

**Telecommunications Ordinance
(Chapter 106)**

**DIRECTION
(Section 36B)**

To: Lambo Limited
Date: 6 September 2013

Interpretation

In this Direction, unless the context otherwise requires,

“Authority” means the Communications Authority;

“Determination” means the determination issued by the former Telecommunications Authority under section 36A of the Telecommunications Ordinance on 30 December 1998 (the levels of which were revised in 2001) and the supplementary determination issued on 12 March 2012;

“ETS” means external telecommunications services;

“LAC” means Local Access Charge;

“LAC Review Statement” means the statement entitled ‘New Regulatory Regime for Local Access Charge’ issued by the former Telecommunications Authority on 23 December 2011;

“Licence” means the Services-Based Operator Licence (Licence No. 1503) granted by the Authority to the Licensee;

“Licensee” means Lambo Limited;

“NWT” means New World Telecommunications Limited;

“OFCA” means the Office of the Communications Authority;

“PSTN” means the public switched telephone network;

“Regulatory Guide” means the Regulatory Guide for Calling Line Identification (CLI) Format, HKTA 3101 issued by the Authority;

“SC” means Special Condition; and

“TO” means the Telecommunications Ordinance (Cap. 106).

Background

In December 2012, OFCA discovered that the numbers 31127700, 31127701, 31127702, 31127703, 31127704, 31174200, 31174201, 31174203, 37200500, 37200501, 37200502, 37200503 and 37200504 had been used by the Licensee for delivering incoming ETS calls from overseas to Hong Kong during the period from 6 to 11 December 2012 (both days inclusive). The Licensee was suspected to have breached SC 7.1 and SC 8.1 of the Licence. OFCA has completed an investigation into the matter.

2. Having considered the findings of the investigation, the Authority is satisfied that the Licensee had failed to comply with the requirement of the Regulatory Guide to use the proper calling line identification with leading digits 15xx, 16xx or 30(5-9)x (as prescribed in paragraphs 2 and 3 of the Regulatory Guide) for the delivery of ETS calls from overseas to the PSTN in Hong Kong. The Authority also confirmed that the concerned numbers 31127700, 31127701, 31127702, 31127703, 31127704, 31174200, 31174201, 31174203, 37200500, 37200501, 37200502, 37200503 and 37200504 were subscribed by the Licensee from NWT.

3. SC 7.1 of the Licence provides that:

“ For the delivery of outgoing and incoming external telecommunications traffic between the facilities of the licensee and the users of the service in Hong Kong, the licensee shall pay such interconnection charges, including, without limitation, local access charges, and access charge or origination charge for interconnection necessary for the provision of international call forwarding service as may be determined by the Authority from time to time under section 36A of the Ordinance and the level and to the fixed carriers, fixed telecommunications network services licensees, mobile carriers or public radiocommunications service licensee specified by the Authority in the determination.”

4. According to the Determination, the Licensee shall pay the LAC (and associated transit charge) to the local fixed network operator NWT which the Licensee is directly connected to in respect of both outgoing and incoming ETS traffic over the relevant routes. The LAC level for the relevant period has been set out in the LAC Review Statement or in the agreement signed between the Licensee and NWT. In contravention of its obligation under SC 7.1, the Licensee had failed to pay the LAC (during the period when the concerned numbers were used by the Licensee for providing ETS) which should have been paid in respect of the ETS calls routed through the said numbers.

Direction

5. The Authority, in exercise of his power under section 36B(1)(a)(i) of the TO,

having been satisfied that the Licensee had not paid the LAC (and the associated transit charge) which should have been paid in respect of the ETS calls routed through the concerned numbers specified in paragraph 1, in breach of its obligations under SC 7.1 of the Licence;

having been satisfied that the Licensee has been afforded a reasonable opportunity to make representations; and

having considered that the Licensee has, despite the reasonable opportunity offered by the Authority for it to make representations, submitted no representations,

hereby *directs* the Licensee to:

- (a) pay to NWT all such amount of unpaid LAC and transit charge in respect of the concerned numbers specified in paragraph 1 within 14 days from the date of this Direction; and
- (b) provide to the Authority evidence to the satisfaction of the Authority of payment of LAC (and the associated transit charge) as referred to in sub-paragraph (a) above within 14 days from the date of this Direction.

6. This Direction will be made public.

(Danny Lau)
for Communications Authority
6 September 2013