

Government of Pakistan
MINISTRY OF INFORMATION TECHNOLOGY
INFORMATION TECHNOLOGY AND TELECOMMUNICATION DIVISION,

Islamabad, the 31st December, 2004.

NOTIFICATION

S.R.O. 1012 (I) /2004.— In exercise of the powers conferred by section 57 of the Pakistan Telecommunication (Re-organization) Act, 1996 (XVII of 1996), the Federal Government is pleased to make the following rules namely:—

1. Short title and commencement.— (1) These rules may be called the Access Promotion Rules, 2004.

(2) They shall come into force at once.

2. Definitions.— (1) In these rules, unless there is anything repugnant in the subject or context,—

- (a) **“Access Promotion Contribution (APC) ”** means the payments made by LDI Licensees to LL Licensees or to the Universal Service Fund pursuant to these rules;
- (b) **“Act”** means the Pakistan Telecommunication (Re-organization) Act, 1996(XVII of 1996);
- (c) **“APCL”** means Access Promotion Contribution for fixed line Local Loop and includes Limited Mobility Communication Service;
- (d) **“APCL Contribution”** means the amount determined by the Authority in accordance with sub-rule (2) of rule 8 ;
- (e) **“APC for USF”** means the mopped up amount of Access Promotion Contribution on cellular termination diverted to Universal Service Fund;
- (f) **“APC for USF Contribution”** means the amount determined by the Authority in accordance with sub-rule (4) of rule 8 ;
- (g) **“Approved Accounting Rate”** means Total Accounting Rate approved by the Authority under rule 6 ;

- (h) **“Approved Settlement Rate”** means one half of the Approved Accounting Rate;
- (i) **“Corresponding Operator”** means a foreign service provider that originates or terminates or arranges for the origination or termination of international telephony service outside of Pakistan;
- (j) **“Incoming International Telephony Service”** means international telephony service that originates from a calling party outside Pakistan, excepting Azad Jammu and Kashmir, and that terminates in Pakistan including Azad Jammu and Kashmir, on the telecommunication system of a LL Licensee or Mobile Licensee that has assigned, or accepts, the telephone number representing the called party;
- (k) **“Long Distance and International (LDI) Licensee”** means a person licensed under the Act to establish, maintain and operate a public fixed switched network for the provision of nation-wide long distance and international telephony service ;
- (l) **“Local Loop (LL) Licensee”** means a person licensed under the Act to establish, maintain and operate a public fixed switched network for the provision of local exchange telecommunication service, and includes PTCL, National Telecommunication Corporation and any person licensed under the Act to provide Limited Mobility Communication Service;
- (m) **“Limited Mobility Communication Service”** means a wireless based telecommunication service that satisfies all of the following conditions: (a) it follows the numbering plan established by the Authority for the public fixed switched network; (b) in which customers cannot authenticate or use their terminal equipment with a telecommunication system of another licensee; (c) in which a customer’s terminal equipment may obtain access to the Service using a single pre-defined cell, having maximum radius upto Local Call Charging Area, and (d) in which no inter-cell hand over and roaming with other networks is allowed.¹
- (n) **“Mobile Communications Service”** means a wireless-based telecommunication service where the terminal equipment may be

¹ Amended by S.R.O. 285/2005 dated 30th March, 2005 issued by Ministry of Information Technology and Telecommunication Division.

connected to the telecommunication system by wireless means and used while in motion;

- (o) **“Mobile Licensee”** means a person licensed under the Act to establish, maintain and operate a public mobile switched network to provide Mobile Communications Service, but excluding a person that is licensed to provide a Limited Mobility Communication Service;
- (p) **“Permissible Range”** means range of prices between the Approved Settlement Rate, and ninety-five per cent of the Approved Settlement Rate or such other percentage of the Approved Settlement Rate as the Authority may at any time, or from time to time, determine and notify thirty days in advance;
- (q) **“PTCL”** means the Pakistan Telecommunication Company Limited;
- (r) **“Total Accounting Rate”** means the rate that a licensee negotiates with a foreign service provider for handling one minute of international telephony service; and
- (s) **“Universal Service Fund”** or **“USF”** means the Universal Service Fund created and maintained by the Federal Government.

