



**DEPARTMENT OF COMMUNICATIONS
DIRECTORATE GENERAL OF POST AND TELECOMMUNICATIONS**

**MINISTER OF COMMUNICATIONS DECREE NO.20 OF 2001
REGARDING
TELECOMMUNICATIONS NETWORKS OPERATION**

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**ISSUED BY:
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MINISTER OF COMMUNICATIONS DECREE

NUMBER : KM 20 OF 2001

REGARDING

TELECOMMUNICATIONS NETWORKS OPERATION

MINISTER OF COMMUNICATIONS,

- Considering : a. whereas Government Regulation No. 52 of 2000 Regarding Telecommunications Operation regulates the provisions concerning telecommunications networks operation;
- b. whereas for the implementation of provisions as meant in letter a, the provisions concerning telecommunications networks operation is required to be further regulated under Minister of Communications Decree.
- Recognizing : 1. Law No. 36 of 1999 Regarding Telecommunications (State Gazette Year 1999 No. 154, Supplement No. 3881);
2. Government Regulation No. 52 of 2000 Regarding Telecommunications Operation (State Gazette Year 2000 No. 107, Supplement No. 3980);
3. Government Regulation No. 53 Year 2000 Regarding Use of Radio Frequency Spectrums and Satellite Orbits (State Gazette Year 2000 No. 108, Supplement No. 3981);
4. Presidential Decree No. 165 of 2000 Regarding Status, Duties, Functions, Authority, Organization Structure and Working Procedure of Department;
5. Presidential Decree No. 177 Year 2001 Regarding Organization Structure and Duties of Departments as amended lastly by Presidential Decree No. 38 Year 2001;
6. Minister of Communications Decree No. 91/OT.002/Phb-80 and KM 164/OT.002/Phb-80 Regarding Organization and Working Procedures of Department of Communications, as amended lastly by Minister of Communications Decree No. KM 4 year 2000.

HAS DECIDED

To stipulate : MINISTER OF COMMUNICATIONS DECREE REGARDING
TELECOMMUNICATIONS NETWORKS OPERATION.

CHAPTER I

GENERAL PROVISION

Article 1

Referred to in this Decree:

1. Telecommunications is any transmission, emission and/or reception of signs, signals, writings, images and sounds or intelligence of any nature by wire, *radio*, optical or other electromagnetic systems;
2. Telecommunications device is any devices and/or instrument used to provide telecommunications;
3. Telecommunications equipment is group of telecommunications devices which enables one to conduct telecommunications;
4. Telecommunications network is series of telecommunications equipment and peripherals used in telecommunications;
5. Telecommunications services are the provision of telecommunications to meet the telecommunications needs using telecommunications network;
6. Telecommunications operator is the individual, cooperative, regional-owned business enterprise (BUMD), state-owned business enterprise (BUMN), private enterprises, government agency, and state defense and security agency;
7. Telecommunications operation is the activity of providing and telecommunications services to enable the operation of telecommunications;
8. Telecommunications network operation is the activity of providing and/or extending telecommunications networks to enable the operation of telecommunications;
9. Telecommunications service operation is the activity of providing and/or extending telecommunications services to enable the operation of telecommunications;

10. Fixed networks operation is the operation of telecommunications networks for fixed telecommunications services;
11. Mobile networks operation is the operation of networks for mobile communications;
12. Basic telephony service operation is the telephone service operation using circuit-switched technology namely telephone, facsimile, telex and telegraph;
13. Operation of fixed closed networks is networks operation providing networks for lease;
14. Interconnection is the interconnection among telecommunications networks of different telecommunications operators;
15. Operation acceptance test is the technical test conducted by accredited institution or team established by Director General with the duties to conduct tests on a system both technically and operationally;
16. Operation acceptance test institution is the authorized institution to conduct operation acceptance test and obtained accreditation from authorized institutions.
17. Universal service obligation is the obligation imposed on telecommunications networks and services operators to meet accessibility in the regions or certain peoples that have not been reached by telecommunication networks and /or services;
18. Fundamental technical plan is the technical provisions which must be observed in constructing and providing telecommunications networks to secure the interconnection of telecommunication networks;
19. Landing right is the right granted by Minister to telecommunication networks or services operators in the framework of cooperation with foreign telecommunication operators;
20. Minister is the Minister having the scope of duties and responsibilities in telecommunications sector;
21. Director General is the Director General of Post and Telecommunications.

