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Assist TRC in Developing Guidelines on Private Networks

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Assist TRC in Developing Guidelines on Private Networks

Executive Summary

The purpose of this memo is to provide options to guide the TRC in its decision to establish a set of guidelines for how private networks will be treated in Jordan. Basic principles for the treatment of private networks have been outlined in articles 21-24 of the Jordanian Telecommunications Law. Additionally, the government has issued a policy statement regarding its expected treatment of government-owned private networks. The recommendations included in this memo are consistent with both the Telecommunications Law and the government guidelines outlined in the policy statement. They are also consistent with Jordan Telecom's (JTC) monopoly on the provision of leased lines and the TRC's policies concerning VoIP.

As a result of these TRC's policies, our memo proposes an interim regulatory position that should be changed as soon as JTC's monopoly rights end. For example, under current monopoly conditions, private network users will not be allowed to freely take on leased lines from other telecommunications service providers of their choice (other than JTC). However, the common practice of users of private networks is outsourcing the provision, management and operation of such networks to telecommunications service providers; therefore we believe that a significant deployment of private networks will only occur once JTC's monopoly on leased lines ends. Additionally, once the provision of leased lines is liberalized, due to the control of the incumbent over the majority of telecommunications infrastructure, the TRC will have to issue leased lines regulations.

Another policy issue subject to change upon the expiration of JTC's monopoly is the interconnection of private networks with the (PSTN). This memo is consistent with the policy of the TRC regarding the protection of the incumbent from bypass and recommends as an interim policy the continuation of the prohibition to connect private networks with the PSTN until 2005. At such time, the TRC will have to revisit the issue with the aim of lifting this restriction.

Finally, the TRC will have to revisit its policies concerning the use of private networks to transmit VoIP when a telecommunications operator is involved in providing the voice service. The current TRC policy on VoIP states "any commercial activity by ISPs to market voice services to users by selling software, prepaid cards, hardware with payment processing capability or other functionality enabling use of VoIP on their data networks is considered as an infringement of JTC's exclusivity and prohibited by the Telecommunications law". The TRC's VoIP policy also states that "persons in Jordan are free to utilize the their legitimate data communication circuits to transmit voice or other media format of their choosing without fear of infringing on JTC's license, as long as they are transmitting and receiving such information for their own private use and not on behalf of a third party". Consequently, TRC's current policies impede the transmission of VoIP through private networks when the voice service is provided by a third party (i.e. a telecommunications service provider that provides the equipment and bills for the voice service), which would be most likely the case with large private users such a financial institutions or multinational corporations that prefer to outsource their private networks management.

Based on the foregoing the issues addressed in this memo include:

1. SECTION I: The definition of what constitutes a private network, including best international best practices on definitions, characteristics and examples of regulatory classifications of private networks.
2. SECTION II: The extent to which regulatory authorization is necessary to establish and operate a private network and relevant international practices regarding the licensing of private networks.
3. SECTION III: Interconnection of private networks.
4. SECTION IV: Rights and obligations of private network operators.

SECTION I. Definition of a private network

Status: The Jordanian Telecommunications Law defines private networks as “the telecommunications system operated for the benefit of a single person or a single group of persons under common ownership to serve their own needs.”

Option 1: Leave the definition as it is.

Option 2: Complement the definition by further defining/classifying private services. This will facilitate assigning different rights and obligations, licensing conditions, etc, to different private services.

TMG’s Recommendation:

In order to clarify the basic concepts outlined in Jordan’s Telecommunications Law, we recommend that the TRC issue an official government statement on private networks that would detail the main policies concerning private networks. Subsequently, we suggest the implementation of option 2, creating a document entitled “Regulations for Private Networks”, whereby the following issues should be addressed: definition of private networks (which will include a definition that would complement that of the Jordanian Telecommunications Law), rights and obligations of private networks operators, licensing of private networks and interconnection of private networks.

Definition of private networks: The current definition of the Telecommunications Law should be further complemented by adding the concept that there must be no payment, economic compensation or payment from a third party for the use and operation of a private network. Concerning exemptions to the regulations, it should be made clear that when a private network is set up in one single dwelling or building, no regulatory authorization should be required (Wi-Fi systems would only require spectrum authorization). The regulations should also include a provision whereby it should be made explicit what has been established in the TRC’s “Position Statement on the Development of Private Government Networks” which states that networks used by the government for its own use and for the use of his employees and other beneficiaries as well as governmental academic institutions should be exempted from obtaining any type of regulatory authorization.

Generally speaking, as shown in the sample of countries included in this section, definitions of a group of authorized users of private networks respond to economic and competition goals set by the governments such as prevention of bypass, protection of the PSTN dominant carrier, etc. In that regard, the concept of “**common ownership**” included in the Jordanian Telecommunications Law needs to be more clearly defined since such a concept will determine how restricted or open the group of users of private networks will be. We suggest a definition of common ownership that creates a threshold of corporate ownership similar to Peru’s definition of “economic group” or Bolivia’s “single user” (see pages 4 and 7 of this memo for such definitions). Such a threshold allows the regulator to ensure that private networks are used by a specific number of users and are used appropriately for their purposes. Ideally, this definition would be a safeguard to prevent against situations of provision of telecommunications services to unauthorized users or third parties. We also suggest adding language similar to the following definition of private networks: “the users should be engaged in a common business or activity and the operator should be an organization formed by this group of

users for the specific purpose of furthering such common business or activity that is the main business or activity.”¹

The following international best practices include a few examples of the different categories of private services with the purpose of showing how some countries have chosen not only to define private services broadly but also to establish different categories within private services in order to create a different permit or authorization for each category. This is a regulatory option that could be implemented by Jordan, whenever there is a need to specifically control certain types of private networks (i.e.; maritime networks, networks used by aircraft, amateur radio, etc.)

International Best Practices

We will first address the definitions given to private networks by various regulators and the treatment of these services in their respective regulations.

A) PERU

Article 41 of the Telecommunications Law defines private services in Peru as “those services which have been established by a natural or legal person to satisfy his own communications needs within the national territory. Such services cannot be provided to third parties, unless the services are provided as value added service for the compliance with a specific corporate purpose. For purposes of classification as private services, it will be considered as a **single person**, the members, affiliates, and subsidiaries of a single legal person, all of which perform activities as a single economic group.”

