

<p align="center">GENERAL GOVERNMENT POLICY FOR UNIVERSAL SERVICE IN THE TELECOMMUNICATION SECTOR</p>	
<p>1.1 Definition of a universal service obligation (USO) and universal access obligation</p>	<p align="right">.1.1</p>
<p>A universal 'service' obligation or a universal 'access' obligation is a requirement placed upon telecommunications licensees to serve particular geographic areas or groups of citizens where it may be perceived that without the imposition of the requirement those areas or groups would not be given the opportunity to take service.</p> <p>Universal access differs from universal service to the extent that universal access may be met by the provision of service to practical centralised location in a geographic region, for example to payphones or to community centres, rather than through the provision of service directly to individual homes or premises.</p>	<p align="right">"</p>
<p>1.2 Purpose of the universal service</p>	<p align="right">.1.2</p>
<p>The purpose of maintaining universally available telecommunications and information technology services (the universal service) and access to telecommunications services from a convenient point within the community (universal access) is to ensure economic and social development in the Kingdom of Jordan. This development is made possible by enabling the social and economic participation of all persons through the universal service and through universal access.</p> <p>Jordan is already well endowed with telecommunications infrastructure. A fixed or mobile telephone service is available almost universally in inhabited areas of the country, and penetration has reached more than 93% of households overall and the minimum penetration at a regional level is 75%</p>	<p align="right">() () " " " " %93 2004</p>

<p>of households in rural areas of the South Region.</p> <p>Therefore the purpose of this policy is to ensure the continuance of the universal service and of universal access as the populated areas of Jordan grow and as the definition of basic telecommunications services changes.</p> <p>The general position of Government is that the imposition of widely defined universal service or access obligations upon licensees should be avoided, in favour of the competitive workings of the market. These competitive workings are expected to increase the desirability and affordability of services and thus more widely distribute the penetration of communication services amongst the population. Only if after an appropriate period it became clear that there was a failure of competition would Government wish to reconsider this position.</p>	<p style="text-align: center;">%75</p>
<p>1.3 The role of Government with respect to the USO and Universal Access</p>	<p style="text-align: right;">.1.3</p>
<p>The role of the Ministry of Information Communications and Technology under the Article 3 of the Telecommunications Law includes:</p> <p><i>Article 3 (b) To propose the policy related to the provision of Universal Service and to submit the same to the Council of Ministers for approval; and to follow up the development of this policy for the purpose of expanding the scope of coverage of telecommunications and information technology services, both horizontally and vertically, in such a way as to meet the requirements of economic and social development in the Kingdom.”</i></p> <p><i>Article 3 (c) To draw up plans that encourage investment, on a competitive basis, in the telecommunications and information technology sectors in the Kingdom, creating an atmosphere for the provision of services to users at just, reasonable and affordable prices, in accordance with the latest technological developments in these sectors.”</i></p>	<p style="text-align: center;">3</p> <p style="text-align: center;">:</p> <p style="text-align: right;">(3</p> <p style="text-align: right;">(3</p> <p style="text-align: center;">”</p>

Universal Service Fund.	(
(f) To determine and collect compensation from contributing licensed operators.	(
(g) To monitor the availability of the Basic Public Telephone Service as defined in Section 1.5 below.) " " (1.5
(h) To monitor the availability of affordable tariffs.	" (
(i) If Government requires affordable tariffs under Section 1.6.2 of this policy, to evaluate such tariffs proposed by universal service providers and subsequently to approve agreed affordable tariffs.	" " (
(j) To review JT's plans for the provision of services to the disabled, and subsequently to approve an agreed plan.) " " (1.6.2
To monitor the availability of handsets for the disabled and directory enquiry and support services for the disabled provided by all licensed operators.	(
(k) To determine the communities that are to receive funding for the introduction of private payphones.	(
(l) To determine the amount of funding to be provided for the introduction of private payphones, and the method of disbursing such funds.	(
(m) To determine services that should be taken into account in deciding parameters and requirements for the provision of the universal service.	(
1.5 The universal service	1.5
The universal service shall be the Basic Public Telephone Service. The Basic Public Telephone Service means the telecommunications services	" " "

<p>comprising technical features which are the minimum necessary to allow the establishing of a telephony channel capable of allowing customers to make and receive local, national and international calls supporting speech, facsimile and data communications sufficient for functional access to internet services. Functional internet access shall be considered to be available if the service provided is equivalent in data rate, reliability and continuity of service to that used by a majority of subscribers taking account technical factors that may limit the performance of such technologies in certain geographic locations.</p> <p>The universal service may be provided using any suitable technology base but there shall be a presumption in determining the net cost of the USO that the optimal technology in cost terms that meets the requirement has been used. The definition of optimal technology may take account of expected developments in functional internet access that may take place. The TRC shall have the responsibility for determining what technologies are optimal.</p>	<p>) (</p> <p>()</p>
<p>1.6 Availability of the universal service</p>	<p>.1.6</p>
<p>1.6.1 Geographic availability</p>	<p>.1.6.1</p>
<p>The universal service shall be available to any Person requesting such service at the prevailing standard connection and other rates for the Basic Public Telephone Service charged by the relevant Universal Service Provider.</p> <p>The universal service shall be available in all municipalities and populated areas recognised by the Minister of Municipalities and Environment of Jordan that have a population of 300 or more permanent inhabitants as determined from time to time by the Department of Statistics, or its successor.</p>	<p>()</p> <p>300</p>

