

**Public Inquiry into the Potential Declaration of Certain Wholesale Services.**  
**NICTA- Discussion Paper**

**5-Wholesale International Dedicated Submarine Cable Capacity Service.**

***Question 1- Do you agree with this market definition. If you do not, please explain.***

Yes, we fully agree.

**Comments:** Consistent with NICTA's view, we agree that the definition of market is from within the national geographic market within PNG territory and jurisdiction, where PNG Dataco (Access provider) is the monopoly for Fibre Optic Cable System. Millions of Kina have been spent on this fibre optic cable infrastructure to various landing stations in PNG, hence they should remain monopoly over PNG Market.

***Question 2- Do you agree that the proposed declaration fulfils the declaration criteria in Section 128 (a) and (b) by furthering the achievement of the competition objective. If you do not, please explain.***

Yes, fully agree.

***Question 3- Do you agree that the proposed declaration fulfils the declaration criteria in Section 128 (a) and (c) by furthering the achievement of the efficiency objective. If you do not, please explain.***

Yes, fully agree.

**6. International Submarine Cable Facilities Access Service**

***Question 4- Do you agree with the market definition? If you do not, please explain your answer.***

Yes, fully agree.

**Comments:** NICTA's view is well appreciated.

**Question 5-Do you agree that the proposed declaration fulfils the declaration criteria in Section 128 (a) and (b) by furthering the achievement of the competition objective. If you do not, please explain.**

Yes, fully agree.

***Question 6- Do you agree that the proposed declaration fulfils the declaration criteria in Section 128 (a) and (c) by furthering the achievement of the efficiency objective. If you do not, please explain.***

Yes, fully agree,

**Comments:** However, we would think that Access Seekers should not collocate their facilities at the International Submarine Cable station. The current arrangement whereby PNG Dataco is the sole access provider and wholesale service provider, and other access seekers should all subscribe to be retailers of data. In that way, it will allow for competition for all retailers'/access seekers. Access provider should look at lowering its rate per megabites and in this way it will promote economics of scale.

**7-Wholesale long haul-dedicated capacity service.**

***Question 7- Do you agree with the market definition.***

Yes, fully agree.

**Comments:** However, possibility of having access seekers collocate their facilities either physically or virtually may not be the best option, given that Dataco has spent substantial costs to bring on Kumul Submarine Cable. I am sure, they would want to have the monopoly over the optic fibre network. The best possibility is Dataco remain the main wholesaler and access seekers can subscribe to Dataco and be resellers of data.

**Question 8- Do you agree that the proposed declaration fulfils the declaration criteria in Section 128 (a) and (b) by furthering the achievement of the efficiency objective. If you do not, please explain.**

Yes, fully agree.

**Comments:** Let Dataco remain as the monopoly but data sold at wholesale price must be further reduced, before data is sold to resellers/ access seekers, in doing so, resellers price will reduce significantly.

***Question 9-- Do you agree that the proposed declaration fulfils the declaration criteria in Section 128 (a) and (c) by furthering the achievement of the efficiency objective. If you do not, please explain.***

Yes, fully agree.

**8-Wholesale local dedicated service.**

**Question 10-Do you agree with this market definition. If you do not please explain your reasons.**

Yes, fully agree.

***Question 11- Do you agree that the proposed declaration fulfils the declaration criteria in Section 128 (a) and (b) by furthering the achievement of the competition objective. If you do not, please explain.***

Yes, fully agree.

***Question 12 -Do you agree that the proposed declaration fulfils the declaration criteria in Section 128 (a) and (c) by furthering the achievement of the efficiency objective. If you do not, please explain***

Yes, fully agree.

**9- Wholesale Internet Access Service**

***Question 13- Do you agree with the market definition.***

Yes, fully agree.

**Comments**

However, Access Provider particularly Dataco who is the current monopoly of fibre optic submarine cables must/should lower the prices of wholesale service to access seekers/retailers.

***Question 14- Do you agree that the proposed declaration fulfils the declaration criteria in Section 128 (a) and (b) by furthering the achievement of the competition objective. If you do not, please explain.***

Yes, fully agree.

Comments:

The current arrangement is fine whereby Dataco remains the wholesale supplier of Data, while Telikom PNG can focus on voice and mobile. The performance of Telikom PNG over the years is very poor and not up to standard. Therefore, it is critically important that some function such as wholesale supply of data should be done away with for Telikom PNG. If they want to participate in this space, they can also compete with other ISPs in the market place. Dataco has been making money for the state and therefore this arrangement should remain and also it has been building the capacity of SMEs who are in the space of providing ISP business.

***Question 15- Do you agree that the proposed declaration fulfils the declaration criteria in Section 128 (a) and (c) by furthering the achievement of the efficiency objective. If you do not, please explain.***

Yes, fully agree.