



PAKISTAN TELECOMMUNICATION AUTHORITY

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15<sup>th</sup> February, 2021

**Subject: Draft Tariff for Telecommunication Services Regulations, 2021**

This is with reference to the captioned subject.

2. In exercise of the powers under Section 5 (2) (o) read with Section 26 of the Pakistan Telecommunication (Re-organization) Act, 1996 (amended in 2006), the Authority is pleased to issue draft of "Tariff for Telecommunication Services Regulations, 2021 for comments/feedback (copy enclosed).
3. All stakeholders are requested to provide their comments/feedback on the draft regulations latest by 24<sup>th</sup> February, 2021.

Aadil Umar Khalil  
Director (Commercial Affairs)

**To:**

1. Consumer Associations
2. Any other stakeholders

DRAFT

TARIFF FOR TELECOMMUNICATION SERVICE REGULATIONS, 2021

In exercise of the powers under section 5 (2) (o) read with section 26 of the Pakistan Telecommunication (Re-organization) Act, 1996 (Act XVII of 1996), the Authority hereby makes the following Regulations, namely:

**PART-I**  
**PRELIMINARY**

**1. Short Title, and Commencement:-** (1) These Regulations shall be called the "Tariff for Telecommunication Service Regulations, 2021".

(2) These Regulations shall come into force from the date of gazette notification.

**2. Scope and Applicability:-**(1) These regulations shall apply to all operators with respect to the level of tariffs which are charged for the provision of telecommunication service to consumers, while ensuring:

- a) Pricing flexibility while safeguarding and protecting the interests of consumers,
- b) that Tariffs shall be at a level which provides a reasonable rate of return on investments taking into account the cost of operations and
- c) that no cross-subsidization of other telecommunication services by telephone service providers.

**3. Definitions:-** (1) In these Regulations, except where context requires otherwise:-

- (a) "Act" means the Pakistan Telecommunication (Re-organization) Act, 1996.
- (b) "Authority" means three members Authority;
- (c) "Categories of Services" for the purpose of these Regulations shall mean the Services, as mentioned in Schedule -A to these Regulations;
- (d) "Consumer" means any natural or juristic person who is an actual or potential user of publicly available telecommunication Services from an Operator and not the reseller of such Services;
- (e) "Emergency Services" means and includes Police Emergency, Fire Brigade, Ambulance Services or other as specify / declared by the Authority as Emergency Services from time to time, or as defined in Number Allocation & Administration Regulations, 2018;
- (f) "Operator" means a license holder authorized by the Authority to establish, operate and maintain the telecommunication systems and to provide Service(s);
- (g) "Non-SMP Operator" means an Operator who is not an SMP Operator as determined by the Authority;

- (h) "Operator Assistance Services" means Services which are essential for provision of Services as mentioned in Schedule A and for which the Consumers are dependent on Operators;
- (i) "Premium Rate Services" means Services that provide recorded information or live conversation to Consumers and are charged at a higher rate than normal Tariff, under categories notified in Schedule - A to these Regulations,
- (j) "Regulations" means all or any regulations issued by the Authority under provisions of the Act, including these Regulations;
- (k) "Rules" means Rules made by the Federal Government under section 57 of the Act;
- (l) "SMP Operator" means an operator determined by the Authority as significant market power operator in any relevant retail market in accordance with the provisions of the Rules;
- (m) "Tariff" means the price, rates, charges, for provision of Telecommunication Services being provided to Subscriber/ Consumers through any means of commercial practices including but not limited to various packages / promotions / schemes ,
- (n) "Telecommunication Service(s)" means a Service consisting of the emission, conveyance, switching or reception of any intelligence within, or into, or from, Pakistan by any electrical, electro-magnetic, electronic, optical or optoelectronic system, whether or not the intelligence is subjected to re-arrangement, computation or any other process in the course of the Service; and
- (o) "Value Added Services" means all telecommunication Services excluding the core telecommunication services of Access Providers as determined by the Authority from time to time, or as defined in Class Value Added Services Licensing and Registration Regulations, 2007;
- (p) "Basic Service(s)" means services which are authorized by their respective license and are specified/ categorized in Schedule -A

(2) Words and expressions used herein but not defined shall have the same meaning as are assigned to them in the Act.