(2) The words and expressions used but not defined in these rules shall have the same meanings as assigned to them in the Act.

3. Measurement .— Where a measurement in these rules is stated to be in call-minutes, the measurement shall be made in call-seconds and converted to call-minutes.

4. Access promotion.— (1) For each month that it provides telecommunication services, a LDI Licensee shall pay to a LL Licensee an amount determined by multiplying the APCL Contribution for a country by the monthly volume of Incoming International Telephony Service from that country, measured in call-minutes, carried by the LDI Licensee and terminated on the telecommunication system of the LL Licensee.

(2) Payment under sub-rule (1) shall be made not later than ninety days after the end of the calendar month for which the payment obligation arises.

5. Contribution to Universal Service Fund .— (1) For each month that it provides

telecommunication services, a LDI Licensee shall pay to the Universal Service Fund an amount determined by multiplying the APC for USF Contribution for that country by the monthly volume of Incoming International Telephony Service from that country, measured in call-minutes, carried by the LDI Licensee and terminated on the telecommunication system of any Mobile Licensee.

(2) Payment under sub-rule (1) shall be made not later than ninety days after the end of the calendar month for which the payment obligation arises.

6. Approved Accounting Rates.— (1) The Authority shall maintain a list of approved Total Accounting Rates for different countries.

(2) The Authority shall update the list of Approved Accounting Rates from time to time.

(3) At such time as the Authority updates the list of Approved Accounting Rates, the Authority shall forward a copy of the updated list to each LDI Licensee, LL Licensee and Mobile Licensee.

7. International Telephony Service Agreements.— An agreement between a LDI Licensee and a Corresponding Operator respecting International Telephony Service shall comply with the following, namely :—

- (a) Each of the LDI Licensee and the Corresponding Operator shall contribute to the other for the carriage, switching and termination of international telephony service;
- (b) the LDI Licensee's contribution to the Corresponding Operator for the carriage, switching and termination of Incoming International Telephony Service from a country shall be an amount in the Permissible Range for that country;
- (c) the Corresponding Operator's contribution to the LDI Licensee for the carriage, switching and termination of international telephony service that originates from a calling party inside Pakistan and that terminates outside Pakistan on the system that has assigned, or accepts, the telephone number representing the called party, shall be equal to the contribution referred to in clause (b); and
- (d) the agreement shall comply with the requirements of the Act, and rules and regulations made thereunder.

8. APCL Contribution and APC for USF Contribution.— (1) Within fifteen days of the issue of these rules, the Authority shall determine the APCL Contribution and the APC for USF Contribution , country by country.

(2) In making a determination of the APCL Contribution, measured on a per minute basis, unless the Authority determines that some other basis of calculation is preferable, the Authority shall determine the APCL Contribution applicable to Incoming International Telephony Service from a country .The APCL Contribution of a country shall consist of the Approved Settlement Rate for that country, less LDI share, to be determined by the Authority which may be an amount up to US\$0.06.

(3) APCL Contribution shall include the local termination charge of LL Licensee. Any other payment due to a LL Licensee, as a result of interconnection agreement, shall have to be paid by a LDI Licensee from his own share.

(4) In making a determination of the APC for USF Contribution, measured on a per minute basis, unless the Authority determines that some other basis of calculation is preferable, the Authority shall determine the APC for USF Contribution applicable to Incoming International Telephony Service from a country .The APC for USF Contribution of a country shall consist of the Approved Settlement Rate for that country, less LDI share, to be determined by the Authority which may be an amount up to US\$0.06, and less the local interconnection termination contribution due to an operator of a public mobile switched network in respect of one minute of Incoming International Telephony Service as determined by the Authority.

9. Review of APCL Contribution and APC for USF Contribution -(1) No less frequently than once every six months, the Authority shall review the levels of APCL Contribution and APC for USF Contribution:

Provided that under special circumstances, the Authority may, at any time, make a determination changing the APCL Contribution and APC for USF Contribution, from that currently in effect, in accordance with regulations to be made by the Authority.

