

8 Nov '96

Determination of Commercial Terms and Conditions for the Purposes of an Agreement on the Interconnection of the Telephone System of Sri Lanka Telecom Ltd., with the Telephone Systems of Telia Lanka (Pvt) Ltd. and Lanka Bell (Pvt) Ltd.

Whereas, after a period which appears to the Director General of Telecommunications(DGT) to be reasonable for the purpose, Sri Lanka Telecom Ltd.(SLT) has failed to enter into an agreement as required by Lanka Bell (Pvt) Ltd., and Telia Lanka (Pvt) Ltd., hereinafter jointly referred to as the WLL Operators; and

Whereas, Telia Lanka (Pvt) Ltd., and Lanka Bell (Pvt) Ltd. have applied to the DGT to determine the commercial terms and conditions for the purpose of an agreement on the Interconnection of their Licensed System with the Licensed System of SLT, I hereby make the following determination in the exercise of powers conferred upon the DGT by the Telecommunications Act.

1. General

In view of the problems associated with the accurate accounting of the cost of SLT's operations, and difficulties relating to identification and measurement of the various categories of traffic at the point of interconnection, **the commercial terms and conditions determined herein will be applicable only for a period of one year, and shall be effective from 01-12-1996.**

The commercial terms and conditions under determination are based upon a point of interconnection between SLT and WLL operators at the level of Tertiary Switching Centre in Colombo. If the WLL operators so request, SLT will provide points of interconnection at any other Switching Centre.

2. Domestic Calls

In view of the inability of the SLT at present to provide the appropriate facilities for the identification and measurement of domestic telephone traffic at the points of interconnection, **the "sender keeps all" principle shall apply to domestic telephone traffic between SLT and WLL Operators' networks.**

3. International Calls

Taking into consideration the following:

- i/ SLT is at present the monopoly operator for international voice services,
- ii/ SLT has three different time bands for international outgoing traffic to some destinations, with their associated collection charges,
- iii/ The incoming international traffic from certain high traffic destinations exceed the outgoing traffic to these destinations by several folds,

iv/ Since international services contribute a very significant cross subsidy to SLT's domestic operations, it would not be fair to deny the new basic service Operators who are just commencing operations, an equitable share of the international call revenues generated by their networks and expect them to compete with SLT on the basis of similar domestic tariffs, adopted by SLT,

the WLL Operators shall pay SLT, 65% of SLT's collection charge applicable at the time, for every international call originated from their networks.

A. Manicavasagar

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Director General of Telecommunications