

REGULATION OF MINISTER OF COMMUNICATIONS AND INFORMATICS

NUMBER: 08/Per/M.KOMINFO/02/2006

ON

INTERCONNECTION

BY THE GRACE OF THE ONE AND ALMIGHTY GOD

MINISTER OF COMMUNICATIONS AND INFORMATICS,

- Considering
- a. that Government Regulation Number 52 of 2000 on Telecommunications Operations has regulated the interconnection of telecommunications operations;
 - b. that in order to guarantee the certainty and transparency of the provision and service of interconnection between telecommunications operators, it is necessary to establish provisions on the interconnection between telecommunications operators in a Regulation of Minister of Communications and Informatics.
- Noting
- 1. Law Number 36 of 1999 on Telecommunications (State Gazette Year 1999 Number: 154, Supplement to State Gazette Number 3881);
 - 2. Government Regulation Number 52 of 2000 on Telecommunications Operations (State Gazette Year 2000 Number 107, Supplement to State Gazette Number 3980);
 - 3. Decision of Minister of Transportation Number KM.4 of 2001 on Determination of the 2000 National Fundamental Technical Plan as amended by Decision of the Minister of Transportation Number KM.28 of 2004 and Regulation of Minister of Communications and Informatics Number 6 of 2005;

4. Decision of Minister of Transportation Number: KM.20 of 2001 on the Operation of Telecommunications Networks as amended by Decision of Minister of Transportation Number: KM.29 of 2004;
5. Decision of Minister of Transportation Number: KM.21 of 2001 on the Operations of Telecommunications Services as amended by Decision of the Minister of Transportation Number: KM.30 of 2004;
6. Decision of Minister of Transportation Number KM.23 of 2002 on Internet Telephony for Public Purposes as amended by Decision of Minister of Transportation Number KM. 32 of 2004 and Regulation of Minister of Communications and Informatics Number 7 of 2005;
7. Decision of Minister of Transportation Number KM.31 of 2003 on Establishment of the Indonesian Telecommunication Regulatory Authority;
8. Regulation of Minister of Communications and Informatics Number: 01/P./M./KOMINFO/04/05 on Organizational Structure and Work Procedure of Department of Communications and Informatics;
9. Decision of Minister of Transportation Number: KM. 33 of 2004 on Supervision of Healthy Competition in Fixed Network and Basic Telephony Service Operations;
10. Regulation of Minister of Communications and Informatics Number: 3/P./M.Kominfo/5/2005 on Adjustment to Designations in Several Decisions/Regulations of Minister of Transportation Regulating Special Contents in Postal and Telecommunications Sectors;

HAS DECIDED:

To establish : REGULATION OF MINISTER OF COMMUNICATIONS
AND INFORMATICS ON INTERCONNECTION.

CHAPTER I
GENERAL PROVISIONS

Article 1

In this Ministerial Regulation:

1. Interconnection means linking between telecommunications networks of different telecommunications network operators;
2. Interconnection Fee means fee that is charged for the linking between different telecommunications networks and/or the connection of a telecommunications network with the equipment belonging to a telecommunications service provider;
3. Reference Interconnection Offer, hereinafter referred to as RIO, means a document that contains technical, operational and economic aspects of the provision of interconnection services offered by a telecommunications network operator to other telecommunications network operators and/or service operators;
4. Access Seeker means a telecommunications network operator or a telecommunications service operator who submits application for interconnection services and access to essential facilities for interconnection to other telecommunications network operators;
5. Access Provider means a telecommunications network operator that provides interconnection services and access to essential facilities for interconnection to other telecommunications network operators or service operators;
6. Originating Operator means a telecommunications network operator from which traffic originates or generates interconnection traffic to the next telecommunications operator in an interconnection call;
7. Terminating Operator means telecommunications network operator that terminates an interconnection call;
8. Point of Interconnection means a point or location where physical interconnection occurs, and is the demarcation point between parts of one network operator and the other network operator and/or service operator,

which constitutes the limit point of authority and responsibility regarding network provision, management, and maintenance;