For purposes of article 41 of the law, an “**economic group**” is the group of companies that have as a main member the same natural or juridical person, who owns directly or indirectly at least 51% of the shares or rights that give it effective control of the entire entrepreneurial group, even if the companies part of the group are incorporated as an affiliate or subsidiary of the main corporation.

Exemption to the Telecommunications Regulations

Article 45o. of the Telecommunications Law establishes that the following are excluded from the classification of services of the law: “Telecommunications installed within one single premise or location and which do not use radio electric spectrum and have no connection to external networks, as well as services whose equipment, using the radio electric spectrum, do not transmit with power of more than 10 milivatios (mW) in antenna (effective power irradiated; i.e., closed circuit TV service), such services in no case can operate in frequency bands given to public telecommunication services. These services have a general blanket authorization”.

Classification of Networks and Telecommunication Services as Public and Private

The Peruvian telecommunications regime is aimed at establishing a network to integrate all services through the application of digital technologies. To this end, telecommunications services have been classified as follows:

Carrier services, teleservices, (also called final services), broadcasting services and value added services (VAS).

¹ Language from Hong Kong’s regulator OFTA. See www.ofta.gov.uk.

These services, based on their use and nature, can be: a) Public, b) **Private** and c) **Private of public interest**.

a) Public Services: Those made available to the general public in exchange for the payment of a tariff, without any discrimination whatsoever, based on the availability of the technical services provided by operators. Public telecommunications services prevail over private telecommunications services. Carrier services are necessarily public². Teleservices, broadcasting and VAS services can be public as well as **private services**.

b) Private Services: Those services rendered by an individual or legal entity to meet its own communications needs within the national territory. (Unless it is in the cases established by article 15 and 16 of the regulations³). A service that is provided to a person in exchange for a payment (direct or indirect) cannot be classified as a private service.

c) Private Services that are in the Public interest: Those services directly received by the general public. They include sound and television transmitters and are also called broadcasting services.

1) Teleservices or final services: They provide all the necessary capacity required for users to communicate with each other (i.e., telephony services, mobile telephony services, telex, telegraph, etc.) For the provision of teleservices or public final services, a concession contract is required. For **private final services**, an **authorization** will be required.

Teleservices or final services can be public⁴ or private, as follows:

Private teleservices: Are those services that are established by a natural or legal person to satisfy its own necessities within the national territory. Private teleservices can be classified as follows:

a) Teleservices that use wire or optical media (physical lines cables, coaxial cables and optical fiber).

If these services require the use of streets, plazas, avenues or other public places to make possible private communications, the facilities of public operators will be used. Public operators are obliged to give these facilities when technically feasible. The pertinent norms of the telecommunications regulations are applicable to these services.

² Carrier services are those that using the carrier system infrastructure, provide the necessary capacity to transport and guide communication signals. The term carrier service is understood to include all transmission media that form part of a national or international open network that has the necessary capacity and quality to transport telecommunication signals and interconnect public services. Carrier services allow to provide final, broadcasting and value added services.

³ Art 15. Natural and legal persons authorized to provide private radiocommunications services in places where public services are not present are obliged to route messages from authorities or third parties when needed to protect human life, maintain public order, guarantee the security of natural resources and public or private goods.

Art 16. In cases of national emergency included in the National Constitution of the Republic, all operators of final services shall give priority to transmission of voice and data needed for the media, national defense and civil defense.

⁴ Public teleservices are telephony services (including, fixed, mobile, local, national long distance, international long distance). Public goods can be used for the provision of public teleservices. As in the case of carrier services, mandatory easements can be imposed and land can be expropriated for the installation of the networks to provide these services.

b) Teleservices that do not use wire or optical media (i.e., private fixed service, private mobile service, radionavigational service, omnibus channel or citizen band service, radio amateur service, and spatial service). Private teleservices, in addition of being subject to the regulations, are subject to the National Plan of Frequency allocation, the ITU radio regulations and other specific regulations approved by the Ministry.

c) Other radiocommunication services (standard frequency broadcasts and time-signal emissions, radio astronomy, meteorological aids, radiolocation).

d) Any other service classified as such by the Ministry by means of a Ministerial Resolution.

Note: Broadcasting services are classified as public; private or private of public interest under Peruvian regulations.

Public Telecommunications services have priority over Private Telecommunications services. This principle is applicable in all the Peruvian government acts concerning the granting of concessions, authorizations, assignment of frequencies, and in general, in all such situations in which the telecommunications authority has to decide between public and private services.

The following chart shows the type of services that can be considered private services under Peruvian regulations:

SERVICE	PUBLIC	PRIVATE
FINAL OR TELESERVICE	Fixed Telephony Mobile Telephony Telex Telegraphy Paging Trunking Data transmission	Fixed Terrestrial Fixed Aeronautical Fixed Satellite Land Mobile Mobile aeronautical Mobile Maritime Mobile Satellite Amateur radio Omnibus channels Radionavigational service

B) VENEZUELA

Article 23 of the Venezuelan telecommunications law establishes that no regulatory authorization is required when:

The equipment involved is security or intercommunication equipment that, without a connection to public networks and without using the public radio domain, is used inside a dwelling to render services to a specific dwelling.

When the telecommunications equipment or networks involved are telecommunications networks of the entities of the central government, the states, municipalities, etc and the activities are performed in order to satisfy their communication needs without economic consideration by third parties and without using the public radio domain.

C) BOLIVIA

Definition of Private Network: A network operated and used exclusively by an individual or legal person for his own use, with the purpose of connecting various premises of his property or under his control. They do not include networks established exclusively within the limits of a building property of an individual or collective person or which connect a group of buildings located in one single lot or adjacent lots which belong to the same individual or collective person.

a) Legal persons: Include any association or legal entity which does not have as corporate purpose the provision of telecommunication services, except in the case of concession holders who can use private networks and operate them in benefit of third parties, according to the regulations.

b) Two or more associations will be considered as a single user if:

-51% of the corporate capital belongs directly or indirectly to one of them

-51% of the corporate capital of each of them owns directly or indirectly a principal.

-The holder of a private network registration can lease circuits from a concessionaire or use his own circuits and transmission equipment, which will form part of the private network. The administration and management of the network can be subcontracted to a third party.

D) PORTUGAL

The Portuguese "Basic Law of Telecommunications" of 1997 (Law No. 91/97, of 1 August) made a distinction between public and private networks, according to the telecommunications services they support.

Private networks are defined as those which exclusively support services aimed at own use, or at a restricted number of users, according to the requirements established by regulation. Private telecommunications networks⁵ are defined as those that merely support private telecommunications services.

