



PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS, F-5/1 ISLAMABAD

**Enforcement Order under section 23 of Pakistan Telecommunication (Re-organization)
Act, 1996 against Telenor Pakistan (Pvt.) Limited**

No. PTA/Enforcement Wireless/Mobile QoS/279/2024/381

Show Cause Notice: 1st October, 2024
Venue of Hearing: PTA HQs, Islamabad
Date of Hearing: 10th December, 2024

Panel of Hearing:

Maj. Gen. Hafeez UR Rehman (R): Chairman
Dr. Khawar Siddique Khokhar: Member (Compliance and Enforcement)
Mr. Muhammad Naveed: Member (Finance)

The Issue:

"Failure to meet QoS standards as laid down in the license"

Decision of the Authority

1. Facts of the case:

1.1 Precisely stated facts of the case are that **Telenor Pakistan (Private) Limited** (the "licensee") is engaged in the business of cellular mobile services in Pakistan pursuant to non-exclusive license - No.NGMS-02/WLL&M/PTA/2014 dated 21st May, 2014, license No.NGMS-05/WLL&M /PTA/ 2016 dated 14th July, 2016 and renewed license No. MCT/01/Wireless/PTA/2021 dated 10th December, 2021, (the "license") issued by the Pakistan Telecommunication Authority (the "Authority") to establish, maintain and operate licensed system and to provide licensed cellular mobile services in Pakistan on the terms & conditions contained in the license.

1.2 The licensee is required to comply with provisions of prevailing regulatory laws comprising the Pakistan Telecommunication (Re-Organization) Act, 1996 (the "Act"), the Pakistan Telecommunication Rules 2000 (the "Rules"), the Pakistan Telecommunication Authority (Functions & Powers) Regulations 2006 (the "Regulations"), the Cellular Mobile Network Quality of Service (QoS) Regulations, 2021 (the "QoS Regulations") and the terms and conditions of the license.

1.3 In accordance with clause (a) of sub-section (4) of section 21 of the Act, clause 8.1 of the Appendix B of the Rules and license condition No.3.1 of the license obliges the licensee to observe the provisions of the Act, the Rules, the Regulations, orders, determinations, directions and decisions of the Authority.

1.4 With regard to Quality of Services (QoS), clause 23.7 of Part 6 of the Rules, Regulation 10 (2) of the Regulations and Regulation 6(1) & (2) of the QoS Regulations empowers the Authority

to conduct, with or without notice, its own quality tests and surveys or make surprise checks through its designated officers or conduct performance audit of the quality of service of the licensee from time to time to ensure that users of telecommunication services get such quality of service as laid in the license, rules, regulations, and/or KPIs. By virtue of license condition 6.5.1, the licensee is required to meet or exceed the QoS standards described in Appendix-3 and such other quality of service standards as the Authority may by regulations, require. More so, Appendix 3 of the license prescribes the QoS standards in a detailed manner and requires the licensee to take all reasonable and prudent measure to ensure that its Telecommunication System and Licensed Services are available and operate services standards.

1.5 In order to assess the performance and compliance of telecom operators, an independent Quality of Service (QoS) survey was carried out from 15th August, 2023 to 8th March, 2024 in 22 cities including **Muridke, Swabi, Shujabad, Abbottabad, Dadu, Ghotki, Jhang, Nowshera, Peshawar, Islamabad, Khushab, Daska, Hyderabad, Jhelum, Malir-Karachi, Nawabshah, Noushki, Quetta, Rawalpindi, Chunian, Sharqpur, and Kotri**. The survey results revealed degraded QoS KPIs of the licensee. Accordingly, the survey results were shared with the licensee for taking remedial/corrective measures and optimization of network. In response, the licensee vide emails dated 28th November, 2023, 20th December, 2023 and dated 15th April, 2024 informed that corrective measures have been implemented and necessary optimization where feasible has been performed. In addition, the licensee also conducted and shared re-drive survey results stating that services have improved depicting compliance with all QoS KPIs. However, contrary to the claim of the licensee, a re-verification survey carried out from 22nd July, 2024 to 21st August, 2024 revealed non-compliance of 15 QoS KPIs in **Quetta, Daska, Hyderabad and Swabi**. Results of QoS parameters, in violation of licensed threshold values highlighted, and shared with the licensee.

1.6 In light of the survey conducted by the Authority and result shared with the licensee, it has been taken notice of by the Authority that the licensee has failed to meet the required standards/KPIs given in the aforementioned provisions of the Act, Rules, Regulations and the license conditions. As consequences thereof, Show Cause Notice (SCN) dated 1st October, 2024 was issued wherein the licensee was required to remedy the aforementioned contravention by brining and maintaining the required standards of quality of service at par with the Appendix-3 of the license and QoS Regulations within fifteen (15) days of this Show Cause Notice and also to explain in writing, within thirty (30) days of the issuance of this notice, as to why an enforcement order should not be passed against the licensee under section 23 of the Act.

