

THE DISPUTE RESOLUTION
IN
TELECOMMUNICATION
MARKET
Kingdom of Cambodia

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#### **Telecommunication Sector Reform**

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**Dispute resolution Procedure of TRC** 

**Experience of Dispute Resolution in Cambodia** 

4

**Challenges** 



### TELECOMMUNICATION SECTOR REFORM



Telecommunication Policy Maker
 / International Cooperation



 Regulator (Regulation/Tariff & Interconnection / Numbering /Radio Frequency/Authorization (Licensing, Certificate and Other Approval/ Domain Name Registration (.kh)/Internet Café License)

Market

 Public Enterprise/Private Company



# THE DUTIES AND RESPONSIBILITIES OF INSTITUTIONS IN ICT SECTOR

### Ministry of Posts and Telecommunications (MPTC)

Determining the National Telecom and ICT Policy

International Telecom & ICT Cooperation, as State Member

#### **Ministry of Information**

Determining the National Radio and TV Broadcasting Policy and Regulation

International Radio & TV
Broadcasting Sector Cooperation,
as State Member

Telecommunication Regulator of Cambodia (TRC)

Telecom & ICT Regulation

Managing the Market and Dispute
Resolution

Telecom Numbering and IP Address

Frequency Assignment and Allotment

Authorization (Licensing & Approval)

Domain Name System Registration and Internet Café Registration



# WHAT HAPPEN WHEN WE FAILURE TO RESOLVE DISPUTES IN TELECOMMUNICATION MARKET?

Delay the introduction of new services and infrastructure



Block or reduce the flow of capital from investors



Limit competition, leading to higher pricing and lower service quality; and



Retard liberalization – and with it, general economic, social and technical development

# WHAT IS THE MAIN ROLE OF TELECOMMUNICATION REGULATOR OF CAMBODIA FOR TELECOM MARKET?



# THE DISPUTE RESOLUTION PROCEDURE OF TELECOMMUNICATION REGULATOR OF CAMBODIA

Step 4: In case of failure of coordination and negotiation, and it cannot get any agreeable from related parties, the case will go to the court;

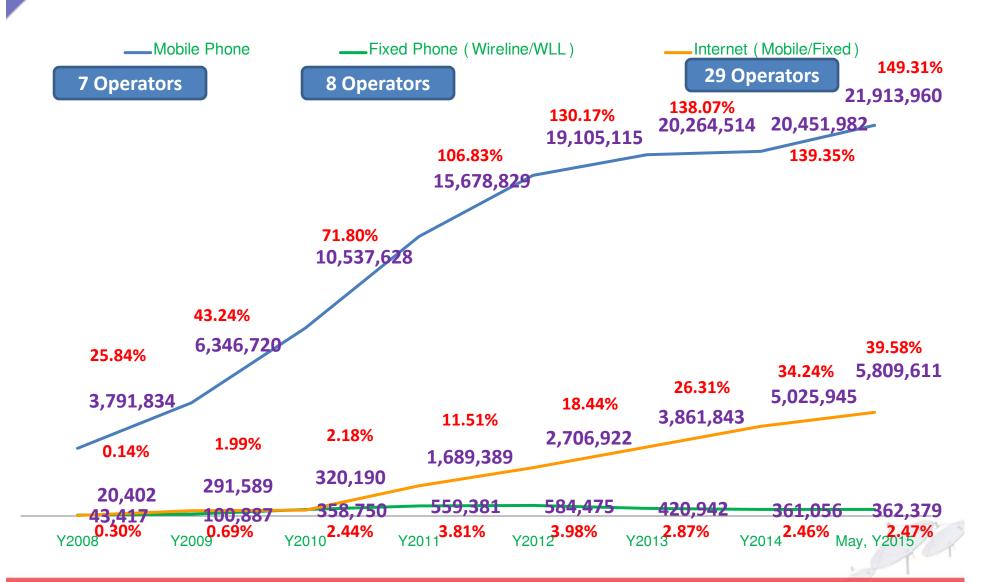
Step 3: Issue officially the Announcement or Decision on Dispute Resolution to related dispute parties;

Step 2: Coordination and Negotiation with related dispute parties;

Step 1: Data Collection, Investigation, and Legal Verification;



#### **Telecom Market Situation in Cambodia**





### WHAT KIND OF DISPUTES HAPPENED IN CAMBODIA **TELECOM MARKET?**

Price War

Predatory Pricing in mobile on-net call

Message of promotion, blaming each other

Intercon nection Block

Not allow to connect and put the conditions

Discrimination



#### THE EXPERIENCE ON DISPUTE RESOLUTION OF TRC

Y2008

Some operators were promoted own retail prices below the cost as Supper Zero, bonus to their costumers 100% to 500% when top up (Predatory Prices and Price War);

Some operators were not allowed the partners to inter-connect to their network, and some allowed to connect with, but to block the incoming phone traffics, flowing from own partners.

Y2009

RGC's Order No. 01 Bar.Bar dated on 21 October, 2009 on the measure to stop the block of the network interconnection between one operator and other.

Inter-ministries Directive
No. 1277 MEF.-MPTC dated
on 29 Sept., 2009 on the
Measure to obstruct the unfaired competition in
Telecommunication Sector.