9. Point of Charge means a reference point which is a geographical location used to determine the interconnection fee and responsibility for an interconnection call;
10. Origination means an interconnection call initiation from the network of an originating operator;
11. Transit means the channeling of interconnection calls from an originating operator to a terminating operator through another network operator;
12. Termination means the termination of an interconnection call on the network of the terminating operator;
13. Calculation Formula means a formula that is determined and used in calculating the interconnection fee;
14. Cost Allocation Method and Regulatory Financial Reports for Interconnection Purposes means the procedure for recording all accounting activities of a telecommunications service provision;
15. Regulatory Financial Report means a form of financial reporting that shall be fulfilled by operators in order to calculate the interconnection fee of the interconnection services provided by the said operators;
16. Mediation means interconnection dispute resolution conducted by the BRTI acting as a mediator or an intermediary;
17. Interconnection Dispute Arbitration means the interconnection dispute resolution conducted by the BRTI;
18. Working days mean Monday to Friday, except for national holidays determined by the Government;
19. Working hours mean 07:30 Western Indonesian Time to 16:30 Western Indonesian Time;
20. Minister means the Minister whose scope of duties and responsibilities is in the field of telecommunications;
21. Director General means the Director General of Posts and Telecommunications;
22. BRTI means the Indonesian Telecommunications Regulatory Body.

CHAPTER II
INTERCONNECTION BETWEEN
TELECOMMUNICATION NETWORK OPERATORS

Part One
Interconnection Operations

Article 2

- (1) Interconnection must be implemented to provide guarantee for users to be able to access telecommunications services.
- (2) The interconnection as referred to in paragraph (1) must be provided by telecommunications network operators upon request.

Article 3

- (1) In providing guarantee for users to be able to access the telecommunications services as referred to in Article 2 paragraph (1), the telecommunications network operator provides connection to the equipment owned by the telecommunications service operator.
- (2) The connection of the equipment owned by a telecommunications service operator to the telecommunications network as referred to in paragraph (1) shall be carried out in a transparent and non-discriminatory manner.

Part Two
Types of Interconnection Services

Article 4

The interconnection and connection services as referred to in Article 2 and Article 3 may comprise:

- a. Origination service;
- b. Transit service;
- c. Termination service.

Article 5

- (1) The origination service as referred to in Article 4 letter a. shall constitute call initiation originating from one operator to another.

- (2) The call initiation as referred to in paragraph (1) may originate from:
 - a. local fixed network operator;
 - b. cellular mobile network operator; or
 - c. satellite mobile network operator.
- (3) The operator as referred to in paragraph (2) may provide:
 - a. local origination service;
 - b. long-distance origination service;
 - c. international origination service;
 - d. cellular mobile origination service; or
 - e. satellite mobile origination service.
- (4) The local origination service as referred to in paragraph (3) letter a shall constitute call initiation conducted by the originating network operator where the Point of Interconnection is in the same point of charge as the point of charge of the terminating operator.
- (5) The remote origination service as referred to in paragraph (3) letter b shall constitute call initiation conducted by the originating network operator where the Point of Interconnection is in a different point of charge from the point of charge of the terminating operator.
- (6) The international origination service as referred to in paragraph (3) letter c shall constitute call initiation conducted by the originating network operator using the access code owned by an international basic telephony service operator.
- (7) The cellular mobile origination service as referred to in paragraph (3) letter d shall constitute call initiation originating from a cellular mobile network operator to a terminating operator.
- (8) The mobile satellite origination service as referred to in paragraph (3) letter e shall constitute a call initiation originating from a satellite mobile network operator to a terminating operator.

Article 6

- (1) The transit service as referred to in Article 4 letter b shall constitute the provision of a network or network element for the purpose of channeling interconnection calls from the originating operator to the terminating operator of the interconnection call.
- (2) The transit service as referred to in paragraph (1) may comprise:

- a. local service; or
 - b. long-distance service.
- (3) The local transit service as referred to in paragraph (2) letter a shall constitute a transit service utilizing 1 (one) switch or trunk.
- (4) The long-distance transit service as referred to in paragraph (2) letter b. shall constitute a transit service utilizing 1 (one) or more switches or trunks using transmission networks belonging to a long-distance fixed network operator.