2. In compliance of the SCN, the licensee filed reply vide letter dated 31st October, 2024. For ready reference crux of main contention as per reply to the SCN is as under:

- a. That the licensee vide email dated 2nd October, 2024, requested the Authority that in view of practical challenges faced and time required to take technical measure, time may be extended to 30 days for submitting compliance reports and remedial measures taken in relation to alleged incidents of non-compliances mentioned in Annex-A to SCN.

- b. That without admitting that Second Survey depicts actual measurement of KPIs of QoS of Network of the Licensee as required in the License and or even the QoS Regulations the Licensee in its own interest has analyzed logs of drive test of Second Survey provided by the Authority on and root cause analysis is provided in relation to each incident of alleged non-compliance KPIs of QoS and to the extent required and possible remedial measures have been taken by the Licensee as explained in the Compliance Report in relation to Hyderabad, Quetta, Daska and Swabi are hereby submitted by the Licensee to the Authority.
- c. In **Quetta**, external interference is the major cause of degraded QoS KPIs. Licensee has been reporting these interference cases and many of them are still unresolved. Licensee has further optimized its network in Quetta to the best possible extent, however, connectivity issues still persist owing to interference.
- d. QoS issues highlighted by PTA in **Daska** and **Hyderabad** have been fixed through network optimization. It is pertinent to note that QoS testing results for Hyderabad were impacted due to faulty test kit which has also been reported to PTA. During PTA drive test, an issue was observed with the test equipment (KIT) which resulted in abnormal recording of QoS parameters. The same has also been reported to PTA vide email dated 1st October, 2024.
- e. In **Swabi**, network optimization by the Licensee has significantly improved QoS KPIs as evident from the drive test. In order to meet the Licensed throughput threshold, the Licensee has started capacity enhancements which will further improve the data throughput condition in the area. These enhancements will be completed by end of Q4 2024. In addition to this, Licensee is deploying one additional site which takes longer time and will be deployed within **Q1 2025**.
- f. The licensee has undertaken drive test from 9th October, 2024 to 23rd October, 2024 of identified areas in Second Survey and found that all KPIs of QoS of such areas are fully complied with in accordance with Appendix-3 of the License and even QoS Regulations. Logs of drive test from 9th October, 2024 to 23rd October, 2024 of areas of Second Survey conducted by the Licensee provided to the Authority vide email dated 30th October, 2024 and at weblink <https://we.tl/t-Oxnfg0AaNd>
- g. That without admitting that drive test results of first survey conducted by officers of the Authority from 15th August, 2023 to 8th March, 2024 in 22 cities including **Muridke, Swabi, Shujabad, Abbottabad, Dadu, Ghotki, Jhang, Nowshera, Peshawar, Islamabad, Khushab, Daska, Hyderabad, Jhelum, Malir Karachi, Nawabshah, Noushki, Quetta, Rawalpindi, Chunian, Sharqpur** and **Kotri** or the Second Survey depicts actual measurement of

KPIs of QoS of Network of the Licensee as required in the license and or even the QoS Regulations.

- h. That with regard to first survey the Licensee in its own interest analyzed logs of results of drive test of the First Survey provided by the Authority and explanation was provided in relation to each incident of alleged non-compliance of KPIs of QoS and to the extent required and possible remedial measures were taken by the Licensee as provided in root cause analysis and explained in Technical Responses along with logs of drive test conducted by the Licensee after taking remedial measure were submitted to the Authority vide email dated 28th November, 2023, and 15th April, 2024.
- i. Technical Response to the First Survey fully explained that all issues identified during the First Survey were of transitory nature or due external interference or due to bad RF conditions or attributable to Party-B in specific problematic location of respective logical cell sites, which were resolved and for confirmation of such resolutions, logs of drive tests after resolution of such issues were provided and the Licensee is always ready and willing to defend and prove the same to be true. The Authority without giving Licensee opportunity to explain and defend results of drive tests conducted after resolution of issues identified during First Survey, is not justified in assuming that issues identified during First Survey were not resolved.
- j. In addition, the licensee in its own interest also analyzed logs of results of drive test of the **Second Survey** provided by the Authority and explanation is provided in the Compliance Reports in relation to each incident of alleged non-compliance of KPIs of QoS and to the extent required and possible remedial measures were taken by the Licensee. The Compliance Reports, fully explain that all issues identified during the Second Survey are of transitory nature or due external interference or due to bad RF conditions or attributable to Party-B in specific problematic location of respective logical cell sites, which are different than location and cell sites of First Survey and are also resolved and for confirmation of such resolutions, logs of drive tests after resolution of such issues were also provided and the licensee is always ready and willing to defend and prove the same to be true except to the extent that some of the parameters of QoS KPIs of city of Quetta are not compliant in survey areas which is due to force majeure i.e., on account of external interference in spectrum of the licensee as explained herein. The Authority without giving Licensee opportunity to explain and defend results of drive tests conducted after resolution of issues identified during First Survey or Second Survey, is not justified in assuming that issues identified during First Survey or Second Survey are not resolved.
- k. That without prejudice to any other ground, it is humbly submitted that KPIs of QoS of the Network of the Licensee can only be measured through manner and Method of Measurement provided in the Act, Rules and the License, but