⁵ Telecommunications networks mean the set of physical means, called infrastructures, or electromagnetic means that support the transmission, reception or broadcast of signals.

The regulations establish that concerning the means used to establish such networks “a principle of freedom must be imposed, in line with a break in exclusivity regarding the establishment, management and exploitation of telecommunications infrastructures”.

In Portugal, the system for establishing and using private telecommunications networks is defined by special regulation (Decree Law N 290/C/99 of 30 of July).

Exceptions to the regulations:

a. **The system of private networks of the National Defense Ministry** or those under its responsibility and those of the emergency and security forces and services, which are governed by specific legislation;

b. The Government's computer network which is managed by the Management Centre of the Government Computer Network (CEGER), as well as those networks created to carry out the ends foreseen in article 1, point 1 of Decree-Law no. 184/98, of 6 July.

c. The establishment and use of cable distribution networks in condominiums as well as the collective systems for receiving and distributing radio and television broadcasting signals installed in buildings shall comply with specific legislation.

Establishment and use of private networks

Individual or collective persons shall be able to establish and use private networks as a communication support for their own use or for a restricted number of users, in cases where **no remuneration or commercial exploitation is involved**.

E) EUROPEAN UNION

Definition of Closed User Group. - According to the European Union a closed user group is defined as follows: “it is comprised of entities that while they are not necessarily linked by economic ties, can be identified as being part of a group based on a long term professional relationship established between them, or with another entity of the group, when internal communications needs follow from the common interest underlying the long term relationship. In general the ties between members of the group come from a common professional activity.”

F) BELGIUM

Definition of a Non-Public Network. - It is a network that an enterprise uses to provide telecommunication services to itself (its own network) or a network intended exclusively for services provided to closed user groups.

Non-public networks are never used for the operation of public telecommunications services but only to operate non-public telecommunications services. (i.e., intended for **closed user groups** or for **private use**). When even **the smallest part** of the network is used for operating public telecommunications services, the network is considered to be a public telecommunications network. The construction and operation of non-public networks is liberalized, provided they are declared to the regulator no later than four weeks before the start of the commercial operation.

G) DOMINICAN REPUBLIC

Private Telecommunications Services are those established by a person or company to satisfy strictly their own communications needs or those of others who make up the social, economic or financial group to which it pertains.

Private Telecommunications Services may not be rendered to third parties except when dealing with a value added service used as a means to fulfill the corporate objective of the company, so long as said corporate objective is not precisely the rendering of telecommunications services.

Telecommunications Transport of Private networks: network or system of telecommunications established by a natural or juridical person, with his own infrastructure or through the leasing of channels and circuits of public telecommunications networks, which allow telecommunications between two or more terminal points defined in a network.

SECTION II. Regulatory authorization or licensing of Private Networks

Status: Currently the TRC does not have in place any system to register, authorize or otherwise keep track of the existence and use of private networks. Article 21 of the Jordanian Telecommunications Law establishes that “private telecommunications networks may be established and operated without a license from the Commission, except that the use of radiofrequency shall require a license. Additionally, article 22 of the law establishes that “the Commission may issue instructions specifying the types of private networks, including directives and technical conditions related to their establishment and operation and the Commission may require approval for the establishment of certain types of these networks as it may see fit.”

Option 1: Leave these networks completely unregulated.

Option 2: Create a registration procedure whereby the TRC keeps track of the number of private networks in place and their operation and uses.

Option 3: Create a licensing scheme for private networks.

TMG’s Recommendation:

The worldwide sample of countries shown in this memo describes different levels of regulatory intervention for authorizing the operation of private networks. Some countries employ registers, others authorizations or permits to authorize the deployment and use of private networks, while a few countries leave private networks completely unregulated. We believe that regulatory intervention of private networks must be minimal, and should be focused on ensuring that no harm is caused to the public network, and that such networks are used for the purposes intended (i.e., stimulate growth for the services and industries that use the underlying networks). Based on the foregoing our recommendation is option 1, not to register or license private networks, but to issue general regulations setting forth the main TRC’s policies on private networks with which all private networks should comply.

Due to the current stage of transition of the telecommunications market in Jordan, and the monopoly rights granted to Jordan Telecom until the end of 2004, the TRC may be pressured to keep track of private networks deployment and uses. In such a case, we recommend option 2, creating a procedure to register and keep track of private networks, as follows: A streamlined declaration system would require private network operators to register in the special register (providing only their identification and relevant corporate data) and sign an affidavit declaring that the networks will be used in conformity to the private network regulations. At this stage, the TRC should not require any technical data from the operators other than to request that operators use only type approved equipment. Under this system, the good faith of the operator is presumed in which the TRC would be required to act only in case of violations to the regulations. If these occur, the operator would have committed a violation of the regulations and to the commitment made in the affidavit, based on which the TRC should be able to impose the appropriate sanctions.

Another option is to implement a more restrictive notification and registration procedure in a Special Register of Private Networks established within the TRC. Upon notification

the operator can begin the establishment or installation of its network and in order to start operating the private services the relevant company must have the registration number issued by the TRC. The notification shall not imply more than a declaration by a legal or natural person to the TRC of the intention to commence the provision of private communications or services and the submission of the minimal information, described below, which will allow the TRC to keep a register or list of private networks operators and services.

The notification should be limited to information that is necessary for the identification of the provider, such as company registration numbers, and the provider's contact persons, the provider's address, a short description of the network or service, including list of equipment necessary for the provision of services, geographic area(s) where the services are intended to be provided, the designation of the closed user group of services, and an estimated date for starting the activity.⁶ Concerning the identification of the closed user group, we recommend requiring the private network user to certify that the network will be used only by the closed user group designated in the notification and in conformity with the regulations.

Upon receipt and review of a complete notification package, the TRC would issue a certificate of registration, whereby the private network is given a registration number. The TRC shall have 30 days to review the application and require any clarification or additional information required. If the applicant receives no communication from the TRC within this period, the information shall be considered complete and the provision of the service shall be authorized. The application forms shall be made available on the TRC website.

International Best Practices:

A) UNITED STATES AND CANADA

In the United States and Canada there have generally been no licensing requirements for telecommunications operators or services, except for spectrum licenses, FCC Section 214 facilities certifications, CRTC international service licenses and historically public convenience and necessity certificates in some US states and Canadian provinces.