CHAPTER II

TELECOMMUNICATIONS NETWORKS OPERATION

Article 2

- (1) Telecommunications networks operation can be conducted by legal entities established for such purpose based on the prevailing regulations, namely:
 - a. State-Owned Enterprises;
 - b. Regional State-Owned Enterprises;
 - c. Private Entities; or
 - d. Cooperatives.
- (2) Telecommunications networks operation as meant in paragraph (1) must obtain license.

Article 3

- (1) Operation of telecommunications networks as meant in Article 3 consist of:
 - a. Fixed networks operation;
 - b. Mobile networks operation.
- (2) Operation of fixed networks as meant in Paragraph (1) letter a shall be differentiated into:
 - a. Operation of fixed local networks;
 - b. Operation of fixed long distance networks;
 - c. Operation of fixed international networks;
 - d. Operation of fixed closed networks.
- (3) Operation of mobile networks as meant in paragraph (1) letter b shall be differentiated into:
 - a. Operation of mobile terrestrial networks;
 - b. Operation of mobile cellular networks;
 - c. Operation of mobile satellite networks.

Article 4

- (1) The operators of telecommunication networks requiring certain allocation of radio frequency spectrums and or networks access code shall be limited;
- (2) Licensing procedures for the operation of telecommunication networks which number of operator is limited as meant in paragraph (1), shall be conducted by way of selection process.

Article 5

- (1) Operators for the operation of telecommunication networks which do not require certain allocation of radio frequency spectrums and or do not require network code access, shall not be limited;
- (2) Licensing procedures for the operation of telecommunication networks which number of operator is not limited shall be conducted by way of evaluation.

Article 6

- (1) For the operation of telecommunication networks as meant in Article 3 paragraph (2) and paragraph (3) telecommunication networks operators must deploy and or provide telecommunication networks.
- (2) In constructing and or providing telecommunication as meant in paragraph (1) networks operators must follow technical provisions in the fundamental technical plan as stipulated by Minister.

Article 7

Telecommunications operators shall:

- a. Provide all telecommunication facilities to secure that the operation of telecommunication networks in accordance with service quality standard;
- b. Give equal service to telecommunication networks users;
- c. Make terms and conditions for the subscription of telecommunication networks;
- d. Announce the availability of telecommunication networks owned by them to the public.

Article 8

- (1) Telecommunication networks operators must assure the operation of telecommunications through their respective lines.
- (2) Telecommunication networks operators must separate their service components (unbundling) in the framework of providing services required by telecommunications operators.
- (3) The components as meant in paragraph (2) shall be in the form of:

- a. local networks;
- b. interface apparatus;
- c. centrals (switching centre);
- d. transmission; and
- e. operation supporting, services and additional apparatus system.

Article 9

- (1) Any telecommunication networks operators is obliged to provide the universal service obligation in the form of network development, payment of interconnection fee components or any other contributions.
- (2) Procedures for the implementation of universal service obligation as meant in paragraph (1) shall be regulated under Ministerial Decree.

Article 10

- (1) Any telecommunication networks operators must pay the rights for telecommunication operation fee which is constitute as Non-Tax State Revenue.
- (2) Payment procedures of pay the rights for telecommunication operation fee as meant in paragraph (1) shall be conducted based on the prevailing regulations.

Article 11

- (1) Any telecommunication networks operators using radio frequency spectrums and satellite orbits must pay fees for right to use radio frequencies and fees on the right to use satellite orbits which are constitute as Non-Tax State Revenue.
- (2) Payment procedures of fees on the right to use radio frequency spectrums and satellite orbits as meant in paragraph (1) shall be based on the prevailing regulations.

Article 12

- (1) Any telecommunication networks operators must ensure the availability of interconnection.
- (2) Any telecommunications networks operators have the rights to obtain interconnection from any other telecommunication networks operators.

- (3) Stipulation of points of interconnection shall be separately regulated in the fundamental technical plan which shall be stipulated by the Minister.