Article 7

- (1) The termination service as referred to in Article 4 letter c shall constitute the termination of interconnection calls from an originating operator to a terminating operator.
- (2) The termination of calls as referred to in paragraph (1) may be carried out by:
- a. local fixed network operators;
 - b. cellular mobile network operators; or
 - c. satellite mobile network operators.
- (3) The operators as referred to in paragraph (2) may provide:
- a. a local termination service;
 - b. a long-distance termination service;
 - c. an international termination service;
 - d. a cellular mobile termination service; or
 - e. a satellite mobile termination service.
- (4) The local termination service as referred to in paragraph (3) letter a shall constitute the termination of interconnection call conducted by a terminating operator where the point of interconnection is in the same point of charge as the point of charge of the originating operator.
- (5) The long-distance termination service as referred to in paragraph (3) letter b. shall constitute the termination of interconnection call where the point of interconnection is in a different point of charge from the point of charge of the terminating operator.
- (6) The international termination service as referred to in paragraph (3) letter c shall constitute the termination of basic telephony services for international call.

- (7) The cellular mobile termination service as referred to in paragraph (3) letter d shall constitute the termination of interconnection calls conducted by a cellular mobile network operator.
- (8) The mobile satellite termination service as referred to in paragraph (3) letter e shall constitute the termination of interconnection calls conducted by a satellite network operator.

Article 8

- (1) Any telecommunications network operators must state each type of the interconnection services provided as referred to in Article 2¹ in the Reference Interconnection Offer.
- (2) In the event that a telecommunications network operator provides interconnection services that are not the interconnection services as referred to in Article 2², the interconnection and its services shall be included in the Reference Interconnection Offer.
- (3) Inclusion of the types of interconnection services as referred to in paragraph (1) and paragraph (2) shall include the call scenario and the location of the Point of Interconnection.
- (4) The procedure for formulating Reference Interconnection Offer shall be implemented in accordance with the Guidelines for the Formulation of Reference Interconnection Offer as stated in Appendix 3 to this Ministerial Regulation.

Part Three

Types of Interconnection Fee and the Calculation

Article 9

- (1) Interconnection Fee shall constitute fees charged for the provision of interconnection services as referred to in Article 4.
- (2) The types of Interconnection Fee as referred to in paragraph (1) may comprise:
 - a. Origination fees;
 - b. Transit fees; or

¹ Translators' Note: The interconnection services mentioned in this paragraph should refer to Article 4. This note is written due to incorrect reference in the original document/source text.

² Translators' Note: The interconnection services mentioned in this paragraph should refer to Article 4. This note is written due to incorrect reference in the original document/source text.

- c. Termination fees.

Article 10

The origination fees as referred to in Article 9 paragraph (2) letter a shall comprise:

- a. local origination fee;
- b. long-distance origination fee;
- c. international origination fee;
- d. cellular mobile origination fee; or
- e. satellite mobile origination fee.

Article 11

The transit fees as referred to in Article 9 paragraph (2) letter b shall comprise:

- a. Local transit fee; or
- b. Long-distance transit fee.

Article 12

The termination fees as referred to in Article 9 paragraph (2) letter c shall comprise:

- a. local termination fee;
- b. long-distance termination fee;
- c. international termination fee;
- d. cellular mobile termination fee; or
- e. satellite mobile termination fee.

Article 13

- (1) The calculation of Interconnection Fee as referred to in Article 9 shall be carried out in a transparent manner and based on the calculation formula as stipulated in Appendix 1 to this Ministerial Regulation;
- (2) The calculation of Interconnection Fee as referred to in paragraph (1) shall be made by referring to:
 - a. provisions on the Cost Allocation Method and Regulatory Financial Report as stated in Appendix 2 to this Ministerial Regulation;

- b. guidebook and software of Interconnection Fee calculation formula stipulated in Decision of Director General.

Article 14

- (1) The calculated Interconnection Fee as referred to in Article 9 shall constitute the Interconnection Fee that shall be stated in the telecommunications operator's RIO.
- (2) The Interconnection Fee as referred to in paragraph (1) may be adjusted according to economic values.
- (3) The economic values as referred to in paragraph (2) shall constitute the Interconnection Fee as referred to in paragraph (1) adjusted to the capacity of demand and the amount of traffic committed by telecommunications operator requesting for interconnection services.
- (4) The procedure for defining the economic values as referred to in paragraph (3) shall be stated in the RIO.