## PART II

### BASIC SERVICES

#### 4. Tariff of Non-SMP Operators:

(1) Non-SMP Operators are free to set and revise their Tariff for Basic Services at any time and in any manner they like, provided they shall inform, the Authority and consumer about their proposed Tariff at least seven (7) days, prior to proposed applicability of new Tariff:

Provided that the date of notification to the consumers shall commence

after any modifications made by the Authority, if required.

(2) The Authority may make modifications to or reject the proposed Tariff for Basic Services of Non-SMP Operators only where the Tariff is considered to be burdensome.

Provided that:

- (a) the Authority on its own, or at the request of the affected Consumers may initiate enquiry to determine whether any Tariff is burdensome;
- (b) the burden of proof shall be on the Licensee and they shall satisfy the Authority that the Tariff is not anti-competitive or burdensome;
- (c) the Authority, while making decision, may make reference to cost of Licensee, affordability of Consumers, Tariff of other Licensee in similar circumstances, economic viability, or any other factor deemed appropriate by the Authority.

(3) Tariff shall be considered to be burdensome if:

- (a) Profit to the licensee is abnormally higher than the reasonable rate of return taking into account cost of operations;
- (b) The Tariff is beyond the affordability level of intended Consumers.

(4) The Authority on its own, or at the request of affected parties may amend Licensee's existing tariffs, if it becomes anti-competitive or burdensome due to change in circumstances, after giving opportunity of hearing to the concerned Licensee.

##### **5. Tariff of SMP Operators**

(1) SMP Operators shall submit their written proposals complete in all respects for setting or revising Tariff for Basic Services to the Authority for approval at least fifteen (15) days before intended launch of the proposed Tariff.

(2) The proposal shall be comprehensive, sufficiently detailed and unambiguous, clearly mentioning any discount, validity period or special conditions, duly supported with facts and figures including cost of provision of Service, Tariff of other Licensees, affordability level of Consumers etc. and such other information as the Authority may require from the SMP Licensee.

(3) The Authority shall review the proposal and convey its decision to the Licensee within seven (7) days of its receipt. The date of seven (7) days

notification to the consumers shall commence only after the approval date by the Authority.

(4) In case the Authority requires any information from the Licensee, the time period mentioned at sub-regulation (3) above shall start from the receipt of desired information from the Licensee.

(5) The Authority may approve, amend or reject the proposal or may require additional information from the Licensee:

a. If the Authority determines that the proposal is in compliance with these Regulations, it shall approve the proposal;

b. If the Authority deems it appropriate to amend the proposal to make it in line with these Regulations, it shall notify the approval of proposal subject to certain amendments.

c. If the Authority determines that the proposal is not in compliance with these Regulations, it shall refuse in writing by recording reason(s);

(6) The Authority may decline the proposal or make amendments to the proposed Tariff if the proposed Tariff is considered to be or burdensome.

Provided that:

a. the Authority on its own, or at the request of concerned parties may initiate an enquiry to judge whether the proposed Tariff is anti-competitive or burdensome;

b. the burden of proof shall be on the Licensee and the Licensee shall satisfy the Authority that the proposed Tariff is not anti-competitive or burdensome;

c. the Authority, while making decision, may make reference to cost and profit margin of Licensee affordability of Consumers, Tariff of other Licensee in similar circumstances or any other factor deemed appropriate by the Authority.

(7) Tariff shall be considered to be burdensome if:

a. It is expected to give profit to the Licensee/ Operator, which is abnormally higher than the reasonable rate of return taking into account cost of operations;

b. The level of proposed Tariff is considerably beyond the affordability level of intended Consumers.