Article 13

Provision of interconnection as referred to Article 12 must meet at least the following principles:

- a. Transparency;
- b. Non-discriminatory on quality as well as fees;
- c. Provided in a short-time;
- d. Cost-based;
- e. Based on demand.

Article 14

- (1) Interconnection between telecommunication networks shall be performed in the point of interconnection;
- (2) Point of interconnection as referred to Paragraph (1) shall be the boundary point of the responsibility of the telecommunication network operation;
- (3) Regulation regarding the point of interconnection shall be stipulated by the Ministry.

Article 15

If the implementation of interconnection requires expenses and or interface apparatus, the provision of such costs and or apparatus shall be borne by networks operators requiring them.

Article 16

Director General shall stipulate numbering including access code of network telecommunications operation based on the provisions of fundamental technical plan stipulated by the Minister.

Article 17

- (1) All telecommunication networks must install signs of the existence of telecommunication networks.
- (2) Installment procedures and signs on the existence of networks as meant in paragraph (1) shall be stipulated by Director General.

Article 18

Telecommunications devices and or equipment used by telecommunications operators must meet the stipulated technical requirements and have certificate from the Director General.

CHAPTER III

FIXED NETWORKS OPERATION

First Section

Operation of Fixed Local Networks

Article 19

Operation of fixed local networks shall be differentiated on the operation of fixed local networks under circuit-switched basis and operation of fixed local networks under packet-switched basis.

Article 20

- (1) Operators of fixed local networks under circuit-switched basis must deploy and or provide fixed local networks under circuit-switched basis and networks for costumers access in a location using 1 (one) central local or more.
- (2) Location as meant in paragraph (1) shall consist of one or more Regencies and or Cities which shall be stipulated by the Minister under Director General's proposal.
- (3) All location as meant in paragraph (1) shall obtain access code stipulated by Director General based on the fundamental technical plan stipulated by Minister.

Article 21

Operators of fixed local networks under circuit-switched basis may deploy and or provide fixed local networks under packet-switched basis.

Article 22

- (1) Operators of fixed local networks under circuit-switched basis shall provide basic telephony services.

- (2) Operator of fixed local networks under circuit-switched basis may lease his networks to basic telephone services operators.
- (3) Operator of fixed local networks under circuit-switched basis may operate local lease circuit.

Article 23

- (1) Operators of fixed local networks under circuit-switched basis shall provide public telephony access.
- (2) Public telephone access as meant in paragraph (1) shall at least 3% of the installed networks capacity.

Article 24

- (1) Operators of fixed local networks under circuit-switched basis may operate cross border telecommunication networks and services which directly connecting two locations in two countries which have direct boundary.
- (2) The operation of cross border telecommunication networks and services as meant in paragraph (1) shall be effective in the locations having social and economic interest.
- (3) Operation of cross border telecommunication networks and services shall be stipulated in the locations:
 - a. Nunukan – Tawao;
 - b. Manado – Davao;
 - c. Jayapura – Lae.
- (4) Locations of cross border telecommunications other than as meant in paragraph (3) above shall be further regulated under of the Director General decision by taking into account of the bilateral consents.

Article 25

- (1) Operators of fixed local networks under packet switched shall deploy and or provide transport networks connecting central of networks (node) and subscribers access networks connected to the central of networks (node).
- (2) Operator of fixed local networks under packet-switched basis may deploy and or provide fixed local networks under circuit switched basis under Director General License.

- (3) Operating zone of fixed local networks under packet-switched basis shall cover local and national coverage.

Article 26

- (1) Operator of fixed local networks under packet-switched basis may operate multimedia services.
- (2) The operation of multimedia services as meant in paragraph (1) must obtain license from the Director General.
- (3) Operator of fixed local networks under packet switched basis may lease its networks to multimedia operators.

Part Two

Operation of Fixed Networks of Direct Local Long Distance

Article 27

Operator of fixed networks of direct local long distance shall deploy and or provide fixed networks to connect one fixed local networks to another.

Article 28

Operator of direct long distance networks shall deploy and or provide central trunk and long distance networks connecting central trunks.

Article 29

Operator of direct fixed long distance may operate long distance lease circuit.

