

Australian Government

Department of Infrastructure, Transport, Regional Development, Communications and the Arts

COMMUNICATIONS INFRASTRUCTURE DIVISION / UNIVERSAL SERVICES BRANCH

Statutory Infrastructure Provider (SIP) Regime

SIP obligations for Carriage Service Providers (CSPs)

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Private telecommunications networks are now subject to SIP requirements

Private telecommunications networks in new real estate developments which are operated by carriage service providers (CSPs) were brought into the Statutory Infrastructure Provider (SIP) regime in May 2024. The SIP regime is outlined in <u>Part 19 of the *Telecommunications Act 1997*</u> (the Act) and aims to ensure that people in Australia have access to quality voice and broadband services.

What are private telecommunications networks in new real estate developments?

While most new real estate developments are serviced by wholesale carriers, a small number of developments are serviced by private telecommunications networks, typically in lifestyle or retirement villages, and multi-unit buildings - for example, build-to-rent style multi-unit developments. Private telecommunications networks are generally controlled by the developer or owner, who may also supply services as a CSP or by using an associated CSP.

Why were CSPs brought into the SIP regime?

The <u>Telecommunications Legislation Amendment (Enhancing Consumer Safeguards and Other Measures) Act 2024</u> introduced a key change by bringing CSPs into the SIP regime where they are servicing a new real estate development through a private telecommunications network. Previously, the SIP regime only applied to carriers and did not place any obligations on CSPs. This change responded to concerns raised with the Government that some new real estate developments were bypassing the SIP regime by using CSPs to service the real estate developments through private telecommunications networks. The government also received some complaints from residents of new real estate developments serviced by CSPs which generally focused on the quality of service available in private telecommunications networks. Now that these CSPs are subject to SIP regulations, consumers living in these new real estate developments have greater certainty that they can access broadband and voice services at appropriate standards.

What obligations do SIPs have?

Under the SIP regime SIPs must connect premises in their service areas and supply wholesale services and infrastructure that enable retail providers to supply broadband services to consumers with peak download speeds of at least 25

megabits per second and peak upload speeds of at least 5 megabits per second. On fixed-line and fixed wireless telecommunications networks, the wholesale services SIPs supply must also enable retail providers to supply voice services. The requirement to support voice services does not currently apply where the SIP uses satellite. They must also notify the relevant agreement with a developer to the Australian Communications and Media Authority (ACMA) within specified time frames. The ACMA monitors and enforces the SIP obligations. The Minister for Communications has powers to make further standards, rules and benchmarks that can be expected to expand the requirements for the services a SIP must provide.

When must a CSP register as a SIP?

Prior to May 2024, only telecommunications infrastructure installed in new real estate developments by licensed telecommunications carriers, was subject to SIP requirements. This requirement now extends to the private telecommunications networks operated by carriage service providers which are used to supply voice and internet services in new real estate developments. SIP obligations now apply in all of these real estate developments to ensure that end users have access to high quality telecommunications services.

If a CSP uses a facility that has been installed in a new real estate development after 1 July 2024 to supply a carriage service to the public, then the CSP is subject to SIP obligations if it meets any of the following criteria:

- The CSP is in a position to exercise control of the facility.
- The CSP is an associate of a person who is in a position to exercise control of the facility.
- The CSP has entered into a contractual arrangement with the person responsible for the real estate development project or the building redevelopment project, where the contractual arrangement relates to the facility.
- Where any conditions are specified in a legislative instrument made by the Minister.

These conditions reflect the complex ownership and control arrangements witnessed in the real estate developments serviced by CSPs using private telecommunications networks. The developer, village owner or building manager may sometimes operate as a CSP itself, owning the facilities and supplying carriage services. More frequently, the developer, village owner or building manager may create a different company which operates as a CSP. That CSP may own the facilities, or a third, but associated company, may own the facilities. The developer, village owner or building manager could also enter into a contractual arrangement with a CSP, that is not an associate, to use the facilities to service the development.

Existing CSP networks that were operational prior to 1 July 2024 could be designated as SIP service areas by the Minister. Any such designations would be considered based upon advice from the Department and the ACMA.

How do private network operators register as SIPs?

If you are operating a private telecommunications network to supply voice and/or internet services you will need to contact the Australia Communications and Media Authority (ACMA) at <u>sip@acma.gov.au</u> to register as a SIP. Before a SIP can be included on the register it must give information to the ACMA about its planned and completed service areas. More information about the SIP register and how to <u>notify the ACMA of new and completed project areas</u> is available on the <u>ACMA website</u>.

For general information about the SIP regime contact the Department at sip@infrastructure.gov.au.