B) PERU

Private Teleservices (i.e. terrestrial fixed, aeronautical fixed, fixed satellite, maritime mobile, etc.) require an **authorization** which is granted by the Ministry of Communications by means of a Resolution for a period of 5 years maximum.

In order to obtain authorization to establish private teleservices, except radio amateur service,⁷ an application with the following information must be filed with the Ministry of Communications:

- 1. Corporate Data. In the case of legal entities:** A copy of the articles of incorporation registered according to law, or applicable instrument in the case of

⁶ Directive 2002/20/EC of the European Parliament and Council of March 7 2002.

⁷ Subject to special regulation

foreign companies and copy of the power of attorney of its legal representative, also registered in the public registries, legalized or certified by an authorized officer of the General Telecommunications Bureau. **In the case of individuals:** personal data of the applicant, legalized or certified copy of the identity document.

2. Technical description of the service to be installed, including a list of equipment and projected investment. The technical project must be authorized by an authorized engineer.

4. Legalized or certified copy of the registration card of the vehicle, license plates of aircrafts and vessels when the authorization is for private radio communication services provided by air or sea.

5. Total investment of the project and projected amount of total investment to be executed during the first year.

8. Other requirements established in the specific rules and regulations issued by the Ministry.

Procedure for Private Teleservices authorization:

Upon the filing of an application for authorization, the Ministry will check whether or not the required information and documents are contained therein or have been attached. If any of the requirements has not been satisfied, the Ministry will provide notice to the relevant party to rectify the omission within a maximum of 7 calendar days, which will be noted in the application.

Once the omission has been rectified, the authorization application will be deemed accepted as of the date the requirements that were still missing were fulfilled.

If the omission is not rectified within the period referred to above, the application will be considered not filed and the documents submitted will be returned to the applicant. In any event, the Ministry can dispose of such documents if they were not collected by the applicant within a term of forty five calendar days.

Within 90 days following compliance with all the applicable requirements, the competent authority will issue an authorizing resolution, if a favorable advisory report has been issued regarding the docket. Otherwise, that is, if the authorization application is considered inadmissible based on the evaluation of the docket, the corresponding supporting report will be issued and the Ministry will issue the resolution.

If no resolution is issued within the above period, the applicant may consider that its application has been rejected, but the applicant may wait for the issuance of the Ministry's resolution.

If a person wishes to establish a Value Added Services (VAS) network and service, the user must apply for an authorization. (Examples of VAS services are data switching by package, videotext, teletext, data storage and transmission, voice mail, etc.)

C) BOLIVIA

Under Bolivian regulations, a private network is that operated exclusively by an individual or legal person for the purpose of connecting several installations owned or controlled by said individual or legal person. This type of network is not interconnected to a public network that is switched within or outside the country. The operation or use of any private network that extends beyond the limits of the **owner's premises** requires appropriate **registration with the Superintendency of Telecommunications**.

Owner's premises are defined as the building or land property belonging to an individual or legal person where such person conducts his business or activities. Such property is limited by streets or other neighboring properties.

Private networks shall be **registered** according to the procedures established in the regulations.

Requirements for a private network's registration

1) Submission of the request

The interested person shall submit to SITTEL the technical and legal information required by SITTEL and a letter addressed to the Superintendent of Telecommunications requesting registration. The following information shall be included in the license request and registration:

- Name, address, telephone, fax of the applicant and all pertinent legal documents concerning identification of the applicant.
- Certificate of financial capability granted by the General Comptroller's office.
- If applicable, a special power of attorney in favor of the person in charge of obtaining the registration.
- Geographic coordinates of the stations (degrees, minutes and seconds) and addresses of such stations.
- Frequencies or bands of frequencies to be used.
- If applicable, description of the emissions (according to ITU radio Regulations).
- If applicable, the bandwidth requested
- Number of channels of radiofrequency and speed of transmission.
- Nominal power of the transmitter.
- Effective power of the transmission.
- Elevation of the transmission sites over sea level.
- Height above ground of the transmission antennas.
- Types of transmission antennas and radiation diagrams.
- Types of electromagnetic polarization.

- Services to be offered.
- Service area to be covered adding the calculation of the reach of signals.
- If applicable, number of aircraft, cars, to be used.
- Affidavit of the value of equipment.
- Analysis of co-channel interference and known conflictive uses.
- Implementation schedule.
- Financial commitment for the project.
- Affidavit certifying that the information is correct.
- Affidavit of private networks, whereby the applicant for a registration of private networks must specify that the network:
 - a) Will be used exclusively for communication between premises of the user.
 - b) Will not be connected to the public switched network nationally or internationally (unless it is under the exception considered by the regulations art 317⁸ of the regulations).

2) Evaluation of the application documents and registration

1. Once the documents are received, they are reviewed and if there are documents still missing the SITTEL requests the applicant to complete the package. If the information provided is insufficient SITTEL requests the interested person to complete the application. Once the application is complete, it receives a docket number.
2. Publication of the application request: If the request is approved, SITTEL publishes the details for 3 consecutive days in national newspapers.
3. Any objections to the publication should be presented to SITTEL in writing within 15 days.
4. If there is no objection or if the objections are not well grounded, SITTEL shall issue the administrative resolution granting the registration.
5. The interested party shall pay for the assignment of frequencies, use of frequencies, and regulatory fee and shall submit to SITTEL the receipt of payment.
6. Once the payment of all fees has been verified, the administrative resolution which grants registration is issued.
7. A private network can be in operation 15 calendar days after registration, as long as all the legal requirements for registration have been complied with.

D) DOMINICAN REPUBLIC

A registration in a **Special Registry** with the regulator is required for the use of private telecommunications services. The applicant shall provide all the information required in order to determine that the service qualifies as a private service. In the Dominican Republic, the same regulatory requirements are applicable not only to private networks but also to value added services, resale services, mobile maritime services, mobile

⁸ See pg 22 of this memo for wording of the article.

aeronautical services, ham radio services and satellite access services, all of which are also subject to registration in Special Registries.

Requirements

Every request for registration in Special Registries must contain at least the following information:

1) General Information

- 1) Name, address, telephone, fax, e-mail of the applicant.
- 2) Number of the personal identification card or document, or number of the National Taxpayer's Registry respectively, in the case of a person or company.
- 3) Type of service which one proposes to operate or provide.
- 4) Geographical area in which the applicant proposes to provide or operate the service.

