

**Telecommunications Authority's Decision
on Requests for Extension of Consultation Period for the
“Third Consultation Paper on Draft Competition Guidelines”
Issued on 5 February 2010**

On 16 and 23 March 2010, the Telecommunications Authority (“TA”) received requests (the “Request”) from two network operators for an extension of the consultation period for the Draft Competition Guidelines by three months.

2. The reasons given for the Requests are:
 - (a) the Consultation Paper raises complex and technical issues, more time would be required for study and review;
 - (b) given the lapse of time since the last consultation in 2007, more time would be required for a thorough review; and
 - (c) as the consultation on review of local access charge (“LAC”) and negotiations among operators on the key interconnection arrangements are on-going, they do not have sufficient time and resources to address this consultation.

3. On 24 March 2010, the TA published a consultation paper to seek views from the industry on the Request. By the deadline of 25 March, two submissions in support of the Request were received from the following parties:
 - Hong Kong Telecommunications (HKT) Limited; and
 - PCCW-HKT Telephone Limited

4. In the early morning of 26 March, Wharf T&T Limited wrote in to tender support for the extension. The TA took into account this submission as well in forming his decision.

Decision of the TA

5. Having considered the views expressed in the submissions and that no parties have raised objections to the Request, the TA decided that the consultation period for the third consultation on the Draft Competition Guidelines will be extended for **two months until 26 May 2010**. The TA is satisfied that a two-month extension is reasonable and proportionate in all circumstances of the case based on the following considerations:

- (a) The Competition Guidelines to be finalised in this consultation exercise are important in setting out how the TA may interpret the competition provisions under the Telecommunications Ordinance. Interested parties should therefore be given sufficient time to examine the Draft Competition Guidelines and prepare their submissions.
- (b) With the extension of the deadline by two months, the consultation period will last for a period of nearly four months. This should give the industry sufficient time in preparing their submissions.
- (c) Both the LAC and Competition Guidelines are important issues to the telecommunications industry. Given that the consultation on the LAC review will close on 9 April 2010, the industry should be able to focus on the issues related to the Draft Competition Guidelines between then and the deadline of 26 May 2010.

6. Following the extension of the consultation period, all submissions to the “Third Consultation Paper on the Draft Competition Guidelines” should reach the Office of the Telecommunications Authority on or before **26 May 2010**.

Office of the Telecommunications Authority
26 March 2010