

REGULATION OF MINISTER OF COMMUNICATIONS AND INFORMATICS

NUMBER 7 OF 2015

ON

THE SECOND AMENDMENT TO

REGULATION OF MINISTER OF COMMUNICATIONS AND INFORMATICS

NUMBER: 01/PER/M.KOMINFO/01/2010

ON TELECOMMUNICATIONS NETWORK OPERATIONS

BY THE GRACE OF THE ONE AND ALMIGHTY GOD

MINISTER OF COMMUNICATIONS AND INFORMATICS

OF THE REPUBLIC OF INDONESIA,

Considering : a. that to improve public services in the licensing process for telecommunications network operations, it is deemed necessary to amend Regulation of Minister of Communications and Informatics Number: 01/PER/M.KOMINFO/01/2010 on Telecommunications Network Operations as amended by Regulation of Minister of Communications and Informatics Number 38 of 2014 on Amendment to Regulation of Minister of Communications and Informatics Number: 01/PER/M.KOMINFO/01/2010 on Telecommunications Network Operations;

b. that based on the consideration as referred to in letter a, it is necessary to establish a Regulation of Minister of Communications and Informatics on the Second Amendment to Regulation of Minister of Communications and Informatics Number: 01/PER/M.KOMINFO/01/2010 on Telecommunications Network Operations;

Noting : 1. Law Number 36 of 1999 on Telecommunications (State Gazette of the Republic of Indonesia Year 1999 Number 154, Supplement to State Gazette of the Republic of Indonesia Number 3881);

2. Law Number 39 of 2008 on State Ministries (State Gazette of the Republic of Indonesia Year 2008 Number:

- 166, Supplement to State Gazette of the Republic of Indonesia Number: 4916);
3. Government Regulation Number: 52 of 2000 on Telecommunications Operations (State Gazette Year 2000 Number: 107, Supplement to State Gazette Number: 3980);
 4. Government Regulation Number: 53 of 2000 on Use of Radio Frequency Spectrum and Satellite Orbit (State Gazette Year 2000 Number: 108, Supplement to State Gazette Number 3981);
 5. Government Regulation Number 7 of 2009 on Types and Tariffs for Types of Non-Tax State Revenues Applicable in Department of Communications and Informatics (State Gazette of the Republic of Indonesia Year 2009 Number 20, Supplement to State Gazette of the Republic of Indonesia Number 4974), as amended by Government Regulation Number 76 of 2010 (State Gazette of the Republic of Indonesia Year 2010 Number 135, Supplement to State Gazette of the Republic of Indonesia Number 5171);
 6. Decision of Minister of Transportation Number: KM. 4 of 2001 on Determination of the National Fundamental Technical Plan 2000 for the Development of National Telecommunications as has been amended several times, and was last amended by Regulation of Minister of Communications and Informatics Number: 17 of 2014 on the Seventh Amendment to Decision of Minister of Transportation Number: KM. 4 of 2001 on Determination of the National Fundamental Technical Plan 2000 for the Development of National Telecommunications;
 7. Decision of Minister of Transportation Number: KM. 21 of 2001 on Telecommunications Service Operations as has been amended several times, and was last amended by Regulation of Minister of Communications and Informatics Number: 31/PER/M.KOM-INFO/09/2008 on the Third Amendment to Decision of Minister of Transportation Number: KM. 21 of 2001 on Telecommunications Service Operations;

8. Regulation of Minister of Communications and Informatics Number: 13/P/M.KOMINFO/8/2005 on Telecommunications Operations Using Satellite as amended by Regulation of Minister of Communications and Informatics Number: 37/P/M.KOMINFO/12/2006;
9. Regulation of Minister of Communications and Informatics Number: 08/PER/M.KOMINFO/02/2006 on Interconnection;
10. Regulation of Minister of Communications and Informatics Number: 03/PER/M.KOMINFO/1/2007 on Network Lease;
11. Regulation of Minister of Communications and Informatics Number: 01/PER/M.KOMINFO/01/2010 on Telecommunications Network Operations;
12. Regulation of Minister of Communications and Informatics Number: 17/PER/M.KOMINFO/10/2010 on Organization and Work Procedure of Ministry of Communications and Informatics;

HAS DECIDED:

To establish : REGULATION OF MINISTER OF COMMUNICATIONS AND INFORMATICS ON THE SECOND AMENDMENT TO REGULATION OF MINISTER OF COMMUNICATIONS AND INFORMATICS NUMBER: 01/PER/M.KOMINFO/01/2010 ON TELECOMMUNICATIONS NETWORK OPERATIONS.