Inter-ministries Prakas No. 232
MEF.-MPTC dated on 07 Dec.,
2009 On the floor price
termination for Mobile, Fixed
Phone Services and
Interconnection rate between
mobile/fixed operators



# THE EXPERIENCE ON DISPUTE RESOLUTION OF TRC





- **Star-Cell** 098/086
- ✓ To declare the cool war for disputing over the costumers from each other by putting the low rate of on-net retailed prices below the cost base (Predatory Prices), and to provide the very high rate of bonus to their costumers as 200% up to 500% when top up etc., (Oppose the Inter-ministries Prakas 232 and Inter-ministries Directive 1277);
- ✓ To connect the networks between operators directly, bypass TC's Transit Switch, which are opposed TRC's Order 01 Bar.Bar )







# THE EXPERIENCE ON DISPUTE RESOLUTION OF TRC

Studies & Recommendations





Studies, Consultation
With Operators & Sum-up
The Results to Interministries





Regulatory Meeting
Between TRC and Operators



Inter-Ministries Meeting Between MPTC, MEF & TRC



### THE EXPERIENCE ON DISPUTE RESOLUTION OF TRC



### **On-net Calls**

នីស្តីការគណៈដ្ឋេមន្ត្រី

\* All operators shall be respected to the ಣಾ: ಅಂಕಿಕ್ ಸಾಸ್ಟ್ fair-competition principle as guided by ITU and WTO on predatory prices:

-លិខិតប

All operators shall សេចក្តីដូច be submitted the esiated cost base ្ស<mark>ី every 6 months to</mark> ७- एंकाः TRC for following and controlling the fair-competition.

ស្ ឆ្នាំ២០១៣

ចះថៃទី ០៧ ខែ ដោយស្មោះត្រង់។ រន្ត្រី មេន៍ និងរដមន្រី

១០១៣។

នឯកឧតម មេតា សេងប្រៃសណីយ៍

និងគ្រប់ប្រតិបត្តិ-រគមនាគមន៍នោះ

សោះត្រង់ ដែល ពាណិជិកមពិភព 병 (Cost Base)

ណនា តំលៃដើម ញ្ជត្តិករទូរគមនា-បក្កតប្រជែងនេះ។

#### Off-net Calls

\* Cost and other fees related with the off-net calls and other obligation to RGC shall keep as meaning in 232 temporally.

\* MPTC, MEF, TRC and also Operators shall continue to find out the way to reform and correct those.



#### **Telecom Association**

\* The state encourage and welcome the initiative idea from TRC to establish the Telecom **Association among the** operators for one voice communication between State/TRC and operators, and also for dispute resolution.





## THE EXPERIENCE ON DISPUTE RESOLUTION OF TRC

### On – Net Calls:

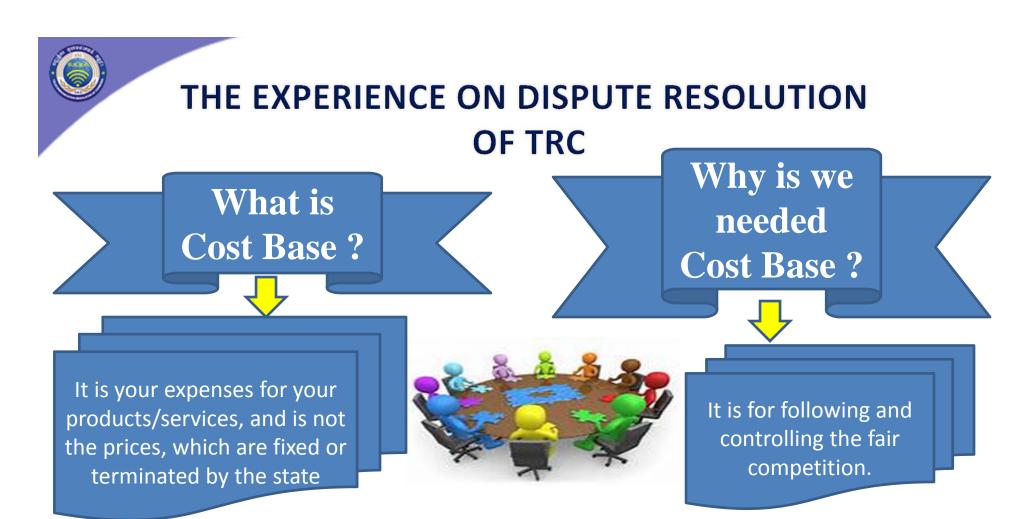
Cost Base submission is the obligation of each operator!

### Off – Net Calls:

TRC & Operators shall continue to discuss and find out the agreeable together for submission to RGC for decision via MPTC/MEF.

### **Telecom Association**

This is also the obligation among operators



## ARTICLE 10 OF LAW ON AMENDMENT TO THE LAW ON INVESTMENT OF THE KINGDOM OF CAMBODIA:

"The Royal Government shall not fix the price of fee of the products or services of a QIP"



#### THE CHALLENGES

A lack of proper regulations, unrealistic market data and a constant stream of disputes between Cambodia's mobile operators will likely hinder the country's telecommunications regulator from effectively governing the sector.

Without the enactment of telecommunications law, which is still in draft, the current Telecom Regulator of Cambodia (TRC), will have no way to settle disputes between operators.

Cambodia has 7 mobile phone companies in operation. The firms have accused one another of unfair business practices such as price dumping, not paying fees for operator interconnectivity, and inflating subscriber numbers to satisfy shareholders.