(8) The Authority on its own, or at the request of affected parties may amend, revoke or suspend a Licensee's Tariff, including the Authority's earlier approved Tariff, if it becomes anti-competitive or burdensome due to change in circumstances, after giving opportunity of hearing to the concerned Licensee

**6. Price Ceiling and Price Floor**

(1) The Authority may set price/tariff ceilings and price/tariff floors for SMP and Non-SMP operators for their basic services.

**PART III**

**7. Operator Assistance and Directory Inquiry Services**

(1) Licensees, who are required by the terms of their License or by applicable Regulations to provide Operator Assistance Services or Directory Inquiry Services, shall submit their written proposals for setting or revising Tariff for Operator Assistance Services (excluding help-line for complaint handling) or Directory Inquiry Services to the Authority for approval, in accordance with the license terms, at least thirty (30) days before intended applicability of proposed Tariff.

(2) The proposal shall be comprehensive, sufficiently detailed and unambiguous, duly supported with facts and figures such as cost of provision of Service, Tariff of other Licensee, affordability level of consumers etc. and such other information as the Authority may require from the Licensees.

(3) The Authority may decline the proposal or make amendments to the proposed Tariff if the proposed Tariff is considered to be burdensome.

Provided that:

- (a) the Authority on its own, or at the request of the concerned parties may initiate the enquiry to judge whether the proposed Tariff is burdensome;
- (b) the burden of proof shall be on the Licensee and the Licensee shall satisfy the Authority that the proposed Tariff is not burdensome;
- (c) the Authority, while making decision, may make reference to cost and profit margin of Licensee, affordability of Consumers, Tariff of other Licensee in similar circumstances, economic viability or any other factor deemed appropriate by the Authority.

- (4) The Licensee shall provide access to a dedicated help-line service for complaint handling to their Consumers wherein the assistance through IVR will be free of cost.

#### PART IV

##### **8. Emergency Services**

- (1) All Licensee, who are required under the terms of their License to provide access to Emergency Services, shall provide their Consumers access to Emergency Services, without any charge.

#### PART V

##### **9. Value Added Services**

- (1) The Licensee are free to set and revise their Tariff for Value Added Services at any time and in any manner they like, provided that they shall inform the Authority and consumers about their Tariff at least seven (07) days, before the applicability of new Tariff.

Provided that the date of notification to the consumers shall commence after any modifications made by the Authority, if required.

Provided further that the Fixed-line/Mobile/Wireless Licensees shall offer Premium Rate Services to Consumers within the price ceilings notified by the Authority from time to time.

- (2) The Authority may make modifications to or reject the proposed Tariff for Value Added Services only where the tariff is considered to be anti-competitive or burdensome as defined for the Tariffs of Non-SMP Operators for Basic Services in Section 4.

#### PART VI

##### **10. Misleading Tariff Publications**

- (1) All publications and advertisements relating to tariff shall strictly be in accordance with the provisions of regulation 8 and 10 of Telecom Consumer Protection Regulations,2009:

Provided that the Operators shall not use any misleading statements when publishing and advertising Tariff.

- (2) Superlative forms of words, such as, without limitation, "lowest rates", "widest coverage", or "best network", shall not be used unless the Operator has proof readily available to substantiate its claim in an objective manner.

- (3) Subject to regulation 8 of Telecom Consumer Protection Regulations,

2009, Tariff publications or Tariff advertisements shall be treated as misleading in the circumstances including but not limited to :

- (a) Only the reduced call rate is advertised without highlighting the call set-up charge or higher charge on initial call(s); or
- (b) A reduced rate is advertised without mentioning that such reduced rate is applicable only after some usage; or
- (c) Using titles which suggest absence of rentals in a Tariff package whereas in reality there is a recurring fixed charge; or
- (d) Only rate is mentioned without highlighting that the rate is applicable only for on-net usage;
- (e) Using titles such as "Unlimited" whereas there is a ceiling on usage either by way of fair usage policy or otherwise;
- (f) A discounted rate is advertised without highlighting that this discounted rate is applicable only during specific time duration; or
- (g) A discounted rate is advertised without highlighting the fixed fee to be paid for availing such discounted rate; or
- (h) A discounted rate is advertised for making international calls without mentioning the countries or networks (i.e. fixed or mobile) for which such discounted rate is applicable; or
- (i) A discounted rate is advertised without mentioning the validity period, where the discounted rate is available only for a specified period;

#### **11. International Roaming (IR) Services**

(1) The Licensee shall upload latest Tariff for availing international roaming facility for each respective country as well as Operator, on its website along with all other terms and conditions.