Part Four Interconnection Fee Charging and Billing

Article 15

- (1) The Interconnection Fee shall be charged by the call terminating operator to the call originating operator responsible for the interconnection call.
- (2) In the event that the responsibility for the interconnection call is borne by the terminating operator or telecommunications service operator, the Interconnection Fee shall be charged by the originating operator to the terminating operator.
- (3) The responsibility for interconnection calls as referred to in paragraph (2) shall include responsibility for quality of service, collection rates billing process, billing to users, and uncollectible receivable accounts.
- (4) Responsibilities other than quality of service as referred to in paragraph (2)³ may be borne by the operator channeling interconnection traffic.
- (5) In the event that the responsibility is borne by a network operator that transmits interconnection traffic as referred to in paragraph (2), the

³ Translators' Note: Responsibilities other than quality of service mentioned in this paragraph should refer to paragraph (3). This note is written due to incorrect reference in the original document/source text.

operator that transmits interconnection traffic may charge a fee for the bearing of the said responsibility determined based on mutual agreement.

- (6) The fee for bearing the responsibilities as referred to in paragraph (3) shall be imposed in a transparent and non-discriminatory manner.

Article 16

Interconnection Fee billing shall be conducted based on an agreement between the operators.

Article 17

The Interconnection Fee charging and billing as referred to in Article 15 shall be stated in the RIO.

Part Five

Interconnection Fee Calculation Reporting

Article 18

- (1) Any telecommunications operators must submit a report on the calculated Interconnection Fee to the BRTI.
- (2) The report as referred to in paragraph (1) shall comprise:
- a. the Regulatory Financial Report as referred to in Article 13 paragraph (2);
 - b. Documentation of calculation and calculation software in the form of a spreadsheet; or
 - c. Cost allocation as regulated in the Cost Allocation and Regulatory Financial Report as referred to in Article 13 paragraph (2).
- (3) The calculation report as referred to in paragraph (1) shall be submitted to the BRTI within 20 (twenty) working days prior to its implementation.

CHAPTER III
REFERENCE INTERCONNECTION OFFER

Article 19

- (1) Any telecommunications networks operators must provide and publish the RIO in 60 (sixty) working days at the latest from the date of the establishment of this Ministerial Regulation in accordance with the guidelines as referred to in Appendix 3 to this Ministerial Regulation;
- (2) The RIO as referred to in paragraph (1) may be evaluated by the BRTI on an annual basis.

Article 20

- (1) The RIO owned by a telecommunications network operator with the operating revenue of 25% or more from the total business revenue of all telecommunications operators in their service segmentation must obtain approval from the BRTI.
- (2) The BRTI must evaluate and determine telecommunications network operators with the operating revenue of 25% or more as referred to in paragraph (1) on an annual basis.
- (3) The BRTI shall evaluate the RIO as referred to in paragraph (1).

Article 21

The RIO evaluation as referred to in Article 20 paragraph (3) shall be carried out prior to its publication under the following provisions:

- a. RIO proposal shall be submitted to the BRTI in 30 (thirty) working days at the latest from the establishment of this Ministerial Regulation;
- b. Approval or denial from the BRTI shall be given in 20 (twenty) working days at the latest from the date of the receipt of the RIO proposal;
- c. In giving the approval or the denial as referred to in point b, the BRTI must take into account inputs from the public;
- d. The publication of the operator's RIO proposal shall be made in 5 (five) working days at the latest from the receipt of operator's RIO proposal on the websites of the BRTI and the Directorate General;
- e. The inputs as referred to in point c shall be received by the BRTI in 5 (five) working days at the latest from the date of the publication of the operator's RIO proposal;

- f. In the event that the inputs as referred to in point c is denied, the BRTI shall provide grounds for the denial in 10 (ten) working days at the latest from the date of the receipt of the inputs from the public;
- g. In the event that the approval or the denial is not given by the BRTI in the time period as referred to in point b, the RIO proposal shall be deemed to be approved and may be published by telecommunications network operators;
- h. In the event that the RIO proposal is denied by the BRTI, the RIO proposal shall be revised and re-submitted to the BRTI in 20 (twenty) working days at the latest from the date of the receipt of the denial from the BRTI;
- i. The approval or denial by the BRTI to the revision of the RIO proposal shall be provided in 10 (ten) working days at the latest from the date of the receipt of the revised RIO proposal;
- j. In the event that the approval or denial is not given by the BRTI in a time period as referred to in point h, the RIO proposal shall be deemed to be approved and may be published by telecommunications network operator;
- k. In the event that the revision as referred to in point h is denied by the BRTI, the BRTI shall establish the said RIO in 20 (twenty) working days at the latest.