2) Corporate Data

If the applicant is a company it will need to submit all pertinent legal documentation such as bylaws, authorization from the tax authority, registration with the Office of Civil registry, etc. If the company is a foreign company it needs to be domiciled in the Dominican Republic.

3) Technical Information

- 1) If applicable, certificates of standardization/adjustment of the main equipment to be used or the corresponding request for standardization presented to INDOTEL.
- 2) A list of the services which will be offered under the registration requested, indicating their characteristics and the moment from which they will be offered. Any plans for expansion should also be included.
- 3) Whenever applicable, a description of the topology and architecture of the network, including a description of the trunk network and the distribution network, if applicable, describing the technologies to be used and the signals and transmission plans proposed, whenever applicable. The description must include detailed diagrams indicating the interconnection components.
- 4) Whenever applicable, an indication of the infrastructures and telecommunications networks of third parties that are to be used. The diagrams of the network must clearly illustrate the infrastructures.
- 5) Whenever applicable, a list of the concessions and licenses previously granted, or registrations previously made by INDOTEL.

INDOTEL may require additional information that may be necessary for the registration.

Registration procedure

Within 30 calendar days following the date of presentation of the application, the Executive Directorate of INDOTEL shall review and notify the applicant that:

- Its application has complied with the requirements,
- The information contained in the application is incomplete or incorrect, indicating the missing, deficient or incorrect information, or
- The request has been rejected, indicating the causes that justify the rejection.

If the request has been accepted, the notification will specify the timeframe to initiate services, as applicable, and shall contain attached a Certificate of Registration issued pursuant to Article 32 of the Regulations.

- If the application is incomplete or incorrect, the applicant may amend the same, including the missing information or correcting the corresponding errors. All amendments or corrections to the original application must be presented within the 10 days following INDOTEL's notification, otherwise the request may be rejected.

Within 20 calendar days counting from the date on which the applicant presents its amendments or corrections, INDOTEL shall notify that:

- The application has been accepted, so that INDOTEL and the applicant must fulfill the registration requirements.
- The application does not comply with the requirements and therefore has been rejected.

Issuance of the Certificate of Registration

The Certificates of Registration are issued by the Executive Director of INDOTEL, observing a numerical and chronological order. The Certificates of Registration specify as a minimum the following:

- a) Name, address, telephone, fax number and address of the owner.
- b) Authorized services.
- c) The obligations indicated in Article 35 of the regulation (see section IV, page 28 on rights and obligations in this memo).
- d) Geographical area authorized for the providing or operation of the service.
- e) Number of the certificate.
- f) Period of validity of the Registration.
- g) Timeframe for initiation of the service.

Simultaneously with the registration in the Special Registry, a Certificate of Registration is issued. The registration may be issued for a period of 5 years and it is renewable for maximum periods equal to the original period of duration of the Registration.

E) BELGIUM

Non-public networks can only be installed and/or used if they have been the subject of a **declaration**. This declaration suffices only for the non-public network. A network that is partially or entirely public should be covered by an authorization. A network is considered public if one of the services that it offers is public and is directed to the public, even if the target of the group is restricted. In Belgium the non-public character of the network it must be demonstrated without ambiguity.

Note: A network that was initially the subject of a declaration can be used later to offer public services as long as the relevant legal and regulatory arrangements are respected. If a declaration was not done consistently with the conditions of the regulation, the network provider commits an infraction to the regulations and the declaration is not valid.

Declaration requirements:

Telecommunications service providers wishing to offer services to a closed user group must provide sufficient information to show that their network **is not public** and has only been established **for their own use or for the use of a closed user group**. To this end, they must complete the appropriate forms and a questionnaire issued by the regulator. The response allows the regulator to verify the declaration of the applicant that his network is in full compliance with private network regulations. The applicant must pay a fee in advance aimed at covering the costs of examining the application package. The fee is 30,000 BEF (approximately US \$ 800.00).

The applicant must fill out a form providing the following information: Name, address, telephone number, e-mail, commerce registration of the legal or natural person applying. The applicant must also provide the following information:

A) Geographic description of the network: this information will provide the regulator with details about the deployment of the network. The applicant must indicate its geographic area of activity. If possible in the following way:

-If the network uses spectrum blocks or cable connections of no more than two kilometers, the applicant must indicate the points of termination of the network.

-If the cable connections are more than two kilometers, the applicant must indicate the location of the termination points and the locations (places) where the network equipment for the connections will be installed.

-A network diagram must be provided.

B) Technical information corresponding to connections used and the equipment.

-If the applicant requires the use of frequencies, it shall complete the technical annex entitled: "National declaration form regarding spectrum blocks" and attach it to the application.

-**Mode of transmission.** - The applicant shall specify details related to the

form/type of interconnection together with other telecommunication installations.

Non-public Networks Questionnaire

The applicant must respond to a questionnaire concerning the utilization of non-public networks destined exclusively to the communication of a closed user group. The applicant shall provide the following information response to the questionnaire:

1. Clear and precise description of the nature of the socio-economic or professional links that unite the members of the closed user group.
2. Explain the arguments showing that the links are more important than the simple need for reciprocal communication.
3. When and how were these links formed to be formally recognized by the members of the exclusive group of users.
4. When will the service be declared available to the closed user group?
5. Designation of the group within the telecommunications services framework (in accordance with article 90 of the law of March 21, 1991).
6. Name, address and other professional data of the person delegated by the group as contact person for the regulator (within the telecommunications services framework) (in accordance with article 90 of the law of March 21, 1991).

F) PORTUGAL

A prior **declaration** to the regulator, the Institute of Communications (ICP), is necessary in order to establish private networks in Portugal. For this purpose, interested parties have to present the following:

- a. Identification document;
- b. Legal report clearly identifying the ends of the network;
- c. Technical project of the network.

Exemptions to the Declaration requirement:

The establishment of the following shall be exempted from complying with the Declaration requirement:

- a. Computer networks.
- b. Private networks aimed at exclusively serving one single property or condominium.

G) EUROPEAN UNION

The General Regulatory Framework recommended by Directive 97/13/EC of April 10, 1997 implemented the following categories of licenses: individual licenses, general licenses and fully liberalized services (not subject to licensing). The Directive recommended the issuance of general licenses for the following services: data transmission services, resale services, and **private networks**.

