

**DRAFT**  
**TARIFF FOR TELECOMMUNICATION SERVICE REGULATIONS, 2022**

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, 2022”.

(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) “**Affordability**” is defined in terms of burden of paying for services with a given income, for a set of benefits derived from purchasing a service, relative to consumer income.
- (c) “**Authority**” means three members Authority;
- (d) “**Burdensome**” pricing may be calculated by using cost / price analysis, where necessary, a comparative market analysis in order to assess whether the offered price is burdensome or otherwise;

- (e) **“Basic Telecommunication Service”** includes Basic Telephone Service as defined in the Pakistan Telecommunication (Re-organization) Act, 1996 and also includes the services mentioned in Schedule-A of these regulations;
- (f) **“Categories of Services”** for the purpose of these Regulations shall mean the Services, as mentioned in Schedule -A to these Regulations;
- (g) **“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;
- (h) **“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;
- (i) **“Operator”** means a license holder authorized by the Authority to establish, operate and maintain the telecommunication systems and to provide Service(s);
- (j) **“Non-SMP Operator”** means an Operator who is not an SMP Operator as determined by the Authority;
- (k) **“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;
- (l) **“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,
- (m) **“Reasonable Rate of Return”** is calculated by estimating the Weighted Average Cost of Capital (WACC).
- (n) **“Regulations”** means all or any regulations issued by the Authority under provisions of the Act, including these Regulations;
- (o) **“Rules”** means Rules made by the Federal Government under section 57 of the Act;
- (p) **“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;
- (q) **“Tariff”** means the price, rates, charges and related terms and conditions for provision of Telecommunication Services;
- (r) **“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

- (s) **“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;

(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 TELECOMMUNICATION SERVICES

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

(1) Non-SMP Operators are free to set and revise their Tariff for Basic Telecommunication Services at any time and in any manner, they like, provided they shall inform, the Authority and consumers 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 Telecommunication Services of Non-SMP Operators within seven (7) days 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 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 average Consumers.

(4) The Authority on its own, or at the request of affected parties may amend Licensee's existing tariffs, if it becomes 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 Telecommunication 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 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 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 Licensees 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 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 telecommunication services.

#### **7. National Roaming**

- (1) The Authority may set price ceilings for national roaming services for SMP and Non-SMP operators.

### **PART III**

#### **8. 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 Licensees, 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 inquiry 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 to their Consumers wherein the assistance through IVR will be free of cost.

#### **PART IV**

##### **9. Emergency Services**

(1) All Licensees, 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.

(2) The licensees shall offer resources for a limited period of time in any event of national disaster and/or calamity as per directions of the Authority.

#### **PART V**

##### **10. Value Added Services**

(1) The Licensees 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 changed 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 burdensome as defined for the Tariffs of Non-SMP Operators for Basic Telecommunication Services in Section 4.

## PART VI

### **11. 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.

### **12. 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.

### **13. 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 Consumer. Provided that in case of auto recursive renewals, explicit consent as well as steps for unsubscribing offer/bundle/package shall be intimated prior to first auto renewal.

(2) The Operators shall send SMS free of cost to the Consumer when he / she is approaching 50% of the limit of the package, then at 80% of the limit and finally at 100% usage of the package, after which the services shall be blocked to protect the customer from excessive use without knowing that his /her credit limit has reached 100%. 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.

### **14. 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.

### **15. 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.

**16. 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 Licensee 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.

**PART VII**  
**GENERAL**

**17. Consumers' Consent**

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

(2) 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. Special Packages**

(1) The operators shall offer special packages for a specific class of consumers in case of pandemic and/or unforeseen event, as per directions from the Authority (if required).

Explanation - Special Packages for the purposes of these regulations shall mean and include specially designed packages for a class of consumers i.e. students, special persons and or disable persons.

## **19. 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 Telecommunication Services
    - i. Connection
    - ii. Line Rental
    - iii. Voice Calls
    - iv. Video Calls
    - v. Short Messaging Service (SMS)
    - vi. Internet / Broadband Services
    - vii. Any other 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. 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 Telecommunication 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 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. 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)**

- a. Voice
  - i. Card Payphone
  - ii. Premium Rate Service
  - iii. Trunk Radio Service
- b. Data
  - i. Internet
  - ii. Data Service
  - iii. Vehicle Tracking Service
- c. Registered Services
  - i. Voice Mail
  - ii. SMS Aggregator
  - iii. Video Conferencing
  - iv. Content Service Provider
- d. Any other value-added services as determined by the Authority
- e. Any other telecommunication services as determined by the Authority.