Article 22

- (1) Any modification to the RIO as referred to in Article 20 shall receive approval from the BRTI;
- (2) The approval or the denial by the BRTI towards the RIO modification proposal shall be given in 10 (ten) working days at the latest from the date of the receipt of the RIO modification proposal;
- (3) In the event that the approval or the denial is not given by the BRTI in the time period as referred to in paragraph (2), the RIO shall be deemed to be approved and the operator may publish the modified RIO;
- (4) In the event that the RIO modification is denied by the BRTI, the operator must revise the said RIO and re-submit it to the BRTI in 10 (ten) working days at the latest from the date of the receipt of the denial from the BRTI;
- (5) The approval or the denial of the BRTI to the revised RIO as referred to in paragraph (4) shall be given in 10 (ten) working days at the latest from the date of the receipt of the RIO;
- (6) In the event that the revision as referred to in paragraph (5) is denied by the BRTI, the BRTI shall establish the modification of the said operator's

RIO in 20 (twenty) working days at the latest from the date of the receipt of the revised RIO;

- (7) In the event that the approval or the denial is not given by the BRTI in the time period as referred to in paragraph (5), the RIO shall be deemed to be approved and the operator may publish the RIO;
- (8) The publication of the modified RIO shall be made on the websites of the operator, the BRTI, and the Directorate General.

Article 23

- (1) The public may propose the modification to the operator's RIO as referred to in Article 20 that has been authorized and published by the BRTI, along with the grounds, especially the ones related to the interests of the users of telecommunications services.
- (2) The RIO modification proposal as referred to in paragraph (1) shall be submitted in writing.
- (3) In the event that the modification to the RIO as referred to in paragraph (1) may be accepted, the BRTI shall consider the modification in the evaluation of the RIO as referred to in Article 19 paragraph (2).
- (4) In the event that the RIO modification proposal as referred to in paragraph (1) is denied, the BRTI shall inform the grounds for the denial in 10 (ten) working days from the date of the receipt of the proposal.

CHAPTER IV

REQUEST FOR AND ANSWER TO INTERCONNECTION SERVICES

Part One

Formulation of Interconnection Service Request

Article 24

Interconnection service request shall be made by the Access Seekers by referring to the Access Provider's RIO.

Article 25

- (1) The Access Seekers may ask for additional information to the Access Provider regarding the Access Provider's RIO;

- (2) The Access Provider shall provide the additional information as referred to in paragraph (1) in 5 (five) working days at the latest from the receipt of the request submitted by the Access Seekers.

Article 26

Interconnection service request by the Access Seekers shall at least enclose:

- a. name of the operator and name of the authorized official;
- b. telecommunications operation license;
- c. types of interconnection service requested;
- d. explanation that the interconnection service requested is not yet provided by Access Provider;
- e. explanation about request for additional types and capacity of interconnection services if the interconnection service requested is additional types and capacity of interconnection services;
- f. geographical locations and functional rate from Point of Interconnection that are needed;
- g. timeframe plan needed in adjusting to the condition in telecommunications networks;
- h. forecast of the interconnection capacity needs.

Part Two

Processing of Interconnection Service Request

Article 27

- (1) The Access Provider must use queuing system by prioritizing the first Access Seeker that submit interconnection service requests;
- (2) The queuing system as referred to in paragraph (1) shall include the interconnection request by other operators whose management rights are owned by the same party as Access Provider.

Article 28

- (1) The queuing position of interconnection service request from the Access Seekers must be submitted in 5 (five) working days at the latest from the date of the receipt of interconnection service request;

- (2) The queuing position of the interconnection service request as referred to in paragraph (1) shall be determined by Access Provider by taking into account the ability of the Access Seekers in adjusting to the conditions and requirements that have been determined;
- (3) In the event that the Access Provider fails to inform the queuing position of the interconnection service request in the time period as referred to in paragraph (1), the Access Seekers may ask for mediation to receive the status of their interconnection service request;
- (4) The mediation request shall be made by referring to the Procedure for Interconnection Disputes Resolution stipulated in the Appendix 5 to this Ministerial Regulation.