At the present time, the new regulatory framework is found in the EU Directive 2002/21/EC of March 2002 “On the authorization of electronic communications networks and services” (Authorization Directive). This regulatory structure is based on the convergence of telecommunications, internet and broadcasting services, and requires doing away with different categories of services and having one single general authorization for all electronic communications networks and services whereby a person will be generally authorized to provide communications services and/or networks without prior approval from the regulator and limiting procedural requirements to notification only. The use of individual licenses is limited to the assignment of radiofrequencies and numbers only.

Procedure to obtain a general license

General authorizations are obtained through a simplified notification procedure whereby the applicant may not be required to obtain an explicit decision or any other administrative act by the national regulatory authority before exercising the rights stemming from the authorization. Upon notification, the operator may begin activity. General authorizations contain provisions relating to customer protection and other essential requirements. They are granted without a competitive selection process and all qualified entities duly registered are authorized to provide services and operate facilities.

H) INDIA

On July 15, 2003, the Department of Telecommunications (DoT) of India liberalized the regulations for private networks operators allowing them to set up such networks when used for Closed User Groups (CUG) without seeking formal approval. Until such time companies that had been subscribing to services from public telecommunications providers (i.e. BSNL and MTNL) were not allowed to freely request leased lines from other private service providers of their choice without specific permission from the DoT.

In a letter sent to all national long distance and international long distance operators, the DoT stated that “under the terms and conditions of existing license, wherever permitted, operators are free to provide lease line to their customers for setting up Closed User Group (CUG) networks. CUG may be a network of leased lines connected in a particular configuration. Customers do not require any approval/permission from DoT for availing the facility of leased lines through licensed telecommunications operators.” The letter also clarified that “the arrangement of telecommunication resources from various service providers for setting up a CUG network as requested by the customer is to be resolved by entering into mutually agreed commercial terms between the operators.”

This letter revised circular DTC N 112-8/94-PHC of 31-05-2000 which had previously required operators to seek permission for private networks.

D) HONG KONG

Hong Kong's telecommunications legislation states that "A telecommunication service using the public telecommunications networks as the mode of conveyance will not need a license if the service is restricted for private use or for use by a closed user group with specific qualifications to be members, for example, all members have to belong to the same business sector, or the same profession (e.g., medical practitioners registered in Hong Kong), or members of a trade association." When the service being offered is clearly for its own use or use by a closed user group, it is not considered as a service to the public and no license is required. In this particular case of a closed user group, all the users should be engaged in a common business or activity and the service provider should be an organization formed by this group of users for the specific purpose of furthering such common business or activity that is the main business or activity.

Whether the service involves the conveyance of "third party" traffic or messages – that is, whether a customer of the service can make use of the service to communicate or exchange messages with another customer of the service, for example, through electronic mail. If "third party" traffic is not exchanged a license is not required. This "third party" traffic requirement makes clear that, for example, telecommunications systems established by a bank specifically for customer inquiry or banking transactions between the bank and its customers do not require a license.⁹

SECTION III: INTERCONNECTION

Status: Article 23 of the Jordanian Telecommunications Law states that "private telecommunications networks may be connected to each other or to a public telecommunications network pursuant to a written agreement reached between the owners or operators of these networks, as circumstances may require, and in accordance with instructions issued by the Commission specifying the technical conditions and guidelines necessary for interconnection; authorization by the Commission to interconnect certain types of these networks may be required if determined to be necessary."

The TRC's "Interconnection Guidelines" of October 14, 2002, which were approved by the Board of Commissioners on November 25, 2002, establishes in article 1.2, (scope): "the guidelines do not apply to operators of private telecommunications Networks or to Users. Such operators shall be entitled to **connection services** but not to "interconnection." Connection services are outside the scope of the guidelines.

Option 1: Leave the status of private networks interconnection as it is.

Option 2: Clarify the terms and conditions required to interconnect private network operators with each other and with the PSTN by issuing regulations addressing connection issues.

TMG's Recommendation

Based on the practices of a sample of countries below, the regulatory policies concerning interconnection of private and public networks vary greatly from country to country. Generally, many countries have chosen to prohibit interconnection of private networks with each other. However, some other countries (e.g., the Dominican Republic) allow

⁹ "Licensing of Telecommunications Services in Hong Kong". OFTA's website: www.ofa.gov.hk.

interconnection of private networks among themselves, provided there is strict compliance with the corporate purpose of the user. We favor this approach, which has been adopted already by Jordan (see article 23 of the Jordanian Telecommunications Law¹⁰) since, for example, corporations with facilities and operations in a number of international locations, such as banks, financial institutions, laboratories, etc. may need to connect their affiliates or private networks **belonging to the same corporate group** throughout the country or even internationally. In these cases, (if the TRC adopts a registration of private networks approach), we recommend requiring the private network operator to report to the TRC, connections that will be used, the points where the networks will connect (nationally and/or internationally) and the purpose for which such connection will be used.

Regarding interconnection of private networks with the PSTN, generally, this prohibition seems to be imposed in partially open markets where there is a strong government policy of protecting the incumbent PSTN operator (in these countries it is argued that allowing private networks to interconnect with the PSTN increases the risk of bypass). In most liberalized telecommunications markets, regulators allow private operators to interconnect to the PSTN. However, due to Jordan Telecom's monopoly on "public switched voice services" until the end of 2004, and the risk of by-pass inherent to granting such interconnection to private network operators, at this stage we recommend that a transitional measure be implemented that will prohibit the interconnection of private networks (through which voice transmission is provided) with the PSTN.¹¹ Upon expiration of Jordan Telecom's monopoly, we recommend lifting such a restriction and allowing PSTN connections. PSTN interconnection is very useful for private network users such as multinational corporations that have communication needs that require this type of connection. For example, there may be cases where a corporation needs to provide access to its network to its employees from a remote location such as a hotel room, employee's home, etc., in which case the employee could be given an access number (800 or similar number) to access the private corporate network. If a PSTN connection is needed, we suggest that the private network operator notify the regulator of the purpose of such connection, along with the form to register the private network. It must be noted that in order to avoid situations of illegal bypass the concept of a closed user group or authorized users should be narrowly defined as we recommend in the first section of this memo.

Regarding the terms and conditions under which a public network operator should make available its services and interconnection facilities for purposes of connection to private networks; we recommend requiring public operators to make facilities available when technically feasible. Additionally, it should be a requirement that private networks submit their interconnection agreements with public providers to the TRC. The reason for this requirement is that the public network operator is dominant and is able to apply

¹⁰ Article 23 of the Jordanian Telecommunications Law states "Private Telecommunications Networks may be connected to each other or to a Public Telecommunications Network pursuant to a written agreement reached between the owners or operators of these networks, as circumstances may require, and in accordance with instructions issued by the Commission specifying the technical conditions and guidelines necessary for interconnection; authorization by the Commission to interconnect certain types of these networks may be required if determined to be necessary."

