



PAKISTAN TELECOMMUNICATION AUTHORITY
HEADQUARTERS, F-5/1 ISLAMABAD

**Enforcement Order under section 23 of Pakistan Telecommunication (Re-organization) Act,
1996 against Pakistan Telecom Mobile Limited (PTML)**

No. PTA/Enf-Wireless/Mobile QoS/168/2022/409

Show Cause Notice:	13 th September, 2022
Venue of Hearing:	PTA HQs, Islamabad
Date of Hearing:	22 nd December, 2022

The Authority

Maj. Gen. Amir Azeem Bajwa (R):	Chairman
Dr. Khawar Siddique Khokhar:	Member (Compliance and Enforcement)
Muhammad Naveed:	Member (Finance)

The Issue:

“Failure to meet QoS standards as laid down in the license”

Decision of the Authority

1. BRIEF FACTS:

1.1 Precisely stated that Pakistan Telecom Mobile Limited (PTML) (the “licensee”) is engaged in the business of cellular mobile services in Pakistan pursuant to non-exclusive license No. MCT-06/ WLL & M/ PTA/2014 dated 8th April 2014, license No. NGMS-03/ WLL&M/ PTA/ 2014 dated 21st May 2014 and license No. NGMS-07/Wireless/PTA/38/2021 dated 15th September 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 the provisions of the 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 2011 (the “QoS Regulations”) and the terms & conditions of the license.

1.3 The Authority in order to ensure that users of telecommunication services get such QoS standard as laid down in the license and QoS Regulations, carried out a survey in 4th quarter of 2021 at Twelve (12) cities and Nine (9) Motorways/Highways in Punjab, Khyber Pakhtunkhwa and Baluchistan. During the survey, it was identified that QoS results were inconsistent with the parameters as laid down in the license and other enabling provisions. Accordingly, the results were shared with the licensee vide PTA letters dated 9th November and 9th December, 2021 and

required the licensee to carry out a detailed analysis of each non-compliant parameters so as to ascertain the cause of services degradation and subsequently take corrective measures to improve services up to the license standards. In addition, the licensee was also required to submit a detailed report of root cause analysis. Resultantly, the licensee intimated that re-drive tests have been conducted which signifies improvement in Quality of Service (QoS) and compliance of all QoS KPIs.

1.4 In order to verify the claim of the licensee and to check the status of the QoS as per applicable regulatory laws, a re-verification survey was carried out in Second quarter 2022 at Mardan and Mustung. The re-verification survey revealed degraded QoS KPIs at the said cities

1.5 Due to failure on the part of the licensee for maintaining the required standards of quality of service as per clause 1.3 of the Appendix-3 of the license, a Show Cause Notice (SCN) under section 23 of the Act was issued to the licensee wherein the licensee was required to remedy the aforementioned contravention by bringing and maintaining the required standards of quality of service within fifteen (15) days of the issuance of the SCN and also explain in writing, within thirty 30 days of the issuance of the SCN, as to why an enforcement order should not be passed under Section 23 of the Act for the aforesaid contraventions.

2. In response to SCN, the licensee filed compliance report vide letter dated 28th September, 2022 . The assertions are reproduced hereunder:

(a) *"In response to point 9 of the subject SCN; it is highlighted that all the KPIs of PTML in Mardan were already in conformance in PTA's independent QoS survey conducted in Q4 2021. Therefore, in Q4 2021 response, no technical response/compliance was shared for Mardan city.*

(b) *Two KPIs of Mardan city i.e. CSSR and SMS Success Rate were found in non-conformance during the re-verification survey conducted by PTA in Q2 2022. Initial log file analysis has revealed the following;*

i. **Call Setup Success Rate (Mardan):**

17 call failures were recorded during the testing

- a. 10 call failures were observed on site, which was in the process of integration at the time of testing. The issue has been resolved.*
- b. 1 call failure was observed due to UE abnormality.*
- c. 1 call failure was observed due to external interference for which the proforma has already been raised.*
- d. 1 call failure was observed due to fluctuation on the logical serving cell.*
- e. 4 call failures are under investigation*

ii. **SMS Success Rate (Mardan):**

17 SMS failures were recorded during the testing

- a. 9 SMS were recorded as failures by the tool, but they were delivered later, and further analysis is in progress.*

- b. 5 SMS failures were observed due to transmission issue on the serving cells at the time of testing.
 - c. 3 SMS failures are under investigation.
- (c) Furthermore, as per the results shared for Mastung in subject SCNs, all the KPIs of the licensee are in conformance in the testing conducted by PTA in Q2 2022.
- (d) Analysis of the log files for the CSSR & SMS Success Rate non-conformance of Mardan from PTA's 2022 re-verification testing is in progress and the detailed analysis of all the abnormal events, along with resolution status and compliance report, will be included in the final response to the SCN.
3. The licensee filed reply to SCN vide letter dated 13th October, 2022. Vide its reply, the licensee submitted technical analysis of Mardan and Mastung Re-verification survey. In addition, the licensee exhibited Analysis of the non-complied KPIs. For ready reference, the analysis is reproduced hereunder:
- (a) SMS success ate non-conformance was primarily due to transmission issues in Mardan at the time of testing. To address the transmission issue observed in Mardan, some activities have already been performed for improvement and further projects are in their execution phase, which shall conclude by 1st week of November, 2022. Mardan SMS testing re-drive will also be performed after the resolution of transmission issue, and the re-drive results/ logs will be shared with PTA by 2nd week of November, 2022.
 - (b) CSSR non-conformance was majorly caused due to call failures on a new site, which was in process of integration at the time of PTA testing, a call failure due to outage on logical server at the time of testing and a call failure due to external interference on the serving cell. New site issue and site outage issue, which were observed during PTA re-verification testing, now resolved. To confirm the current compliance of CSSR, re-drive was also conducted in Mardan and CSSR was found in compliance with no call failure observed in the re-drive.
 - (c) No non-conformance was observed in the re-verification survey Q2 2022 conducted by PTA in Mastung.