Article I

Several provisions in Regulation of Minister of Communications and Informatics Number: 01/PER/M.KOMINFO/01/2010 on Telecommunications Network Operations as amended by Regulation of Minister of Communications and Informatics Number 38 of 2014 on Amendment to Regulation of Minister of Communications and Informatics Number: 01/PER/M.KOMINFO/01/2010 on Telecommunications Network Operations shall be amended as follows:

1. The provision of Article 5A is amended so as to read as follows:

Article 5A

- (1) The telecommunications network operations principle license and the telecommunications network operations license based on a selection mechanism shall be stipulated by the Minister.
 - (2) The telecommunications network operations principle license and the telecommunications network operations license based on an evaluation mechanism shall be stipulated by the Director General.
 - (3) The Director General shall report the issuance of the telecommunications network operations principle license and the telecommunications network operations license based on an evaluation mechanism as referred to in paragraph (2) to the Minister in writing no later than 3 (three) working days from the stipulation of the principle license and/or the operations license.
2. The provisions of Article 67 paragraph (3) and paragraph (4) are amended so that Article 67 shall read as follows:

Article 67

- (1) An application for a telecommunications network operations principle license whose license procedures are through an evaluation process as referred to in Article 4 paragraph (4) and Article 5 may be submitted at any time.
- (2) The evaluation as referred to in paragraph (1) shall be carried out by taking into account:
 - a. fair business competition;
 - b. investment protection;
 - c. a ratio between service availability (supply-side) to community needs (demand-side); and/or
 - d. national efficiency.
- (3) The application for the principle license as referred to in paragraph (1) shall be submitted to the Director General.
- (4) The application as referred to in Article 4 paragraph (4) shall be evaluated by a Team determined by the Director General.
- (5) The application as referred to in Article 5 shall be evaluated by the Director General.

3. Between paragraph (2) and paragraph (3) Article 68 are inserted 2 (two) paragraphs, namely paragraph (2a) and paragraph (2b) so that Article 68 shall read as follows:

Article 68

- (1) The application for the telecommunications network operations principle license whose license procedures are through an evaluation process as referred to in Article 67 paragraph (1) shall enclose the following requirements:
- a. the company's deed of establishment and its approval from a competent authority;
 - b. amendment to the company's deed of establishment and a letter of acceptance of notice from a competent authority;
 - c. Taxpayer Identification Number (NPWP);
 - d. certificate of domicile;
 - e. business plan which comprises:
 1. types of services in accordance with the operations applied;
 2. coverage of development areas and services to be deployed (roll out plan) for a five-year commitment;
 - f. a bank statement of proof of funds at a minimum of 5% (five percent) of the total investment for the deployment of telecommunications facilities and infrastructure for 5 (five) years as stated in the roll out plan;
 - g. technical data which comprises:
 1. system configuration and networks technology to be deployed;
 2. network diagram, route, and map;
 3. the radio frequency spectrum proposed in the event that the prospective telecommunications network operators intend to use a radio frequency spectrum.
 - h. a statement explaining that the technical data, devices/equipment, telecommunications facilities and/or infrastructure to be deployed conform to telecommunications networks technical requirements, configuration, and hierarchy based on the fundamental technical plan;
 - i. tax clearance certificate from the tax office for existing companies;

- j. a statement letter/report on the composition of direct company's share ownership up to 2 (two) levels above the applicant company, including the country of origin of the shareowners;
 - k. a statement explaining that the composition of company's share ownership will not be changed during the validity period of the principle license;
 - l. a statement explaining that the composition of share ownership will not be changed after obtaining a telecommunications operation license, before fulfilling the deployment obligations at a minimum of 50% (fifty percent) of the total deployment obligations for 5 (five) years as stated in the telecommunications operation license;
 - m. a statement explaining that there is no affiliation with other companies (at the level of president director).
- (2) The requirements as referred to in paragraph (1) letter j and letter k shall not apply to public companies whose share exchange transactions are carried out on a domestic stock exchange.
- (2a) The requirements as referred to in paragraph (1) letter a, letter b, letter c, and letter d shall not need to be resubmitted in the event that the applicants are telecommunications network and/or service operators.
- (2b) The requirements as referred to in paragraph (2a) shall be resubmitted in the event of data changes.
- (3) In the event that the application requirements for the telecommunications network operations principle license as referred to in paragraph (1) are incomplete, the application shall be declared to have been canceled and the applicants may submit a new application.
4. The provisions of paragraph (1), paragraph (2), and paragraph (3) Article 69 are amended and 1 (one) paragraph is added, namely paragraph (4), so that Article 69 shall read as follows:

Article 69

- (1) The evaluation of an application as referred to in Article 68 shall be completed no later than 14 (fourteen) working days from the receipt of a complete application.

