GOVERNMENT OF MAURITIUS

MINISTRY OF INFORMATION AND COMMUNICATION TECHNOLOGY

OPEN ACCESS POLICY FOR UNDERSEA CABLE LANDING STATIONS IN MAURITIUS

With a view to further stimulating competition in the Information and Communication Technology market, Government has agreed to an "Open Access Policy" being applied for the operation of undersea cable landing stations in Mauritius. The Open Access Policy would allow interested parties, on equal conditions with a transparent relation between cost and pricing, to get access to and share communication resources on one level to provide value-added services on another level in a layered communication system architecture. It also encourages market entry from smaller local companies and seeks to ensure that no entity can take a position of dominant market power.

Given that the undersea cable landing station is an essential facility and cannot be economically duplicated, Government has decided that any undersea cable operator would, thus, be required to provide access to other operators through an "Open Access Policy" at the landing stations.

Government has decided that for any new undersea cable system that will be established in Mauritius, the following principles of an "Open Access Policy" at any particular landing station will have to be adhered to:-

(a) Infrastructure v/s Services

Within the structural framework, the cable must differentiate "Infrastructure" from "Services", where Infrastructure is seen more in the "Ownership" realm, while Service is seen in "Access to capacity".

(b) Ownership of the cable

Infrastructure ownership principles for the cable would include, *inter alia*, the following:

- (i) the ownership of the cable must be in the form of a public private partnership, involving Government;
- (ii) a set of rules must be established to identify the various shareholders;
- (iii) for the purposes of the above exercise, a Special Purpose Vehicle (SPV) may be the legal entity that would have to be set up, to ensure open and nondiscriminate access to the cable; and
- (iv) the SPV must have a public interest, combined with a private sector approach in its business model, in order to ensure a "regulated return on investment" and affordable bandwidth to the end-user.

(c) Access to Capacity

Value Chain access to capacity for service delivery principles for the cable shall be:-

(i) the SPV must sell capacity to all entities which meet the legal and regulatory requirements without discrimination;

- (ii) Service Providers shall be offered access to Transport Infrastructure Layer of different capacities, depending on their requirements;
- (iii) End Users shall be free to choose any local Service Provider connected to the network;
- (iv) the SPV shall not compete with Service Providers (its customers) by offering services at the Services Layer directly to End Users; and
- (v) the SPV shall be formed, owned and operated in such a way so as to facilitate competition and to foster innovation at the Services Layer and, where practical and commercially viable, at all levels, with a view to maximising usage of the network and benefits to the End Users.

(d) <u>Distinguishing feature for Open Access</u>

The most distinguishing feature of the Open Access approach would be that ownership of the infrastructure **WILL NOT GUARANTEE** any access, discriminatory or not, to capacity on the value chain for the provision of service(s) to the market.

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