Part Three
Denial of Interconnection Service Request

Article 29

- (1) The Access Provider may deny interconnection service request submitted by the Access Seekers.
- (2) The denial as referred to in paragraph (1) shall be made in the event that:
 - a. the Access Seekers fail to submit the data as referred to in Article 25;
 - b. types and services of interconnection requested for are not available in the Access Provider's RIO;
 - c. the request exceeds that available interconnection capacity.

Article 30

- (1) The denial of the interconnection service request as referred to in Article 28 shall be conveyed:
 - a. to the Access Seekers in 10 (ten) working days at the latest from the date of the receipt of the interconnection service request;
 - b. in writing alongside the grounds for the denial as referred to in Article 28 paragraph (2).
- (2) In the event that the Access Seekers raise an objection, they may ask for the resolution as stipulated in Appendix 5 to this Ministerial Regulation.

Part Four
Response to Interconnection Service Request

Article 31

- (1) Any interconnection service request that meet the requirements must be answered by Access Provider;
- (2) The answer from the Access Provider as referred to in paragraph (1) shall contain:
 - a. the name and the authorized position of the Access Provider;
 - b. technical and operational conditions, among others:
 - 1) the Access Seekers' network shall be adjusted to the technical requirements of the Access Provider;
 - 2) various options related to the interconnection requested;
 - 3) indication of the time period needed to implement interconnection;
 - 4) the list of interconnection services and obligation of the parties interconnected to place an order of a certain interconnection capacity;
 - 5) a diagram that serves as a procedure summary to build interconnection that covers time of any activity and reference to the table that contains a list of any activities;
 - 6) the breakdown of all Point of Interconnection available that covers the number, the location and the dimension and other specifications.
 - c. the list and the interconnection main service fee and the explanation about the way to separate traffic for any interconnection service on Point of Interconnection;
 - d. the direct costs that include the interconnection link procurement cost, the system changes in the Access Provider cost, and the use of supporting facilities and infrastructure cost;
 - e. information on the implementation of administrative process in the provision of interconnection services.

Article 32

The Access Provider must provide assistance for the Access Seekers in understanding the reply to the interconnection service request.

Article 33

- (1) The reply to the interconnection service request as referred to in Article 31 paragraph (1) shall be given in 20 (twenty) working days at the latest from the date of the receipt of the interconnection service request.
- (2) In the event that the Access Provider fails to provide a reply to the interconnection service request as referred to paragraph (1), the Access Seekers may ask for mediation and/or arbitration by referring to the Procedures for Interconnection Disputes Resolution as stated in Appendix 5 to this Ministerial Regulation.

Part Five

Response to the Replies to the Requests for Interconnection Service

Article 34

- (1) The Access Seekers must provide a response to the replies to the interconnection service requests provided by the Access Provider as referred to in Article 30 in 10 (ten) working days at the latest from the date of the receipt of the replies to the interconnection service requests.
- (2) The response as referred to in paragraph (1) contains an explanation of the position of the Access Seekers towards the replies to the interconnection service requests submitted by the Access Provider.
- (3) In the event that the Access Seekers fail to provide a response to the replies in the time period as referred to in paragraph (1), the interconnection service requests shall be deemed to have been cancelled.

CHAPTER V

NEGOTIATION OF INTERCONNECTION SERVICE PROVISION

Article 35

- (1) Based on the replies to the interconnection service requests submitted by the Access Provider as referred to in Article 31 paragraph (1), the Access Seekers may propose a negotiation appeal to the Access Provider regarding the interconnection service requests or access to essential facilities for interconnection.

- (2) The negotiation as referred to in paragraph (1) must be concluded in 20 (twenty) working days at the latest from the date of the receipt of the negotiation appeal by the Access Seekers.

Article 36

- (1) The Access Provider and the Access Seekers who agree to interconnect must sign an Interconnection Cooperation Agreement between the two parties in accordance with the provisions of the prevailing laws and regulations.
- (2) The Access Provider and the Access Seekers who have signed the Interconnection Cooperation Agreement as referred to in paragraph (1) must negotiate to agree on the main agreement on access to essential facilities for interconnection.
- (3) The negotiation as referred to in paragraph (2) must be conducted based on the Main Rules on Access to Essential Facilities for Interconnection as stated in Appendix 4 to this Ministerial Regulation.