Article 30

Operator of fixed international networks shall deploy and or provide fixed networks connecting domestic to international networks.

Article 31

- (1) Operator of fixed international networks shall deploy and or provide international central gate and networks connecting amongst international central gate.
- (2) Operator of fixed international networks shall connect the international central gate owned by it.

Article 32

Operator of international fixed networks may operate international leased circuit.

Section Four

Operation of Fixed Closed Networks

Article 33

- (1) Operation of fixed closed networks shall deploy networks to be leased.
- (2) If the leased networks used by telecommunication networks and services operators, it must comply with its license.
- (3) If the leased networks used by special telecommunication networks and users which are not telecommunication operators, the leased networks must be used for their own purposes.
- (4) The use of network for its own purposes as meant in paragraph (3) shall be the use of networks for closed user group.

Article 34

Operator of fixed closed networks providing networks for telecommunications operation is prohibited to connect to other networks.

Article 35

- (1) Operator of fixed closed networks may lease networks for own purposes located outside of the territory of the Republic of Indonesia.
- (2) Foreign fixed closed networks operator that leases networks to the users for its own usage in the territory of the Republic of Indonesia must cooperate with fixed closed networks operator in Indonesia.

CHAPTER IV

OPERATION OF MOBILE NETWORKS

Section One

Operation of Mobile Terrestrial Networks

Article 36

Operation of mobile terrestrial networks shall deploy and or provide mobile terrestrial networks for subscribers' access in one location or more.

Article 37

- (1) Operation of mobile terrestrial networks shall include:
 - a. operation of radio trunking;
 - b. operation of public pager radio.
- (2) Operation of mobile terrestrial networks other than as meant in paragraph (1) shall be stipulated by Director General.

Article 38

Radio trunking networks with the coverage of several Regencies and Cities can not be connected one to another.

Article 39

Operator of radio trunking shall deploy and or provide mobile terrestrial networks of radio trunking.

Article 40

Operation of radio trunking shall be operated under the coverage of:

- a. regency or town;
- b. several regencies or towns.

Article 41

- (1) Radio trunking networks can be connected to any other telecommunication networks.

- (2) Connection of other telecommunication networks as meant in paragraph (1) must follow technical requirement in the fundamental technical plan stipulated by the Minister.
- (3) If the radio trunking network is connected to other telecommunication networks, provisions as meant in the operation of mobile cellular telecommunication networks shall prevail.

Article 42

Operation of radio trunking must use radio frequency spectrums stipulated by Director General.

Article 43

- (1) Radio trunking subscribers can provide their own radio trunking terminals.
- (2) If the subscribers can not provide their own terminals, the radio trunking operators must provide radio trunking terminals for their subscribers.

Article 44

- (1) Operation of public radio paging shall be operated with the coverage of:
 - a. regency or town;
 - b. several regencies and towns.
- (2) Networks of public radio paging with coverage of several regencies and or towns as meant in paragraph (1) letter b must be connected one to another.

Article 45

Operator of public radio paging is required to:

- a. provide receiving equipment having good function to be used by subscribers;
- b. deliver messages or calling to the authorized subscribers;
- c. to assure the security of messages or news.

Section Two

Operation of Mobile Cellular Network

Article 46

Operation of mobile cellular network is required to deploy and or provide mobile cellular networks for the costumers.

Article 47

Operation of mobile cellular networks is differentiated into:

- a. Operation of mobile cellular networks with province or several provinces coverage area.
- b. Operation of mobile cellular networks with national coverage area.

Article 48

- (1) Mobile cellular networks operators shall deploy and or provide interconnected mobile cellular networks in its coverage area.
- (2) Construction and or provision of networks as meant in paragraph (1) can be performed gradually.

Article 49

Mobile cellular networks operator may lease its networks to any other mobile cellular networks operators.

Article 50

- (1) Mobile cellular networks operator with province or several provinces coverage area shall conduct roaming with any other mobile cellular networks operators with province or several other provinces having the same system and radio frequency spectrums.
- (2) Implementation of roaming as meant in paragraph (1) shall be conducted based on the cooperation with any other cellular telecommunication networks operators as stipulated in a written agreement.