- (2) In the event that the application fails to meet the specified requirements, the Director General shall give a written denial providing grounds for denial.
 - (3) If within the 14 (fourteen) working days as referred to in paragraph (1) no decision for principle license grant nor denial is made, the application for principle license shall be deemed to have been approved.
 - (4) The Director General shall report the application for a telecommunications network operations license deemed to have been approved to the Minister in writing no later than 1 (one) working day after the approval of the principle license application as referred to in paragraph (3) enclosing the grounds stating the absence of approval or denial of the said principle license application.
5. The provision of Article 70 paragraph (1) is amended and between paragraph (1) and paragraph (2) is inserted 1 (one) paragraph, namely paragraph (1a), so that Article 70 shall read as follows:

Article 70

- (1) Based on the results of the selection as referred to in Article 66 paragraph (4), for those who meet the requirements, the Minister shall issue a principle license.
- (1a) Based on the results of the evaluation as referred to in Article 69 paragraph (1), for those who meet the requirements, the Director General shall issue a principle license.
- (2) The principle license as referred to in paragraph (1) and paragraph (1a) shall be valid for a maximum of:
 - a. 3 (three) years for networks operations whose license procedures are through a selection process as referred to in Article 4 paragraph (2) and for networks operations whose license procedures are through an evaluation process as referred to in Article 4 paragraph (4);
 - b. 2 (two) years for network operations whose license procedures are through an evaluation process as referred to in Article 5.
- (3) The principle license as referred to in paragraph (2) may be extended if the principle license holder has invested in the preparation for the deployment of facilities and infrastructure according to the results of the assessment by the Team established by the Director General.

- (4) Principle licenses may be extended once with a maximum validity period of 1 (one) year for the principle license as referred to in paragraph (2) letter a, and 6 (six) months for the principle license as referred to in paragraph (2) letter b.
 - (5) In the event that the application for the principle license extension as referred to in paragraph (3) is not determined within a period of 10 (ten) working days from the receipt of the application for principle license extension, the principle license shall be declared to have been extended.
6. The provision of Article 73 paragraph (2) is amended so that Article 73 shall read as follows:

Article 73

- (1) Telecommunications network operations licenses shall be issued after principle license holders are declared to have passed the operation worthiness test and have applied for an operation license.
 - (2) The telecommunications network operations licenses as referred to in paragraph (1) shall be issued no later than 14 (fourteen) working days from the issuance of the operation worthiness certificate.
7. The provision of Article 81 paragraph (1) is amended so that Article 81 shall read as follows:

Article 81

- (1) In the event that no other considerations need to be taken into account, the Minister shall issue an operation license no later than 14 (fourteen) days from the issuance of the operation worthiness certificate.
- (2) The considerations as referred to in paragraph (1) shall include, but not limited to, complaints from the public and alleged violations of the provisions of laws and regulations.

Article II

This Ministerial Regulation shall come into force from the date of its promulgation.

For public cognizance, it is hereby ordered that this Ministerial Regulation be promulgated in the Official Gazette of the Republic of Indonesia.

Established in Jakarta
on 12 February 2015

MINISTER OF COMMUNICATIONS AND INFORMATICS OF
THE REPUBLIC OF INDONESIA,

signed

RUDIANTARA

Promulgated in Jakarta
on 12 February 2015

MINISTER OF LAW AND HUMAN RIGHTS OF THE REPUBLIC OF INDONE-
SIA,

Signed

YASONNA H. LAOLY

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2015 NUM-
BER 250

UNOFFICIAL ENGLISH TRANSLATION

This unofficial English translation is brought by the collaboration between Government translators from Ministry of Communications and Informatics and Cabinet Secretariat: Andhika Widyarani, Aulia Astagina Ramadhani, Chrisna Harimurti, Cintami Agnes Selviani, Erik Limantara, Ivan Atmanagara, Muhammad Ersan Pamungkas, Muhardi, Penni Patmawati Rusman, and Siti Chodijah.