4. HEARING BEFORE THE AUTHORITY:

4.1 In order to proceed further, the matter was fixed for hearing before the Authority on 22nd December, 2022. Mr. Naveed k Butt (GCRO), Amer Shafiqui (VP Reg. Affair), Mr. Irtazaa Afzaal (GM Legal), Mr. Haris Khan and Mr. Nadeem Sabir (Technical) appeared on the behalf of the licensee on the said date. During the hearing, the representatives of the licensee re-iterated the same stance as submitted vide compliance report and reply to the SCN.

5. FINDINGS OF THE AUTHORITY:

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

5.1 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 read with section 21 of the Act, grants licenses for telecommunication system and services. In addition, 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.

5.2 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, under 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.

5.3 As per License condition 6.5.1, the licensee is required at all the time to meet or exceed the Quality of Service standards described in Appendix-III of the license and QoS Regulations. However, as per the aforesaid QoS survey, the services of the licensee were found non-compliant of the QoS parameters laid down in the license and the QoS Regulations. It would be pertinent to mention here that as per clause 3.1.1 of the license, the license is subject to the terms and condition contained in the license and to the provisions of Act, rules and regulations made thereunder by the Authority. Therefore, the licensee is required to meet the requirement of QoS standards as laid down in the said legal instrument.

5.4 Furthermore, under Appendix-III "Quality of Service" of the license, the licensee is solely responsible for meeting all PTA's regulations on QoS and relevant international standardization forum such ITU, 3GPP and ETSI etc. Moreover, it is categorically mentioned in Appendix-III "Quality of Service" of the license against Mean Opinion Score (MOS) that, "as recommended by ITU-T and recommendations P.862.2 (PESQ), P.862.3 (POLQA) or latest ITU-T/relevant forum recommendations". The issue lies with the licensee's network that need to be upgraded. Different codecs both narrow band and wide band are used by licensee, which are required to be enhanced and optimized.

5.5. The contention of the licensee that the failure in Call Setup Success Rate due to integration of new sites, outage, external interferences, fluctuation and UE abnormality is not justified under the applicable regulatory provisions. It is suffice to mention here that the licensee has only submitted analysis on 13 failed calls, out of 17 failed calls, whereas, the licensee under license condition 6.5.1 is under a continuous obligation at all times to meet or exceed the QoS KPIs. At one hand the licensee is charging from the customers, and on the other hand the licensee is providing de-graded services. The corrective measures taken by the licensee and claiming

complied in re-drive test does not absolve the licensee from the retrospective non-compliance in respect of provision of downgraded services as pointed out during re-verification survey.

5.5 The assertion of the licensee that SMS success rate non-conformance was primarily due to transmission issues in Maran is untenable and tantamount to admission on the part of the licensee for the provision and securing low graded SMS Success Rate. To address the transmission issue, the licensee claimed that some activities have been performed and further projects are in execution stage, however, the licensee failed to provide any substantiating evidence in this regard. The details of the non-complied Calls and SMS identified during the re-verification survey for Mardan are under;

KPIs	Threshold Value	Result	No. of calls/SMS attempts	No. of calls/SMS failed
Call Setup Success rate	>_98%	96.46%	480.	17
SMS Success rate	>_99%	96.43%	476	17

6. ORDER:

6.1 Keeping in view the above-mentioned facts coupled with the available record, the Authority has reached to the conclusion that the licensee i.e. Pakistan Telecom Mobile Limited (PTML) has failed to complied with Two (2) KPIs identified in 2nd Quarter 2022 re-verification survey thus thereby levies a fine to the tune of Rs. 2,000,000/- (Rupees Two Million) in respect of non-compliant KPIs.

6.2 The Authority hereby directs the licensee to deposit Rs.2,000,000/- (Rupees Two Million) within One (1) month of the issuance of this Order and also improve the service quality to meet or exceed the target value of QoS parameters as per the license standards and QoS Regulations.

6.3 In case of failure to comply with para 6.2 above, legal proceeding will be initiated against the licensee as per applicable Law.

Maj. Gen. Amir Azeem Bajwa (R)
Chairman

Muhammad Naveed
Member (Finance)

Dr. Khawar Siddique Khokhar
Member (Compliance & Enforcement)

Signed on 2nd day of January, 2023 and comprises of (05) pages only.