Article 51

- (1) Cellular networks operator may perform roaming with any other cellular networks operators having the same coverage area.
- (2) Roaming agreement as meant in paragraph (1) shall be performed based on consent amongst mobile cellular networks operators.

Article 52

- (1) Mobile cellular networks operators may perform international roaming.
- (2) International roaming as meant in paragraph (1) shall be conducted based on the cooperation with mobile cellular networks operators of other countries.

Article 53

Mobile cellular networks operator shall have standard service facilities at least:

- a. hand over;
- b. roaming;
- c. anti fraud facility;
- d. detail billing;
- e. interconnection; and
- f. supervision and control.

Section Three

Operation of Mobile Satellite Networks

Article 54

Operation of mobile cellular networks is required to deploy and or provide mobile satellite networks for costumer access.

Article 55

- (1) Mobile satellite networks operators shall deploy and or provide satellite, earth station, central gate and connecting networks.
- (2) Mobile satellite networks operators may use foreign satellite and must have landing right.

Article 56

- (1) Mobile satellite networks operators operates basic telephony services and may operate multimedia services.
- (2) The operation of multimedia services as meant in paragraph (1) must obtain license from the Director General.
- (3) Mobile satellite networks operator may lease its networks to basic telephony service operators and to multimedia services operators.

Article 57

- (1) Mobile satellite networks operator that is specifically arranged to operate multimedia services may operate basic telephony services.
- (2) The operation basic telephony services as meant in paragraph (1) shall follow provisions on the operation of basic telephony services.

Article 58

- (3) In the event that the operators of global satellite mobile lines provide basic telephony services in the territory of the Republic of Indonesia, they shall cooperate with Indonesian cooperate bodies holding licenses to provide basic telephony services.
- (4) In the event that the operators of global satellite mobile lines provide multimedia services in the territory of the Republic of Indonesia, they shall cooperate with Indonesian cooperate bodies holding licenses to provide multimedia services.
- (1) The operators of the basic telephony services or multimedia services as referred to in paragraph (1) and paragraph (2) shall possess landing rights.

Article 59

- (1) The mobile terminal used to provide the basic telephony services as referred to in Article 58 paragraph (1) shall be provided by the agents or operators of satellite mobile lines concerned.
- (2) The agents as referred to in paragraph (1) shall be national companies appointed by terminal manufacturers.

CHAPTER 5
LICENSING PROCEDURE
The Procedure for Selecting the Operators of
Telecommunication Lines

Article 60

- (1) The minister shall set the number of operators of telecommunication lines and their number shall be limited.
- (2) The number of operators of telecommunication lines as referred to in paragraph (1) shall be set at least once every year.
- (3) The number of operators of telecommunication lines as referred to in paragraph 91) shall be set by taking into account the resources and market condition.

Article 61

- (1) The minister shall openly announce business opportunities for the operation of telecommunication lines.
- (2) The announcement as referred to in paragraph (1) for each type of telecommunication lines shall be made at least once every year.
- (3) The rules as referred to in paragraph 91) shall not apply to the operation of closed fixed lines using no radio frequency spectrum.

Article 62

The announcement on business opportunities for the operation of telecommunication lines shall contain:

- a. types of telecommunication lines;
- b. the number of operators;
- c. the location and scope of operation;
- d. the requirement and procedure for applying for a permit;
- e. the place and time of applying for a permit;
- f. fees including fees for final selection documents and bank guarantee money;
- g. selection and evaluation criteria to determine prospective operators of telecommunication lines.

Article 63

- (1) The Director general shall form a selection team consisting of technical, business, legal, planning and administrative element to select operators of telecommunication lines.
- (2) The selecting team as referred to in paragraph (1) shall select operators of telecommunication lines based on the selection criteria made known transparently to the participant.
- (3) The selection team shall accomplish its tasks no later than 40 (forty) working days after deadline for the receipt of applications from prospective operators is set.
- (4) The selection shall be done transparently, objectively, honestly and fairly.

