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PART II

Statutory Notifications (S. R. O.)

GOVERNMENT OF PAKISTAN

PAKISTAN TELECOMMUNICATION AUTHORITY

NOTIFICATION

Islamabad, the 26th January, 2012.

S. R. O. 220(I)/2012.— In exercise of powers conferred under clause (o) of sub-section 2 of section 5 of the Pakistan Telecommunication (Re-organization) Act, 1996, the Pakistan Telecommunication Authority is pleased to make the following regulations, namely:—

PART-I

Preliminary

1. **Short title and Commencement.**— (1) These Regulations shall be called the 'Mobile Virtual Network Operation Regulations, 2012'.

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

(649)

Price Rs. 10.50

[2088(2012)Ex.Gaz-II]

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

- (a) **“Act”** means the Pakistan Telecommunication (Re-organization) Act, 1996;
- (b) **“Commercial Agreement”** means the terms and conditions on which an MNO and MVNO mutually agree for the purpose of these regulations;
- (c) **“Framework”** means the framework issued by the Authority for MVNO services in Pakistan;
- (d) **“License”** means a license issued by the Authority to a Mobile Virtual Network Operator in accordance with these regulations;
- (e) **“Mobile Virtual Network Operator(MVNO)”** means an operator holding a license granted by the Authority to provide cellular mobile services by entering into a commercial agreement with a Mobile Network Operator (MNO) and does not own spectrum;
- (f) **“Mobile Network Operator (MNO)”** means a cellular mobile service licensee of the Authority;
- (g) **“Regulations”** means the regulations issued by the Authority from time to time;
- (h) **“Rules”** means the rules issued by the Federal Government under section 57 of the Act; and
- (i) **“SIM”** means the subscriber identity module to be provided as a connection for cellular mobile services by the Licensee.

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

PART-II

Procedure for Approval of Commercial Agreement and Grant of License

3. **Procedure to be followed by Mobile Network Operator.**— (1) An MNO shall submit to the Authority, a draft of the proposed Commercial Agreement between the MNO and proposed MVNO, containing *inter alia*, the detailed provisions regarding the following aspects:

- (a) Quality of service;
- (b) Number Portability support by MVNO;
- (c) Roaming arrangements;
- (d) Customer care arrangements;
- (e) Dispute resolution mechanism; and
- (f) National Security arrangements.

(2) Upon satisfactory evaluation of the Commercial Agreement, the Authority may approve the agreement which shall be intimated to the MNO.

(3) If the approval of the proposed Commercial Agreement is declined for reasons of defect, the MNO may apply afresh after removing the said deficiency.

(4) The proposed MVNO applicant may enter into commercial agreements with more than one MNO.

4. Criteria for the eligibility of applicants for a MVNO Class License.—(1) All companies registered with Securities and Exchange Commission of Pakistan (SECP), possessing approved commercial agreement by the Authority under sub-regulation (2) of regulation 3, shall be eligible to apply for an MVNO Class License. The License application shall include documents as specified in Annex-A:

Provided that an application for a license as an MVNO operator will only be considered if submitted within thirty (30) days of the grant of approval of the proposed commercial agreement by the Authority under sub-regulation (2) of regulation 3.

(2) The Authority shall consider the application for a License taking into account the following factors, namely:—

- (a) Technical and Business Plan of the proposed MVNO;
- (b) Technical competence, experience of applicant's key members of staff;
- (c) Financial viability of the proposed MVNO; and
- (d) Registration of the proposed MVNO with the Securities and Exchange Commission of Pakistan.

5. Fees.—(1) Initial license fee for an MVNO Class license shall be US \$ 5 million:

Provided that an MVNO Licensee shall pay all regulatory fees and contributions in the same way as applicable on an MNO in accordance with the Act, Rules, Regulations and license conditions.

(2) The fee shall be paid through a demand draft or pay order issued in favor of the Authority.

6. Grant of License.—Upon satisfactory evaluation of the application by the Authority, an MVNO license shall be granted within thirty (30) working days of receiving of the application in the prescribed form complete in all respect.

7. Duration.— Subject to the Act, Rules and Regulations made there under, a License issued by the Authority shall be valid for an initial period of ten (10) years, subject to the mutual agreement between the parties:

Provided that the license term may be extended for a further period of ten (10) years by the Authority , upon expiry of each term, subject to mutual agreement between the Licensee and the MNO concerned:

Provided further that upon expiry of the mutual agreement, expiry or termination of the parent MNO(s) license, the License shall automatically stand terminated.

Part-III

Miscellaneous Provisions

8. General Conditions.— (1) The Licensee shall get its customer agreement form and contents of the standard contract of service document approved by the Authority prior to the commencement of its services.

(2) The Licensee shall issue SIM(s) with its own brand name.

(3) The Licensee may with approval of the Authority offer value added services independently or by bundling them with basic mobile telephony services.

(4) Quality of service shall be the responsibility of the Licensee.

(5) Licensee may enter into roaming agreements with other operators on mutually agreed terms.

(6) The number allocation procedure for the Licensee(s) shall be as prescribed in Annex-B to these Regulations.

(7) The Licensee shall establish easy to use and efficient compliant handling mechanism for effective resolution consumer complaints.

9. **Commencement of Operations.**— (1) The Licensee shall be obliged to commence licensed services within one year from the date of grant of License.

(2) The Licensee shall not provide any licensed services, within a period as required in sub-regulation (1) of regulation 9, to a customer, or accept any payment from a customer in respect of the licensed services to be provided by the Licensee, unless a commencement certificate is issued by the Authority certifying that the Licensee has established the required telecom system under the provisions of the License and is able to provide licensed services.

