMA1998 to publish a report setting out its findings as a result of any inquiry it conducted, and such report shall be published within thirty (30) days of the conclusion of the inquiry. The Commission shall summarise the submissions received and publish the same in the report.

MANDATORY STANDARDS FOR QUALITY OF SERVICE DIGITAL LEASED LINE SERVICE

PART A: THE DEFINITIONS AND INTERPRETATION

8. The following definitions and interpretations are stated in the MSQoS DLL:

"Customer" means a person who, for consideration, acquires or subscribes to the digital leased line service;

9. Digital leased line encompasses:

a) A leased line for internet access that is established between the customer and applications service provider;
b) A dedicated connection between the two end offices or premises of the customer; or
c) A dedicated connection between the two end offices or premises of the service providers

and shall include domestic leased lines and international leased lines;

10. Digital leased line service means a bandwidth service provided by using digital leased lines;

a) "Domestic leased line" means a leased line which connects two locations within Malaysia;
b) "International leased line" means a leased line which connects a location in Malaysia to another location outside Malaysia

Q1: THE COMMISSION SEEKS VIEWS ON WHETHER THE CURRENT DEFINITIONS OF "DIGITAL LEASED LINE" REMAIN RELEVANT AND APPROPRIATE GIVEN THE ADVANCEMENTS IN TODAY'S TECHNOLOGICAL LANDSCAPE.

Q2: THE COMMISSION SEEKS VIEWS ON THE SPEED THAT CURRENTLY BEEN OFFERED TO THE CUSTOMER. PLEASE PROVIDE THE RANGE (LOWEST AND HIGHEST).

PART B: LICENSEES SUBJECT TO THESE MANDATORY STANDARDS

11. All NSPs providing digital leased line service with a transfer rate of 64Kbps onwards shall be subject to these mandatory standards. NSPs are advised to ensure that other facilities and service providers who can affect the quality of service provided by the NSPs are bound by SLA which enables the NSPs to meet these standards.

Q3: THE COMMISSION SEEKS VIEW ON WHETHER THE MINIMUM TRANSFER RATE OF 64 KBPS FOR DIGITAL LEASED LINE SERVICE REMAINS RELEVANT IN TODAY'S CONTEXT.

Q4: THE COMMISSION SEEKS VIEW ON WHETHER THE CURRENT SLA ADEQUATELY ENSURES THE QoS PROVIDED BY NSPs.

Q5: WHAT MEASURES CAN BE IMPLEMENTED TO ENSURE THAT NSPs CONTINUE TO PROVIDE HIGH QUALITY SERVICES IN THE ABSENCE OF THE MSQoS DLL?

PART C: STANDARDS ON THE QUALITY OF SERVICE

I. STANDARDS ON ANNUAL SERVICE AVAILABILITY

12. Annual digital leased line service availability means the total operational hours of the service, less the total transmission downtime or disruption to the service due to service failure over the period of 12 months.

13. Downtime for the purposes of upgrading or maintaining the network system will be excluded from this ratio, provided users are informed in advance of such maintenance action.

14. The standards on annual service availability for domestic leased line and international leased line are not applicable to:

a) NSPs which enter into service level agreements with the customer for higher standards on the annual service availability than the standards specified in this Determinations; or
b) NSPs which enter into service level agreements with the customer for lower standards on the annual service availability than the standards specified in this Determination

Q6: THE COMMISSION SEEKS VIEWS ON HOW THE NSPs CAN ENSURE THAT CUSTOMERS ARE ADEQUATELY INFORMED AND PROTECTED IN THE ABSENCE OF MANDATED SERVICE AVAILABILITY STANDARDS.

Q7: ARE THERE ANY SPECIFIC CHALLENGES OR BENEFITS THAT NSPs MIGHT FACE IF THEY ARE ALLOWED TO NEGOTIATE SLAs INDEPENDENTLY WITHOUT MSQoS DLL.

Q8. THE COMMISSION SEEKS VIEWS HOW THE REVOCATION OF THE MSQoS DLL MIGHT IMPACT THE ABILITY OF NSPs TO MAINTAIN THE CURRENT STANDARDS OF ANNUAL SERVICE AVAILABILITY FOR BOTH DOMESTIC AND INTERNATIONAL LEASED LINES.

Q9: THE COMMISSION SEEKS VIEWS WHETHER SHOULD THERE BE A MINIMUM SERVICE AVAILABILITY THRESHOLD THAT ALL NSPs MUST MEET IN THEIR SLA, IF THE MSQoS DLL IS REVOKED, TO PROTECT CUSTOMER INTERESTS.