Article 64

- (1) The selecting team shall stick to selection documents in assessing application documents.
- (2) The selecting documents as referred to in paragraph (1) shall consist of:
 - a. administrative selection documents;
 - b. technical selection documents.
- (3) The administrative selection documents as referred to in paragraph (2) letter a shall consist of:
 - a. certificate of incorporation;
 - b. approval of the establishment of company;
 - c. company profile;
 - d. taxpayer code number (NPWP);
 - e. capital structure;
 - f. certificate of promise to settle all fees;
 - g. proof of bank guaranty;
 - h. deadline for the submission of documents.
- (4) The technical selection documents as referred to in paragraph (2) letter b shall consist of:
 - a. business plan;
 - b. work plan and certificate of promise to build and/or provide telecommunication lines;
 - c. technical data and configuration of telecommunication lines;
 - d. certificate of promise to use equipment already meeting technical requirements;

- e. application issued by the Director General of Post and Telecommunications to determine radio-frequency spectrum for the operators of telecommunication lines using radio-frequency spectrum and/or satellite orbit;
- f. deadline for the submission of documents.

Article 65

- (1) The selecting team shall accomplish the administrative selection no later than 10 (ten) working days after the deadline for the submission of administrative selection documents has passed.
- (2) The selecting team shall accomplish the technical selection no later than 30 (thirty) working days after the deadline for the submission of technical selection documents has passed.
- (3) The participants of technical selection shall be those declared as having passed the administrative selection announced openly.
- (4) the rating of prospective operators shall be based on the highest scores resulting from the selection by the selecting team and shall be made known in writing to the applicants/selection participants.

Part Two **The Procedure for Evaluating the Operation of** **Telecommunication Lines**

Article 66

- (1) Applications for in-principle licenses for the operation of telecommunication lines whose number is not limited can be filed any time and the process of licensing the operation of telecommunication lines shall go through evaluation.
- (2) The applications for in-principle licenses as referred to in paragraph (1) shall be filed to the Minister.
- (3) The evaluation of the applications as referred to in paragraph (1) shall be done by the Director General.

Article 67

The applications for in-principle licenses for the operators of telecommunication lines whose number is not limited as referred to in Article 66 paragraph (1), shall be complete with:

- a. certificate of incorporation;
- b. taxpayer code number (NPWP);
- c. approval of the establishment of company;
- d. company profile;
- e. business plan;
- f. technical data and configuration of equipment to be used;
- g. work plan related to phases of activities;
- h. capital structure, lineup of the boards of executive directors and directors;
- i. capacity to develop infrastructures;
- j. statement that technical data, equipment, instrument and telecommunication facilities that will be procured agree with technical requirement, configuration and hierarchy of telecommunication lines based on the technical basic plan.

Article 68

- (1) The evaluation of the applications as referred to in Article 67 shall be completed no later than 14 (fourteen) working days after the applications have been received in a complete manner.
- (2) In the event that the applications do not fulfill the specified requirements, the Minister shall reject the applications in writing by mentioning the reasons for the rejection.

Part Three The Procedure for Licensing the Operation of Telecommunication Lines

Article 69

- (1) Based in the result of the selection as referred to in Article 65 paragraph (4) or based on the result of the evaluation as referred to in Article 68 paragraph (1), the Minister shall issue in-principle licenses to the qualified participants.
- (2) The in-principle licenses as referred to in paragraph (1) shall be valid for:
 - a. 3 (three) years for the operators of telecommunication lines whose number is limited;
 - b. 1 (one) year for the operators of telecommunication lines whose number is not limited.

- (3) The in-principle licenses as referred to in paragraph (2) can be extended if the owners of in-principle licenses have made investments in preparations for the construction of physical facilities and infrastructures according to the result of study made by the team formed by the Director General.
- (4) In-principle licenses can be extended on one occasion only with a validity period of no more than 1 (one) year for the operators of telecommunication lines whose number is limited and of no more than 6 (six) months for the operators of telecommunication lines whose number is not limited.
- (5) In the absence of decision on the applications for the extension of in-principle licenses as referred to in paragraph (3) within a period of 14 (fourteen) working days after the applications have been received, the in-principle licenses shall automatically be declared as having been extended with a validity period of 1 (one) year.

Article 70

- (1) The owners of in-principle licenses shall be prohibited from altering the structure of sharing ownership.
- (2) The ban on the alternation of the structure of share ownership as referred to in paragraph 91) shall not apply to listed companies.