(3) The Licensee shall give 30 days prior notice to the Authority prior to the date on which the Licensee intends to commence providing any licensed service to customers. The Licensee shall co-operate with the Authority in scrutiny and investigation of its telecommunication system in connection with the issuance of a commencement certificate:

(6) A Licensee may apply to the Authority for extension in the required date of commencement of services, only in exceptional circumstances:

Provided that the application of the Licensee for grant of extension in the date of commencement under these Regulations may only be considered by the Authority if deemed appropriate, and the decision of the Authority shall be final and binding.

10. **Rights and Obligations of MNO(s).**— (1) Upon commencement of services by an MVNO as prescribed in regulation 9, the MNO shall provide service to the MVNO(s) without any interruption.

(2) The parent MNO(s) shall not suspend or terminate services to the MVNO(s) Licensee without prior approval of the Authority.

(3) An MNO may enter into commercial agreements with more than one MVNO Licensee.

(4) The MNO(s) shall be responsible for national security.

11. **Dispute Resolution.**— (1) The MNO concerned and MVNO Licensee shall make all reasonable efforts to resolve their disputes in accordance with the terms and conditions of the Commercial Agreement, amicably without delay.

(2) If the MNO concerned and MVNO are unable to resolve the dispute referred to in sub-regulation (1) above, they shall refer the dispute to the Authority for resolution.

12. **Inspection.**— (1) The Authority may as and when required authorize an officer, to inspect the premises and records maintained by an MVNO Licensee for the purpose of these regulations.

(2) The MVNO Licensee shall ensure all practicable assistance to the officer of the Authority for an inspection at any time.

13. **Provision of Information to the Authority.**—The MVNO Licensee shall produce and provide any document or record to the Authority as and when required for the purpose of any inspection or investigation.

ERUM LATIF,
Deputy Director (Law & Regulations-I).

PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS F-5/1, ISLAMABAD



Annex-A

PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS F-5/1, ISLAMABAD
<http://www.pta.gov.pk>

Application No. (to be filled by PTA)

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CHECK LIST FORM
(TO BE SUBMITTED WITH THE APPLICATION)

#	Items	Check (√) if attached	# of pages	For PTA use only
1.	Applicant(s) profile;			
2.	Evaluation fee; Submit proof of deposit			
3.	Certificate of Incorporation (including Memorandum & Article of Association and Form-29 and Form-A duly certified by SECP)			

4.	<p>a. Attested copies of Computerized National Identity Card for Pakistani National shareholder directors.</p> <p>b. Attested copies of Passport of foreign nationals submitted through Ministry of Foreign Affairs after security clearance.</p>			
5.	<p>Undertaking on duly notarized stamp paper for:</p> <p>a. That the company or its Director have never been declared insolvent by any court of law;</p> <p>b. That the Directors of the company have never been convicted by a court of law for major offences or unethical/immoral turpitude (other than minor offences).</p> <p>c. That neither the applicant company nor its shareholder directors are defaulter(s) of PTA.</p>			
6.	Bio-data of key management personnel			
7.	Brief Description of the Applicant's Business Plan			
8.	Technical Plan			
9.	Copy of proposed Service Level Agreements with the Access / Infrastructure Provider / customers.			

PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS F-5/1, ISLAMABAD

Annex-B

NUMBER ALLOCATION PROCEDURE FOR MOBILE VIRTUAL NETWORK OPERATOR (MVNO)

Background:

PTA allocates and approves mobile numbering- plan for all cellular mobile operators in light of Number Allocation & Administration Regulations 2011 (as amended time to time). This includes the issuance of Mobile Country Codes (MCC), Mobile Network Codes (MNC), National Destination Code (NBC) along with geographic numbers as per ITU-T recommendations. These numbers are issued in the following format:

IMSI (Max of 15 digits)		
3 digits	2 digits	Max of 10 digits
MCC	MNC	MSIN
410	01	000 6765432

MCC : Mobile Country Code

MNC : Mobile Network Code

MSIN : Mobile Subscriber Identification Number

IMSI : International Mobile Subscriber Identity

MCC codes are assigned for each country by the Telecommunications Standardization Bureau within ITU-T (TSB). For Pakistan, the assigned MCC is (410). The MNC is assigned by the PTA e.g. (01) for Mobilink GSM. MSIN is assigned by the network operator.

ALLOCATION PROCEDURE FOR MVNO:

MVNOs will follow the following standard operating procedure (SOP) for the allocation of numbering resources from PTA:

FOR INTIAL APPLICATION

1. MVNO shall provide a copy of license issued by PTA.
2. MVNO shall provide a copy of agreement signed with cellular mobile operator to PTA.

GENERAL

1. Cellular Mobile Operators shall reserve pool of numbers for MVNOs and pass on this information to PTA along with fees if applicable.
2. PTA will allocate numbering block of 5000 numbers against previously allocated NDC of particular mobile operator to MVNOs against each city/district/location.

3. MVNOs shall submit numbering utilization Performa for requesting additional numbering block.
4. MVNOs will submit advance annual number charges along with application processing fee for number allocation as per "Numbering Administration & Allocation Regulations 2011" (as amended from time to time).
5. An MVNO shall be allowed to have numbers from more than one Cellular Mobile Operator (MNO) provided all requirements are met with each additional Cellular Mobile Operator (MNO) along with any other requirement which the PTA may impose.
6. The number allocated to MVNO operators shall be allowed to be ported out to any other cellular mobile operator (MNO) within Pakistan.
7. Mobile Number Portability shall be a joint responsibility of MVNO and its parent MNO [that actually controls the network infrastructure]. In this regard, both parties shall clearly define technical arrangements and operational procedures.