¹¹ This recommendation is consistent with the document "Regulatory Treatment of Voice over Internet Protocol," May 2003, by Greg Van Koughnett which states: "Private networks may utilize Internet Protocol as well as circuit-switched voice telephony without interfering with the exclusivity clause in the license accorded to Jordan Telecom provided there is no breakout to the public switched telephone network."

anticompetitive pressures to the private network operator if there is no TRC oversight. The interconnection agreement does not have to be approved by the TRC, just submitted, which should be enough of a deterrent against anticompetitive behavior.

Finally, article 23 of the Telecommunications Law should be amended to be consistent with the terminology used by the “Interconnection Guidelines” of October 14, 2002 approved by the Board of Commissioners on November 25, 2002, which uses the term “connection” instead of interconnection when it refers to private networks.

International Best Practices

A) PERU

Article 108 of the telecommunications regulations establishes that the public telecommunications service does not necessarily have to be interconnected to private Telecommunications networks. The interconnection of private services among themselves is prohibited.

B) ECUADOR

Article 4 of the Private Network Regulations states that private networks cannot interconnect between them or with a public network.

C) BOLIVIA

Article 317 of the Telecommunications Regulations states that a private network cannot connect directly or indirectly to a public switched network in the national territory or abroad unless it is a private network of high frequency, to which access to the public network is not available and will not be available for at least 12 months from the request of one of the terminal points in the national territory, in which case, the Superintendent of Telecommunications can authorize that such points be communicated through private circuits connected to the public network. A private network cannot be connected directly or indirectly with another private network.

The regulations specify that if the network is connected to a PBX or other terminal equipment and this is in turn connected to a public switched network nationally or internationally, the terminal points of the public and private networks must be separated in the terminal equipment in such a way that the indirect connection of a private network with a public switched network is avoided, unless it falls under the exception situation of article 317 of the regulations.

D) PANAMA

Although this is not an example of a liberalization policy we would like to include it as illustration of a transitional measure implemented to protect the incumbent’s operator monopoly on public voice communications:

- a) The regulator gave C&W the exclusivity in the provision of private lines voice circuits.
- b) Additionally the regulations state that: “during the exclusivity period granted to C&W, private networks through which voice transmission services are provided cannot be used to provide services to third parties who are not members of the single group of users. No connection of such circuits with the PSTN will be allowed”.

E) PORTUGAL

The connection of private networks to public use telecommunication services (those services destined to the general public) shall be made via a single access point for each communication, and directing it to other public use telecommunication services shall be prohibited. Interconnection between private networks shall be prohibited.

F) DOMINICAN REPUBLIC

The Telecommunications Law establishes that Private Networks may not be connected among each other by their own means, excepting when it be necessary for strict compliance with the corporate objective of the owners of both networks to be connected. In that case, **the regulatory body must authorize the installation and operation of the linking network.**

Private networks may be connected to public telecommunications networks, after agreement of the parties on the technical and economic terms and conditions of such connection. In the case of disagreement, the regulatory body shall set the conditions of this connection.

SECTION IV: RIGHTS AND OBLIGATIONS OF PRIVATE NETWORKS

Status: Currently there is no set of guidelines in which the rights and obligations of private networks are specified. However, article 22 of the Telecommunications Law states that “the Commission may issue instructions specifying the types of private networks including directives and technical conditions related to their establishment and operation.”

Option 1: Leave the issue as it is.

Option 2: To issue regulations specifying the rights and obligations of private networks operators.

TMG’s Recommendation:

We suggest option 2, including a section in the private network regulations concerning rights and obligations of private network operators in Jordan. This section should address the following issues:

- a. If there is a registration requirement, payment of authorization or registration fee (a one time payment) and ongoing yearly regulatory fee (sufficient to cover regulatory expenses related to managing the registration system, conduct inspections, etc). Such charges shall be limited to cover the administrative costs for those activities.
- b. Private networks should be required to make available to the regulator all relevant documents and premises for regulatory inspections to ensure compliance with the regulations.
- c. Private networks rights related to infrastructure. - Concerning the infrastructure to be used to establish a private network, operators should be given the right to use their own infrastructure or lease it from public telecommunications operators and the networks can be wireline, or wireless or virtual private circuits. Regarding this issue, it must be taken into account that JTC enjoys monopoly rights over the provision of the PSTN circuits, including

leased lines, until the end of 2004. The TRC has explicitly stated that “JTC may lease lines to customers for use as private circuits. The TRC may give permission for self provision of a private circuit longer than the defined distance, including international circuits, if the user has requested provision from JTC and the user’s requirements for technical performance are not met.”¹² Due to this limitation, any rights given to private network operators concerning deployment and use of infrastructure for private networks would not be effective until the year 2004. We should also keep in mind that, in practice since JTC has control over leased lines, a significant deployment of private networks operators will be restricted until the end of 2004.

- d. The use of radio-spectrum resources shall be governed by its own law and private services which make use of such resources shall be subject to the appropriate spectrum licensing.
- e. Private network operators should only use type approved telecommunications equipment.
- f. A private network operator must submit connection agreements with Public network operators to the regulator.
- g. Private network operators should not provide telecommunications services to third parties. A private network can only be operated for the benefit of the group that will operate and use the network. It cannot be utilized for the benefit or to communicate with third parties.
- h. Private networks should be able to transmit voice, data, sounds, images, and any combination of them. These applications should be able to use any technology, including packet switching technology utilizing Internet Protocol¹³. However, at this moment, in order to protect JTC’s monopoly during the remaining year of its current license and due to the risk of by-pass when there is connection with a public network, we suggest implementing as a **transitional measure**, the regulations used by the Panamanian regulator to protect Cable and Wireless’ rights on public voice communications (see page 24 of this memo).
- i. Private network operators should make their networks available for communications in cases of national emergency, disasters, to protect human life, maintain public order and guarantee the security of natural resources, public and private goods.

International Best Practices

The following are examples on the types of rights and obligations that countries have chosen to give to private networks

A) BOLIVIA

Regulatory inspections and documents

¹² See TRC’s website: “Jordan Telecommunications market” at” www.trc.gov.jo.