(2) The Consumer shall also be informed through SMS, after selecting a particular Operator through manual or automatic method while roaming abroad, the applicable Tariff for each category of international roaming service including incoming/outgoing calls, incoming/outgoing messages, data etc.

(3) The Licensee shall not automatically activate all services on international roaming that have been subscribed by a Consumer for domestic use and shall seek specific written consent of the Consumer against each service.

(4) The Licensee shall inform the voice, SMS and data tariffs to Consumer, while on roaming.

#### **12. Automatic Renewal**

(1) The Licensees shall not activate automatic renewal of subscription based packages upon the expiry of that package, without soliciting explicit consent of the Customer.

(2) The Operators shall send first SMS to the Consumer when he is approaching 80% of the limit of the package after which the services shall be blocked to protect the customer from excessive use without knowing that his credit limit has reached 80%. The Licensee shall clearly mention the method through which the Subscriber/ Consumer can renew the package.

(3) The SMS intimating subscription expiry shall include the rate of the service after expiry of the package limit.

### **13. Monitoring the usage**

(1) The Licensees shall provide their Consumers with an easy and practical mechanism through which they can monitor their usage of minutes, messages, bytes etc. in order to enable them to control the usage accordingly.

### **14. Additional Information**

(1) All printed, website or verbal Tariff presentations shall state relevant details and additional charges/surcharges applicable to the Tariff.

(2) For printed presentations, the additional information shall be located beside the Tariff information in a comparable font size. This includes:

- (a) the increments of time by which the Licensee/ Operator bills;
- (b) minimum Call Charges and/or Call Set up Fees;
- (c) the Peak/Off Peak and Weekend times;
- (d) On-net/ off Net; and
- (e) any included Service minutes or credit.

(3) Where a Licensee offers Tariff packages/ bundles with inclusive time or credit, all publications shall clearly set out the conditions under which added time or credit can be used. This shall include:

- (a) the number of call types that are included or any call types such as off-net calls etc;
- (b) calls that may be excluded from the Consumer's allowance;
- (c) whether unused time or credit is carried forward to the next and subsequent billing periods;
- (d) any expiry time for the credit;
- (e) the time of day when inclusive time or credit can be used.

### **15. Services with Free Trial Periods**

(1) The Licensees shall not charge the Consumers for Services supplied on a free trial basis during the trial period.

(2) The Licensees shall not charge the Consumers for Services supplied on a free trial basis after the end of the free trial period unless:

(a) the Licensee has notified the Consumers of the date on which the free trial period will end; and

(b) the Licensees has obtained the express consent of Consumers to continue the Service after the expiry of the free trial on the applicable Tariff notified to Consumers.

(3) The above shall also apply for those services that are being offered free of cost as a means of promotion of subject to telecom services for a given period of time.

**16. Multiple Effective Dates of Tariff**

(1) If a Licensee displays multiple Tariffs for a Service at the same time, then it shall charge that Service for the lowest displayed Tariff.

**PART VIII**  
**GENERAL**

**17. Consumers' Consent**

(1) The Licensees shall not provide/enable/activate a chargeable Service or Tariff package to Consumers without their explicit consent.

(2) The Licensees shall not charge for a Service, which was earlier free of charge, without explicit written consent of Consumer through email, SMS, mobile application, short codes or social media platforms etc.

(3) The Licensees shall inform Consumers when they are approaching 80% of their credit balance or credit limit. In case a Service is intended to be extended beyond the credit balance or credit limit of the Consumer, explicit consent of Consumer shall be obtained.

