

Infrastructure Sharing Strategies from the Perspective of Brunei Darussalam

Background

As a general principle as far as possible, the regulator should rely on market forces to create an environment that will lead to the efficient use of telecommunication resources and infrastructure. However if the regulator feels that a specific infrastructure and services is a critical infrastructure to be shared or where there are public policy requirement for such infrastructure to be shared the regulator should mandate a licensee to share the use of the infrastructure with other licensee.

The primary objective behind infrastructure sharing approach in Brunei Darussalam is to promote competition in the telecommunication market and at the same time as a means of lowering costs and maximizing geographical coverage as well as to avoid unnecessary duplication of infrastructure in Brunei Darussalam.

Principles of Infrastructure Sharing from Brunei Perspective

The principle of which infrastructure sharing is mandated varies from country to country. In Brunei Darussalam the following principles are used to determine whether such infrastructure is to be shared:

- The infrastructure is very costly or not economically feasible for the new entrant to replicate, or to obtain from a third party provider at a cost that will allow market entry;
- Infrastructure that is deem to be in the public interest or consumer interest for it to be shared e.g. to maximise geographical coverage (as in the case of inter-operator roaming); or to minimise infrastructure duplication, where this is economically inefficient or where there are environmental and urban planning reasons to promote shared infrastructure (as in the case of shared use of street ducts, radio towers, man holes, etc.).

Some of the common examples of infrastructure that has been designated as infrastructure to be shared are as follows:

	Active Components	Passive Components
1	transmission link	Tower masts
2	Satellite earth station	Exchange building
3	switches	Power Supply
4	submarine cable landing	building equipment room,

	station	roof spaces and floor spaces
5	Mobile phone infrastructure for MVNO	Manhole, cable chamber, ducts

The telecom infrastructure sector is traditionally characterized by huge fixed, sunk and irreversible investment, often making telecommunication infrastructure investment a high risk undertaking. This situation is often more unpredictable by the rapid introduction of successive generation of new technology. Operators are often faced with a situation where even before recouping their investment in existing infrastructure they have to embark on further investment in new generation networks of networks.

Therefore the ability to access and share the existing infrastructure is the key to the new entrant's ability to rapidly roll out its new services and optimize their investment in the telecom sector, limits unnecessary duplication of infrastructure and at the same time turn their attention towards investing in the underserved areas, improved product innovation, better customer care and eventually better commercial offerings and healthier competition to promote affordable access for all.

Conclusion

The key challenge here will be how to convince incumbent operator to accept opening of the infrastructure to other player and for new operators to trust incumbents to provide them with the appropriate access to sites without deliberate tactical delays to prevent them from rolling out their network ineffectively. Therefore regulators should be transparent and carefully considers what infrastructure-sharing forms to be mandated and at the same time should also introduce necessary enforcement tool to ensure compliance and successful adoption of infrastructure sharing obligations, regulators should also assess and communicate overall benefit of infrastructure Sharing and ready themselves to resolves eventual disputes