Article 71

- (1) Licenses for the operation of telecommunication lines shall be issued after the owner of in-principle licenses have been declared as having passed an operation acceptance test and have filed applications for licenses for the operation of telecommunication lines.
- (2) The licenses for the operation of telecommunication lines as referred to in paragraph (1) shall be issued no later than 14 (fourteen) working days after the applications for licenses for the operation of telecommunication lines have been received.

Article 72

- (1) Licenses for the operation of telecommunication lines shall be issued without a time limit and shall be subject to comprehensive evaluation once every five years.
- (2) If based on the result of evaluation as referred to in paragraph (1) the operation of telecommunication lines does not agree with the licensing rules, the owners of the licenses shall be subject to sanction within the framework of the existing rules.

**CHAPTER VI
THE PROCEDURE FOR
CONDUCTING OPERATION ACCEPTANCE TEST**

Article 73

- (1) The owners of in-principle licenses as referred to in Article 69 that have been ready to operate telecommunication lines, shall file applications to the Director General for operation acceptance tests.
- (2) The applications for operation acceptance tests shall be filed in writing and be complete with:
 - a. a copy of in-principle licenses;
 - b. organizational structure;
 - c. human resources data;
 - d. technical specification of telecommunication instrument already built;
 - e. a list of telecommunication instrument; and
 - f. location according to the in-principle permit.

Article 74

- (1) Operation acceptance tests shall be conducted by an institute of operation acceptance tests already accredited by the authorized agency.
- (2) In the event that operation acceptance tests can not yet be conducted by the institute as referred to in paragraph 91), the Director general shall form a team of operation acceptance tests.

Article 75

- (1) Operation acceptance tests shall be conducted no later than 14 (fourteen) working days after the applications for operation acceptance tests have been received.
- (2) In the event that physical facilities and infrastructure are declared as being operation accepted based on the result of the evaluation of operation acceptance tests, the Director General shall issue certificate of operation worthiness.
- (3) The certificate of operation acceptance as referred to in paragraph (2) shall be issued no later than 14 (fourteen) working days after the result of the evaluation of operation acceptance tests has been received.

- (4) In the event that operation acceptance tests are not conducted within 14 (fourteen) working days after the applications for operation acceptance tests have been received, the owners of in-principle licenses as referred to in Article 69 shall be entitled to certificates of operation worthiness.

Article 76

- (1) The institute or team as referred to in Article 74 within a period of no more than 14 (fourteen) working days shall complete the evaluation of the result operation acceptance tests after the applications have been received in a complete manner.
- (2) The result of the evaluation as referred to in paragraph (1) shall be reported in writing to the Director General no later than 14 (fourteen) working days.

Article 77

- (1) In the event that the result of the evaluation of operation acceptance tests on the physical facilities and infrastructures of telecommunication lines shows that they are considered as being operation unaccepted, the owners of in-principle licenses shall be given a chance to improve the physical facilities and infrastructures no later than 30 (thirty) working days.
- (2) If after the period of time as referred to in paragraph (1) has passed the physical facilities and infrastructures are still considered as being operation unaccepted, the owners of in-principle licenses shall be given another chance to improve them no later than 14 (fourteen) working days.

Article 78

If based on the result of the evaluation of operation acceptance tests on the improvement of the physical facilities and infrastructures as referred to in Article 77 paragraph (2) they are still considered as being operation unaccepted, the owners of in-principle licenses shall alter or replace the system, physical facilities and infrastructures of telecommunication lines.

Article 79

- (1) The owners of in-principle licenses that have secured certificates of operation acceptance as referred to in Article 75 shall deserve to file applications to the Minister for operation licenses.
- (2) The Minister shall issue operation licenses based on the applications as referred to in paragraph (1) no later than 14 (fourteen) working days after the applicants agree in writing to fulfill obligations related to the operation of telecommunication lines.

Article 80

Any addition of capacity and expansion of location or relocation shall be subject to operation acceptance test based on the existing rules on operation acceptance tests as contained in this decree.

CHAPTER VII T A R I F F

Article 81

- (1) The types of tariffs for the operation of telecommunication lines shall consist of:
 - a. leased line fees;
 - b. interconnection fees.
- (2) The structure of tariffs for the operation of telecommunication lines shall consist of:
 - a. access fees;
 - b. usage fees;
 - c. universal service contribution fees.

