



Telecommunications &
Radiocommunications
Regulator

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ORDER NO. 3 OF 2016

Orders Relating To The Wholesale International Internet Services Market And Speedcast's Complaint Against ICL

TRR hereby makes the following Orders, based on the findings and reasons in TRR's Determination And Findings Relating To The Wholesale International Internet Services Market And Speedcast's Complaint Against Interchange Limited:

1. Within 21 days, ICL and FCC shall cease to give effect to their November 2014 "Services Management" Agreement.
2. Within 21 days, FCC and Speedcast shall cease to give effect to the non-compete or customer allocation provisions of their March 2014 contract.
3. For a period of 12 months, prior to providing, or agreeing to provide, any further capacity on the ICL cable, ICL shall first obtain the advance approval of TRR for the pricing and related terms for supply of any such capacity, and in seeking such approval, shall provide substantiation that the price proposed is cost-based, and commercially reasonable, and not discriminatory or anti-competitive.
4. From 30 June 2016 and for the remaining period of the Order in Paragraph 3 above, ICL shall provide a summary report, at the end of each calendar month, describing ICL's compliance, or any non-compliance, with the Order in Paragraph 3 above.
5. Within 21 days, FCC shall provide TRR with: (i) information summarizing and supporting FCC's actual costs to provide leased capacity; (ii) FCC's projections of future capacity sales by it; (iii) FCC's projected rate of return over the terms of the IRU capacity acquired by it; and (iv) information substantiating FCC's current leased capacity pricing as being cost-based, including a reasonable rate of return.

6. Within 21 days, ICL shall pay TRR a fine of VT 2,000,000 for ICL's anti-competitive conduct in entering into and giving effect to the November 2014 "Services Management" Agreement, and anti-competitive and its discriminatory pricing conduct in favor of FCC;
7. Within 21 days, ICL shall pay TRR a fine of VT 1,000,000 for its failures to comply with the requirements to file tariffs, rate and charges as required by its Licence and Exception;
8. Within 21 days, ICL shall pay TRR a fine of VT 1,000,000 for its misleading conduct in relation to Speedcast;
9. Within 21 days, FCC shall pay TRR a fine of VT 1,500,000 for its anti-competitive conduct in giving effect to the November 2014 "Services Management" Agreement.
10. ICL is designated as a dominant service provider in The Wholesale International Internet Services Market. This is the market in Vanuatu for the supply of wholesale international internet capacity services. This market includes these wholesale international internet capacity services whether supplied using satellite infrastructure, or using the ICL submarine cable or another submarine cable landing in Vanuatu.

Dated 1 June 2016

Dalsie Baniaka
Telecommunications & Radio Communications Regulator