Article 37

In the event that the negotiation as referred to in Article 36 fails to be concluded in 20 (twenty) working days at the latest due to the failure to reach an agreement, one of the parties may propose a request for mediation and/or arbitration by referring to the Procedures for Interconnection Disputes Resolution as stipulated in Appendix 5 to this Ministerial Regulation.

CHAPTER VI TRAFFIC REFILEING

Article 38

- (1) Any operators interconnected must provide direct access service for interconnection traffic channeling purposes.
- (2) In the event that the direct access service as referred to in paragraph (1) is not possible, traffic refileing may be carried out through other network operators agreed on by the two parties.

- (3) Any telecommunications operators interconnected shall be prohibited from conducting traffic refiling in an effort to take advantage of Interconnection Fee difference.

CHAPTER VII REPORTING

Article 39

- (1) The Access Seekers who have signed the interconnection agreement as well as the main agreement on access to essential facilities with the Access Provider must submit a report to the BRTI.
- (2) The report as referred to in paragraph (1) contains among others:
 - a. the list of interconnection services and obligation of parties interconnected;
 - b. the agreed Interconnection Fee;
 - c. the defined economic values from the agreed Interconnection Fee;
 - d. the list of all Point of Interconnection available that includes the numbers, the location, the dimension and other specifications; and
 - e. the validity period of interconnection agreement.
- (3) The report as referred to in paragraph (1) shall be submitted to the BRTI in 10 (ten) working days at the latest from the date of the signing of the agreement.

CHAPTER VIII TRANSITIONAL PROVISIONS

Article 40

- (1) The existing interconnection technical agreement between telecommunications operators may still apply insofar as both parties agree on it and the agreement is not contradictory to this Ministerial Regulation.
- (2) In the event that one of the parties intends to modify the existing interconnection technical agreement based on this Ministerial Regulation, the

modification may be made following the issuance of the RIO authorization by the BRTI.

- (3) Report of the calculated Interconnection Fee of the year 2007 shall be submitted by the end of September 2006 at the latest based on the data from the year 2005.
- (4) In calculating the Interconnection Fee of the year 2007 as referred to in paragraph (3), all telecommunications network and service operators shall already adopt the cost allocation principle in accordance with the provisions in Appendix 2 to this Ministerial Regulation.
- (5) Cost allocation made by using the chart of account in accordance with the Cost Allocation Method in Appendix 2 to this Ministerial Regulation shall be effective from 1 January 2007.

CHAPTER IX CLOSING PROVISIONS

Article 41

Following the establishment of this Ministerial Regulation:

- a. Decision of Minister of Tourism, Post and Telecommunications Number: KM.46/PR.301/MPPT-98 on Telecommunications Network Interconnection Tariff between Telecommunications Service Operators;
- b. Decision of Minister of Transportation Number: KM.37 of 1999 on Amendment to Decision of Minister of Tourism, Post and Telecommunications Number: KM.46/PR.301/MPPT-98 on Telecommunications Network Interconnection Tariff between Telecommunications Service Operators;
- c. Letter of Minister of Tourism, Post and Telecommunications Number KU/506/I/I/MPPT-97 on Changes to Profit Sharing between PT Telkom and PT Ratelindo;
- d. Decision of Minister of Transportation Number KM.32 of 2004 on Telecommunications Operations Interconnection Fee.

shall be declared ineffective.

Article 42

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

Established in : JAKARTA
on : 8 February 2006

MINISTER OF COMMUNICATIONS AND INFORMATICS,

signed

SOFYAN A. DJALIL

Copies of this Ministerial Regulation are forwarded to:

1. Coordinating Minister for Economic Affairs;
2. Minister of Law and Human Rights;
3. Business Competition Supervisory Commission (KPPU);
4. Indonesian Consumers Foundation (YLKI);
5. Secretary General, Inspector General, Director Generals, Expert Staff in Legal Affairs, and Heads of Agencies at Department of Communications and Informatics;
6. Heads of Bureaus and Heads of Centers at Secretariat General of Department of Communications and Informatics.

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