Article 82

- (1) The tariffs of telecommunication lines shall be set by the operators of telecommunication lines.
- (2) The tariffs as referred to in paragraph (1) shall refer to the tariffs formula of telecommunication lines set by the Minister.

Article 83

The interconnection fees on inter telecommunication lines shall be stipulated in a separate decree of the Minister.

Article 84

- (1) The operators of telecommunication lines shall report any plan to set or change the tariffs, of telecommunication lines no later than 30 (thirty) days before they take effect.
- (2) The report as referred to in paragraph (1) shall be complete with the method of calculating the tariffs and supporting data needed to set a change in tariffs.
- (3) Based on the report as referred to in paragraph (2) the Director General shall conduct an evaluation by observing the tariffs formula set by the Minister.
- (4) In the event that the result of the evaluation as referred to in paragraph (3) does not agree with the result of calculation based on the tariffs formula set by the Minister, the plan to set or change the tariffs shall not be implemented.

CHAPTER VII OTHER PROVISIONS

Article 85

The Director General shall provide technical guidance and conduct technical supervision in connection with the implementation of this decree.

CHAPTER VIII TRANSITIONAL PROVISIONS

Article 86

With the enforcement of this decree, the operator licenses, can carry on their activities on condition that no later than 12 (twelve) months after this decree begins to take effect, they shall adjust to this decree.

CHAPTER IX CLOSING PROVISIONS

Article 87

With the enforcement of this decree, all regulations on the operation of telecommunication lines that have lower decree than this decree shall remain valid, provided that they do not contradict this decree or have not been replaced based on this decree.

Article 88

With the enforcement of this decree,

- a. Decree of the Minister of tourism, Post and Telecommunications No. KM.45/PT.102/MPPT-1991 on the selection of Batam Island as the central gate of International telecommunications;
- b. Decree of the Minister of Tourism, Post and Telecommunications No. KM.111/PT.106/MPPT-1991 on the use of Palapa transponder;
- c. Decree of the Minister of Tourism, Post and Telecommunications No. KM.116/PT.102/MPPT-1991 on the operation of non-basic telecommunications;
- d. Decree of the Minister of tourism, Post and Telecommunications No. KM.75/PT.102/MPPT-1993 on the Interconnection of telecommunication lines among the operators of telecommunication lines;
- e. Decree of the Minister of Tourism, Post and Telecommunications No. KM.76/PT.102/MPPT-1991 on cross-border communications;
- f. Decree of the Minister of Tourism, Post and Telecommunications No. KM.22/PB.301/MPPT-97 on the provision of radio telephone services;
- g. Decree of the Minister of Tourism, Post and Telecommunications No. KM.115/PT.102/MPPT-97 on the operation of global mobile phone communication services (GMPCS);
- h. Decree of the Minister of Tourism, Post and Telecommunications No. SK.8/PT.303PBH-1998 on the sharing of profit from the joint operation of public telephone, cards for calls from public card telephone to the cellular mobile telecommunication system (STBS), shall be declared null and void.

Article 89

This Decree shall be effective on the stipulation date.

Stipulated in : JAKARTA
On the date of : JANUARY 16, 2001

MINISTER OF COMMUNICATIONS

Signed

AGUM GUMELAR, M.Sc.

Copies of this Decree shall be delivered to:

1. Chairman of State Audit Board;
2. Coordinating Minister for the Economy;
3. Coordinating Minister for the Politic, Social and Security;
4. State Minister for the Administrative Reform;
5. Minister of Home Affair and Regional Autonomy;
6. Minister of Foreign Affair;
7. Minister of Defense;
8. Minister of Industry and Trade;
9. Minister of Energy and Mineral Resources;
10. Chairman of Finance and Development Supervisory Board;
11. Secretary General, Inspector General, Director Generals and Chairmen of Bodies in the Department of Communications;
12. Head of Bureaus in the Department of Communications.

COPY in accordance with the original

Head of Legal and organization Bureau

Signed and chopped

ZULKARNAIN OEYOEB, SH, MM, MH

NIP. 120106134