¹³ These uses are consistent with the TRC’s Final VoIP Statement which states that “Persons in Jordan are free to utilize their legitimately subscriber data communication circuits to transmit or receive voice or other media format of their choosing without fear of infringing on Jordan Telecom’s License, as long as they are transmitting and receiving such information for their own private use and not on behalf of a third party”.

The operator of a private network must maintain the following documents which shall be made available for inspection upon request of the Superintendency of Telecommunications:

- a) All contracts in effect or agreements related to the establishment and operation of the network and related equipment, including receivers, transmission equipment, switches, repeaters, multiplexers, generators, etc.
- b) A network diagram, showing all connections, speeds and all other relevant network topography.
- c) Documents showing all measures taken to prevent the indirect connection to switched public networks through PBX equipment and other terminal equipment, or when the authorization of the Superintendency is needed, in the cases established by Art 317¹⁴ of the regulations.
- d) Documents showing the legal relationship between users of the network and the holder of the registration as private network operator.
- e) All regulatory registration documents and details of the equipment containing the market value of the same.

Regulatory inspections

- The holder of the registration shall answer the requests for information from the Superintendency of Telecommunications and should allow the personnel of the Superintendency access the premises with the purpose of conducting inspections at any time during working hours, with or without previous notice and during non working hours with a minimum of 2 hours notice.
- The holder of the registration shall in a timely fashion inform in writing the Superintendency of any material modification of the network or changes regarding the users of the network.
- The holder of the registration shall submit annually to the Superintendency detail of the market value of the equipment part of the network, including the value of the equipment installed during the past year.

Suspension of operations

A private network can only be operated and used for the benefit of an individual or collective person duly registered to operate and use the network. It cannot be utilized for the benefit or to communicate with third parties.

Infrastructure

The regulations state that the operation of a private network includes the leasing of circuits from an authorized concessionaire, and the holder of a registration title can own his own transmission circuits and equipment which will form part of a private network, and the management of such circuits can be contracted to a third party.

¹⁴ See section pg 22 for the wording of Article 317

Cancellation of the registration

The Superintendency of Telecommunications can cancel the registry and suspend the functioning of a private network when it determines that:

- a) The private network has been connected to a public network in the national territory or abroad without authorization.
- b) The private network has been used to provide services to third parties.
- c) The holder of the registration has conducted illegal activities or has used the radio electric spectrum illegally or has violated the telecommunications legal regime in force.

The regulations establish the following rights for private networks operators

- A private network can be used for the transmission of voice, data, sounds, images or any combination of them.
- A private network can be formed by one or more leased circuits, own infrastructure or a combination of these and can be used to communicate between points of the national territory or between a point within the national territory and a point abroad.

B) ECUADOR

Rights and Obligations of Private Network Operators

A private network cannot be used, directly or indirectly to provide telecommunication services in the national territory or between a point within the national territory and abroad. Thus, a private network cannot make transmissions to third parties to or from a public network within the country.

Obligation to submit Affidavits

A representative of each duly authorized private network will deliver annually to the Superintendent an affidavit certifying that the network is being operated according to the requirements established in the regulations.

C) PERU

The regulations establish the following obligations of the titleholder of an authorization:

1. Install and operate the service, as per the terms and conditions set forth in the authorizations.
2. Provide the service on an uninterrupted basis, barring exceptional circumstances caused by acts of God or force majeure, duly proved.
3. Pay in due course the applicable duties and spectrum usage fee. Holders of authorizations to provide final private services (defined in section 2 of this memo) must make the following payments: One time duty equal to 2.5/1000 of the initial investment foreseen for the establishment of the authorized telecommunications service; payment of the appropriate contribution for the use of radio electric spectrum if applicable.

Additionally, article 15 of the Telecommunications regulations establishes that natural or legal persons authorized to operate private radio communications services, in places where there are no public services, are obliged to route messages from authorities or from third parties when this is needed to protect human life, maintain public order and guarantee the security of natural resources and public and private goods. Article 16 requires private networks operators to make available their networks in cases of national emergency.

Rights of an Authorization holder; the following are the main rights:

1. Provide the service.
2. Transfer, under exceptional circumstances, the authorization to another individual or legal entity, with the prior express approval of the Ministry.
3. Any other right established in the authorization or in the Specific Technical Regulations.

D) PORTUGAL

Portuguese regulations of private networks include the following rights and obligations for private networks operators:

Rights concerning network establishment

Entities wishing to establish private networks are allowed to:

- a. Install the equipment they need in order to establish their private networks;
- b. Have recourse to the network means of public telecommunication operators, under conditions to be agreed upon by their parties.

Prohibitions

It is prohibited to use private networks to directly or indirectly provide public use telecommunications services.

Obligations of Private Networks

- a. To use the network according to the ends for which it is designed;
- b. To guarantee the safe functioning of the network and the maintenance of its integrity, and in the case of connections between private and public networks to use equipment duly approved by the competent entity;
- c. To ensure the effective and efficient use of the assigned frequency bands, when applicable;
- d. To comply with the applicable legal provisions, as well the mandates or injunctions addressed to them by the competent authorities;
- e. To provide confirmation of the conditions for establishing and using the networks and equipment;
- f. To supply the regulator with all the information requested and that is necessary for verifying obligations and inspection, in particular the technical network project, and to make available information for statistical reasons, by providing access to the respective installations and documentation;
- g. To proceed with the necessary repairs, with a view to the regular functioning of the installations.

Tariffs

In Portugal, tariffs are imposed for establishing and using private networks – namely, an annual tariff, the amount of which shall be set by the regulator (a function of the cost associated with administrative, technical and operational tasks, and their corresponding oversight. The tariffs constitute the regulator's revenue).

The establishment and use of computer networks and the private networks exempted from declaration requirements shall be also exempt from paying the tariff.

Inspection

The regulator has the obligation to ensure compliance with the provision of the regulations through its employees hired for this purpose or other agents duly accredited by ICP's Board of Administration.

Punishable offences and fines.

The following are punishable under the regulations:

- a. The connection of private networks to public use telecommunications services in violation of the requirements for such connection shall be made via a single access point for each communication.
- b. A violation of the prohibitions concerning interconnection between private networks.
- c. A violation of the obligations foreseen in the regulations.

E) EUROPEAN UNION LAW

Directive 2002/20/EC of the European Parliament and the Council of March 7, 2002 states that in the case of electronic communications networks and services not provided to the public it is appropriate to impose fewer and lighter conditions than are justified for electronic communications networks and services provided to the public.