15. The standard on annual service availability shall be as follows:

	DLL	
Type of Services	Domestic Leased Line	International Leased Line
Present QoS Standard	The customer must be able to stay connected to the internet and/or another office where a dedicated network path exists,	The customer must be able to stay connected to the internet and/or another office where a dedicated network path exists, for at least

	DLL	
	for at least **99.90%** of the time over a 12 month period.	**99.80%** of the time over a 12 month period.
Measurement	The measurement of the standard on annual service availability is described by the ratio: $\frac{\left(\begin{array}{c}Total\ operational\ hours\ over\ a\ 12\ month \\ period - Total\ downtime\ over\ a\ 12\ month\ period\end{array}\right) X\ 100}{Total\ operational\ hours\ \ over\ the\ 12\ month\ period}$	

STANDARDS ON FULFILMENT OF INSTALLATION ORDERS

16. Fulfillment of installation orders means the time taken from the signing of the agreement for services to the time when the service is provided.

17. The standard for fulfillment of installation orders shall be as follows:

	DLL	
Type of Services	Domestic Leased Line	International Leased Line
Present QoS Standard	**90%** of installation orders shall be fulfilled within 2 weeks; and **100%** of installation orders shall be fulfilled within 3 weeks	**90%** of installation orders shall be fulfilled within 4 weeks; and **100%** of installation orders shall be fulfilled within 5 weeks
Measurement	The measurement of the standard on fulfillment of installation orders is described by the ratio: $\frac{Total\ number\ of\ installation\ orders\ met\ within\ a\ 12\ month\ period\ \ X\ 100}{Total\ number\ of\ installation\ orders\ for\ the\ 12\ month\ period}$	

Q10: THE COMMISSION SEEKS VIEWS ON HOW THE REVOCATION OF THE MSQoS DLL MIGHT IMPACT THE ABILITY OF NSPs TO MEET THE CURRENT STANDARDS FOR FULFILLMENT OF INSTALLATION ORDERS.

Q11: THE COMMISSION SEEKS VIEWS ON SHOULD THERE BE ALTERNATIVE MECHANISMS OR AGREEMENT WITH CUSTOMERS TO ENSURE TIMELY FULFILLMENT OF INSTALLATION ORDERS IN THE ABSENCE OF THE MSQoS DLL.

Q12: ARE THERE SPECIFIC BENEFITS OR DRAWBACKS TO ALLOWING NSPs TO SET THEIR OWN STANDARDS FOR THE FULFILLMENT OF INSTALLATION ORDERS THROUGH SLAs WITH CUSTOMERS.

18. When measuring the time taken to fulfill installation orders, installation orders not fulfilled within the requisite time due to customers (wrong address, cancel or defers appointment) or network facility due to force majeure or by third parties will be excluded from this ratio.

II. STANDARDS ON SERVICE RESTORATION PERFORMANCE

19. Service restoration performance means the time taken to restore a service from the time the fault was reported by the customer to the time of restoration. The restoration time is calculated from the time of report to the time of restoration, including weekends and public holidays.

20. The standard on service restoration shall be fulfilled as follows:

	DLL
Present QoS Standard	**80%** of all service restoration requests shall be fulfilled within 24 hours of receipt of request; and **90%** of all service restoration requests shall be fulfilled within 48 hours of receipt of requests

	DLL
Measurement	The measurement of the standard on service restoration performance is described by the ratio: $\frac{Total\ number\ of\ service\ requests\ fulfilled\ within\ the\ time\ frame\ X\ 100}{Total\ number\ of\ service\ requests\ received\ over\ the\ 12\ month\ period}$

Q13: THE COMMISSION SEEKS VIEWS ON WHETHER THE SLA TERMS BETWEEN THE CUSTOMER AND THE NSPs SHOULD INCLUDE THE CURRENT STANDARD FOR SERVICE RESTORATION PERFORMANCE.

21. When measuring the time taken to restore service, service not restored within the requisite time due to customers (wrong address, cancel or defers appointment) or network facility due to force majeure or by third parties will be excluded from the total number of service restoration request received over the 12 month period.

ADDITIONAL VIEWS SOUGHT

Q14: THE COMMISSION SEEKS VIEWS ON WHAT WOULD BE AN EFFECTIVE TRANSITION PLAN FOR MOVING FROM THE CURRENT MSQoS DLL FRAMEWORK TO A MORE FLEXIBLE, SLA-BASED APPROACH, ENSURING MINIMAL DISRUPTION TO SERVICE QUALITY.

Q15: THE COMMISSION ALSO WELCOMES COMMENTS ON RELATED MATTERS THAT STAKEHOLDERS OR RESPONDENTS BELIEVE ARE RELEVANT FOR THE IMPROVEMENT OF THE MSQoS DLL, RATHER THAN ITS REVOCATION.