on the contrary the surveys mentioned in the SCN are conducted partially through a Method of Measurement of KPIs of QoS as provided in the QoS Regulations, and partially conducted through manner and Method of Measurement of KPIs of QoS which is even in violation of QoS Regulations, however certainly method of measurement of KPIs of QoS used during the surveys as mentioned in the SCN is neither in accordance with Method of Measurement of KPIs of QoS as provided in the Act. Rules or the License nor QoS Regulations for issuance of SCN.

- l. That the licensee is very much ambitious and is continuously striving to provide telecommunication services to its customers exceeding Licensee's obligations of KPIs of QoS, therefore it is humbly submitted that all allegations of non-compliance of QoS KPIs allegedly identified under First Survey stood remedied before the Second Survey and allegations under the Second Survey also remedied and found compliant in terms of Technical Reports and the Compliance Reports except to the extent of force majeure in Quetta city on account of external interferences in spectrum of the licensee.
- m. That QoS KPI were not measured as provided in clause 6.5.1 of the License read with clause A. 1.5 of the license on the basis of quarterly reports submitted for each calendar month of complete Licensed System/Network under License. In this regard to the licensee submitted that the licensee is obliged to provide QoS as per KPIs provided in Appendix 3 of the License and clause A 1.5 and 1.3 of Appendix 3 of the License, which requires that QoS are to be measurable for each calendar month for the whole Network on the basis of submission of reports under clause 6.5.1 of the License read with clause A1.4 of the Appendix 3 of License.
- n. That SCN is also in violation of rule 9 of the Rules. The licensee further submitted that QoS Regulations are ultra vires the Act, Rules and the License to the extent it provides additional parameters of QoS KPI, inter alia, under Regulation 4, 5 and 6 of QoS Regulations and particularly for (i) Upload User Data Throughput, (ii) Latency, and (iii) Webpage Loading Time under regulation 4 of the QoS Regulations, (iv) Network Performance Score under regulation 7 of the QoS Regulations, for (v) different cities, road and locations and method of measurement on the basis of drive test thereunder particularly under regulation 6 and Annex-A of QoS Regulations and or fasten obligations on the Licensee over and above those set out in the Licenses. The Licensee reserves its right to challenge before a Constitutional Court the vires of the cited Rules and the QoS Regulations to the extent they purport to impose different or more onerous QoS obligations than those set out in the License.

3. Hearing before the Authority:

3.1 In order to proceed further, the matter was fixed for hearing on 10th December, 2024 before the Authority. Mr. Attique RF Manager, Mr. Rashid Khan, Head of

Department (Regulatory), Mr. Yasir Ali Rizvi Head of Department (Legal), Mr. Taimor Mateen Khan, Manager (Legal), Mr. Annas Nazal, Manager (Regulatory Operations), Mr. Shan-ul-Haq SVP Corporate, Mr. Awais Vohra CTO and Mr. Muhammad Arshad, Advocate Supreme Court attended the hearing on the behalf of the licensee on the said date. Legal counsel reiterated the same as submitted in reply to the SCN and pointed out that the licensee is always complying the regulatory laws and license terms and condition in true letter and spirit.

4. Findings of the Authority:

Matter heard and record perused. After careful examination of record and hearing the arguments advanced by the licensee, followings are the findings of the Authority:

4.1 The Authority under the Act is mandated to regulate the establishment, maintenance and operation of telecommunication system and provision of telecommunication services in Pakistan. The Authority under section 5(2)(b) of the Act is also empowered to enforce and monitor the licenses. Pursuant to the license granted by the Authority, the licensee is required to provide the licensed services in accordance with terms and condition of cellular mobile license, the provision(s) of the Act, rules, regulations and directions of the Authority issued by the Authority from time to time.