**18. Categorization of Services**

(1) The Categorization of the services shall be determined as provided in Schedule - A to these regulations provided that the Authority may review the Services, as and when required, and notify the same, keeping in view the nature of each Service.

(2) In case the category of any Service is not clear, the Licensee/ Operators shall seek clarification from the Authority and shall comply with the Regulations accordingly.

**Repeal and savings.**\_\_ The Fixed Line Tariff Regulations, 2004, are hereby repealed:

Provided that all orders, directives, notifications and/or actions under the Fixed Line Tariff Regulations, 2004 shall be deemed always to have been made, taken, issued lawfully and validly unless amended, withdrawn, rescinded, or annulled by a person or authority competent to do so under these Regulations.

## CATEGORIES OF RETAIL SERVICES

**1. Local Loop Telecommunication Services:**

- a. Basic Services
  - i. Connection
  - ii. Line Rental
  - iii. Voice Calls
  - iv. Video Calls
  - v. Short Messaging Service (SMS)
  - vi. Internet / Broadband Services
  - vii. Any other basic services as determined by the Authority
- b. Operator Assistance Services
  - i. Call Setup charges
  - ii. Balance Inquiry
  - iii. Help Line (other than Complaint Handling)
  - iv. Help Line for Complaint Handling
  - v. Balance Reload
  - vi. Provision of Bills
  - vii. Usage Monitoring
  - viii. Call to Directory Inquiry
  - ix. Any other assistance services as determined by the Authority
- c. Emergency Services
  - i. Call to Police Emergency
  - ii. Call to Fire Brigade
  - iii. Call to Ambulance Service
  - iv. Call to Rescue Services
  - v. Call to Bomb Disposal Squad
  - vi. Call to other Provincial / Local Services
  - vii. Any other emergency services as determined by the Authority
- d. Premium Rate Services
- e. Leased Line Services
- f. Value Added Services
- g. Any other telecommunication services as determined by the Authority

**2. Cellular Mobile Telecommunication Services**

- a. Basic Services
  - i. Connection
  - ii. Line Rental
  - iii. Voice Calls
  - iv. Video Calls
  - v. Short Messaging Service (SMS)
  - vi. Multimedia Messaging Service (MMS)
  - vii. Internet / Broadband Services
  - viii. Itemized billing
  - ix. Caller Line Identification
  - x. Voice Mail
  - xi. Call Forwarding
  - xii. Call Waiting

- xiii. Any other basic services as determined by the Authority
- b. Operator Assistance Services
  - i. Call Setup charges
  - ii. Balance Inquiry
  - iii. Help Line (other than Complaint Handling)
  - iv. Help Line for Complaint Handling
  - v. Balance Reload
  - vi. Provision of Bills
  - vii. Usage Monitoring
  - viii. Spam Blocking (420 and 9000)
  - ix. Call to Directory Inquiry
  - x. Any other operator assistance services as determined by the Authority
- c. Emergency Services
  - i. Call to Police Emergency
  - ii. Call to Fire Brigade
  - iii. Call to Ambulance Service
  - iv. Call to Rescue Services
  - v. Call to Bomb Disposal Squad
  - vi. Call to other Provincial / Local Services
  - vii. Any other emergency services as determined by the Authority
- d. Premium Rate Services
- e. Value Added Services
- f. Any other telecommunication services as determined by the Authority

### **3. Long Distance International Telecommunication Services**

- a. Basic Services
  - i. Connection
  - ii. Line Rental
  - iii. Any other basic services as determined by the Authority
- b. GMPCS
- c. Leased Line Services
- d. Any other telecommunication services as determined by the Authority

### **4. Class of Telecommunication Services (CVAS)**

- i. Voice
  - Card Payphone
  - Premium Rate Service
  - Trunk Radio Service
- ii. Data
  - Internet
  - Data Service
  - Vehicle Tracking Service
- iii. Registered Services
  - Voice Mail
  - SMS Aggregator
  - Video Conferencing
  - Content Service Provider

- iv. Any other value added services as determined by the Authority
- b. Any other telecommunication services as determined by the Authority