(2) In performing its review under sub-rule (1), the Authority shall consider recent changes in the Approved Accounting Rates, the margin available to a LDI Licensee from Incoming International Telephony Service taking into account the Approved Accounting Rates and the levels of APCL Contribution and APC for USF Contribution, and such other factors as the Authority considers appropriate.

(3) The Authority shall notify any change in the APCL Contribution or APC for USF Contribution at least thirty days before such change becomes effective.

10. Required for agreements.— (1) No LDI Licensee shall, without approval of the Authority, give effect to any agreement or arrangement, whether oral or written, with a Corresponding Operator respecting international telephony service.

(2) A written agreement respecting international telephony service shall be submitted to the Authority for information within thirty days of its execution.

(3) No LDI Licensee shall, without prior approval of the Authority, give effect to any agreement or arrangement, whether oral or written, with a Corresponding Operator respecting international telephony service, where the Approved Settlement Rate of a given country is expected to fall beyond the Permissible Range.

11. Negotiation of accounting rates.— (1) The PTCL shall report to the Authority on a regular basis on its negotiations with Corresponding Operators respecting proposed accounting rates.

(2) The PTCL shall consult LDI Licensees on the negotiations on bilateral accounting rates negotiations.

12. Reporting requirements.— (1) A LDI Licensee shall report to the Authority on a monthly basis the following information, namely :—

- (a) The total number of minutes of Incoming International Telephony Service that is carried by that LDI Licensee and delivered to the telecommunication system of each LL Licensee and Mobile Licensee by country of origin; and
- (b) the total payments made pursuant to rules 4 and 5 to each LL Licensee and to the USF, and the country of origin of the Incoming International Telephony Service to which such payments relate.

(2) A LL Licensee shall report to the Authority on a monthly basis the following information, namely :—

- (a) The total number of minutes of Incoming International Telephony Service that is delivered to the telecommunication system of that LL Licensee by each LDI Licensee, by country of origin; and

- (b) the total payments received from each LDI Licensee and the country of origin of the Incoming International Telephony Service to which such payments relate.
- (3) A Mobile Licensee shall report to the Authority on a monthly basis the total number of minutes of Incoming International Telephony Service that is delivered to the telecommunication system of that Mobile Licensee by each LDI Licensee, by country of origin.
- (4) The Authority may, by notice to a licensee, require it to,—
 - (a) provide such additional information as the Authority may request in respect of international telephony service or its agreements or arrangements with Corresponding Operators; and
 - (b) implement an on-line real time communication link, set up as specified by the Authority, for the purposes of facilitating the Authority's monitoring of Incoming International Telephony Service handled by the licensee.
- (5) A licensee shall keep all books and accounts pertaining to payments made or received pursuant to these rules, and the telecommunication services to which such payments relate, including call detail records and itemized billing data, for a period of at least three years.
- (6) The Authority may audit a licensee's books and accounts to determine compliance with these rules or with any other accounting procedures required to be adopted upon the direction of the Authority under the Act. The licensee shall cooperate with the Authority's representatives in the conduct of such audit.
- (7) The Authority may inspect any premises or facilities of a licensee to determine compliance with these rules. The licensee shall cooperate with the Authority's representatives in the conduct of such inspection.

13. No bypass or refile.— (1) A licensee shall not translate, alter or delete the telephone number or other identification associated with the calling party of Incoming International Telephony Service call.

(2) A licensee shall not translate, alter or delete the signalling or other data associated with an Incoming International Telephony Service call to disguise the identification of the Corresponding Operator of the calling party or the identification of the country of origin of the call.

(3) A licensee shall not assist, or cooperate with, any person to violate sub-rule (1) and (2) of rule 12.

(4) A licensee shall, at the request of the Authority, meet with representatives of the Authority for the purpose of developing and implementing methods and techniques that encourage increased compliance with these rules.

[File No: ——/2004 Dir (legal)]

(Muhammad Rafique)
Section Officer