4.2 Section 21(4)(g) of the Act provides that the licensee is under an obligation to provide telecommunication services to particular persons or areas to meet minimum standards for quality and grade of services requirement. With regard to monitor and enforce the license condition, clause 23.7 of part 6 of the Rules, regulation 10 of the Regulations and regulation 8 of the QoS Regulations, the Authority with or without notice conduct its own surveys and test or makes surprise checks through its designated officers or conducts performance audit of quality of service of the licensee from time to time as to ensure that the user(s) of telecommunication services get such quality of services as laid down in the license, regulations and/or KPIs. In addition, as far as licensee contention with regard to non-compliance of rule 9 of the Rules is concerned, it is clarified that said rules provide procedures accordingly, SCN in exercise of section 23 of the Act has been initiated.

4.3 The contention of the licensee that QoS are to be measured for each calendar month for the whole Network and any shortfall in QoS measured on the part of network for very limited calls and days does not authorize issuance of the SCN is not justified on the ground that license condition 6.5.1 of the license makes it obligatory upon the licensee to meet or exceed the quality of service described in Appendix-3 at all times. It is also relevant to mention here that the survey was conducted in the areas where the network of the licensee was available.

4.4 The objections of the licensee on the survey methodology including sample size, unliteral survey is untenable. As far as conducting unilateral survey, it is relevant to point out here that regulation 6 (1) & (2) of the QoS regulations empowers the

Authority to conduct survey both independently or jointly. In respect of sample size, it is pertinent to mention here that the licensee is under a continuous obligation at all times to meet or exceed the QoS standards described in Appendix -3 in accordance with clause 6.5.1 of the license. These enhancements will be completed by end of Q4 2024. In addition to this, Licensee is deploying one additional site which takes longer time and will be deployed within **Q1 2025**.

4.5 As a result of hearing, another joint QoS survey from 23rd to 27th December, 2024 at Hyderabad and 13th to 15th January, 2025 at Quetta was conducted. During the re-verification survey, it has been confirmed that the licensee has significantly improved its QoS KPIs in Hyderabad and Quetta City, achieving compliance with the licensed thresholds which signifies rectification/resolution of external factors issues at Quetta. However, with regard to Swabi, the assertion of the licensee that deploying one additional site by Q1 2025 for optimization of the QoS standard at Swabi is not justified in so far as the licensee was required to take such corrective measures earlier and its commitment for Throughput issues were supposed to be resolved by June 2024, however, the licensee failed to comply with its commitment and again is seeking more time. Further, not meeting the basic threshold in the technology era shows non-seriousness for the provision of QoS to its customers as per licensed terms and conditions. For ease of reference, the de-graded QoS KPIs identified during re-verification survey held 22nd July, 2024 to 21st August, 2024 at Swabi and the results shared by the licensee are as under:

Swabi City	Threshold	PTA Results 3 rd Qtr 2024	Telenor Re- survey Results after SCN
Call Setup Success Rate	>98%	90.88%	100%
SMS Success Rate	>99%	98.31%	100%
DL Throughput	>4 Mbps	2.85	3.58
RSRP Auto Mode Data	With 90% Confidence Level	88.67%	90.04%

4.6 As per RCA report for Swabi, provided by licensee, it has been observed that KPI for DL Throughput is not in accordance with the parameters laid down in the license and applicable regulations. The threshold as mentioned in table clearly depicts that the licensee has failed to comply the minimum thresholds of QoS KPIs. It is relevant to point out that the said survey results were reported by the licensee and not by the Authority.

5. **Order:**

5.1 Foregoing in view the above legal and factual position of the case, the Authority is of the view that as per applicable regime the licensee is under an obligation to meet the requirement of Quality of Services parameters as laid down in the license conditions and other enabling statutory provisions. As a result of reverification survey, significant

improvement in Quality of Services in Hyderabad and Quetta City has been observed. Thus, considering the efforts on the part of licensee with regard to improvement in quality of services as well as request of the licensee for further time for deployment of additional site at Swabi. The Authority, taking a lenient view, hereby directs the licensee to deploy the site on or before 30th June, 2025 and submit a compliance report.

5.2 After expiry of the said time, an on-ground re-verification survey to measure the quality of services will be carried out against the licensed KPIs and in case of non-compliance, further action will be taken accordingly.

Maj. Gen. Hafeez Ur Rehman (R)
Chairman

Muhammad Naveed
Member (Finance)

Dr. Khawar Siddique Khokhar
Member (Compliance & Enforcement)

Signed on _____ day of April, 2025 and comprised (08) pages only.