

*This draft intends to seek comments of all those interested on the subject, so as to introduce a mechanism for the functions and operation of a Mobile Virtual Network Operator*

*All interested are requested send their comments and views on this draft latest by 15<sup>th</sup> January, 2009. Your comments may be sent in writing or through email to Director (Law & Regulations) PTA Headquarters F-5/1, Islamabad. E-mail. [aliasghar@pta.gov.pk](mailto:aliasghar@pta.gov.pk)*

In exercise of powers conferred under clause (o) of sub-section 2 of section 5 of the Pakistan Telecommunication (Re-organization) Act, 1996(Act XVII of 1996) Pakistan Telecommunication Authority is pleased to make the following regulations.\_\_\_\_

## **PART- I**

### **Preliminary**

**1. Short title and Commencement.** – (1) These Regulations shall be called the ‘Mobile Virtual Network Operation Regulations, 2009’.

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

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

- (a) “**Act**” means Pakistan Telecommunication (Re-organization) Act, 1996;
- (b) “**Framework**” means the framework issued by the Authority for MVNO services in Pakistan;
- (c) “**Mobile Virtual Network Operator(MVNO)**” means a operator holding a license granted by the Authority granted a license and entitled to provide cellular mobile services by entering into a commercial agreement with a Mobile Network Operator (MNO) and does not own spectrum;
- (d) “**Mobile Network Operator (MNO)**” means a cellular mobile service licensee of the Authority;
- (e) “**License**” means a license issued by the Authority to a Mobile Virtual Network Operator in accordance with these regulations;
- (f) “**Regulations**” means the regulations issued by the Authority from time to time;
- (g) “**Rules**” means the Pakistan Telecommunication Rules,2000; and
- (h) “**Commercial Agreement**” means the terms and conditions on which an MNO and MVNO mutually agree for the purpose of these regulations.

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

## PART-II

### Procedure for Approval of 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 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;
- (e) Revenue Sharing arrangements;
- (f) Customer care arrangements; and
- (g) Dispute resolution mechanism.

(3) Upon satisfactory evaluation of the Commercial Agreement, the Authority shall approve the agreement.

**4. Criteria for the eligibility of applicants for a MVNO Class License.** (1) All companies possessing an approved commercial agreement by the Authority under sub-regulation (3) 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 days of the grant of approval of the proposed commercial agreement by the Authority under sub-regulation (3) of regulation 3.

(2) The Authority shall consider all applications 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) A fee of US \$ 5 million shall be applicable on applications for registration as an MVNO.

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

**6. Grant of License.**-(1) Upon satisfactory evaluation of the application by the Authority license shall be granted.

(2) The Authority shall issue a license within twenty (20) 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 years, subject to mutual agreement between the parties.

Provided that if the remaining license term of the MNO(s) is less than ten years the license shall be valid equal to the tenure of the commercial agreement, or the remaining license period of the MNO(s) which ever is lesser.

### **Miscellaneous Provisions**

**8. General Conditions-** (1) An MVNO shall have the right to issue its own SIM with its own brand name.

(2) An MVNO shall have the right to offer value added services independently or by bundling them with basic mobile telephony services.

(3) Quality of service shall be the responsibility of the MVNO.

(4) An MVNO shall be allowed to enter into roaming agreements with other operators on mutually agreed terms.

(5) Number allocation procedure for MVNO(s) shall be as prescribed in Annex-B to these regulations.

**9. Inspection.** – (1) The Authority may authorize an officer, to inspect the premises and records maintained by an MVNO for the purpose of these regulations.

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

*IN CONSULTATION*

CONSULTATION