<p>The universal service shall also be available outside such municipalities and populated areas to any Person requesting such service at the prevailing standard connection and other rates for the Basic Public Telephone Service charged by the relevant Universal Service Provider, provided however that in such circumstances the Universal Service Provider shall be permitted to recover from such customer the full incremental cost of connection over and above the average cost of connection of the Licensee if and to the extent such cost exceeds the Licensee's average cost of 50 man hours work plus 500 JD.</p> <p>The relevant Universal Service Provider in an area is the Provider that is licensed to provide the universal service in that area.</p> <p>1.6.2 Affordability</p>	<p style="text-align: right;">500 (x)</p> <p style="text-align: right;">" " 1.6.2</p>
<p>An affordable tariff is one that is available to members of lower income groups including members of particular groups that are often economically disadvantaged such as senior citizens, retired or disabled individuals. An affordable tariff is intended to give individuals in such groups access to the Basic Public Telephone Service.</p> <p>Government recognises the importance of the availability of an affordable tariff for the Basic Public Telephone Service to ensure that lower income groups can participate socially and economically. Government wishes to increase penetration of telephony services amongst those households with monthly income below JD300. Government believes that penetration may be increased through the availability of an affordable tariff for the Basic Public Telephone Service.</p> <p>Nevertheless Government believes that affordable tariffs will evolve through competition between licensed mobile operators particularly as the number of such operators rises.</p> <p>Should such a tariff not evolve, then Government through the TRC may require such a tariff to be offered by each USP in its area. The net cost of</p>	<p style="text-align: right;">" "</p> <p style="text-align: right;">" "</p> <p style="text-align: right;">" "</p> <p style="text-align: right;">300</p> <p style="text-align: right;">" "</p> <p style="text-align: right;">" "</p>

<p>such a required and approved tariff shall be included in the calculation of the net cost of the universal service.</p> <p>The TRC shall be required to review, and providing that it is satisfactory, approve any affordable tariff prior to its publication by a licensed operator. In particular, the TRC shall ensure that the affordable tariff does not add unnecessarily to the USO burden by ensuring that groups to which it is to be made available have a high proportion of low income households or individuals, and that by making this tariff available to these groups, the service does not then become available to groups that are not economically disadvantaged.</p> <p>1.6.3 Access by the disabled</p>	<p>()</p> <p>" "</p> <p>.1.6.3</p>
<p>Government requires the present USP, JT, to meet the terms of its licence by preparing a plan to improve access to its services by users with disabilities.</p> <p>In accordance with JT's licence, the TRC shall review JT's plans and encourage consultations between the Licensee and representatives of disabled users in order to develop the best possible approach to improving access consistent with the costs of improving access and the socio-economic development levels of Jordan. At the end of these consultations, the TRC shall approve, and the Licensee shall implement the approved plan.</p> <p>In addition, Government requires that all licensed operators, including those offering Basic Public Telephony Services and licensed mobile operators, in so far as they provide telephone handsets and other communicating devices, shall ensure that the range of devices offered includes models suitable for individuals with disabilities that affect the use of a telephone. The disabilities shall include hearing, sight and manipulation impairments.</p> <p>Government requires that all licensed operators offering Basic Public Telephony Services and licensed mobile operators provide information about the services that they provide, including sales literature, contractual information and billing information in ways that enable access by individuals who have hearing or sight impairments.</p>	<p>" "</p> <p>)</p> <p>) (</p> <p>(</p>

<p>Government would like all operators offering Basic Public Telephony Services and licensed mobile operators to provide directory enquiry facilities that include the placement of the call by the operator. Government requires that for registered disabled individuals access to this service shall be at the prevailing standard rate for dialled calls.</p> <p>Since these obligations are placed on all operators, they are not discriminatory and therefore do not impose any competitive disadvantage on any licensed operator. Therefore the cost of implementing these obligations shall not be considered as an element of cost of the USO.</p>	<p>()</p>
<p>1.7 Universal Access</p>	<p>.1.7</p>
<p>1.7.1 Payphones</p>	<p>.1.7.1</p>
<p>Government requires that payphones shall be established by individuals or companies in private real estate without the need for a license (private payphones), in areas where the penetration of fixed and mobile telephone services is low, in order that citizens in such areas shall be able to participate in the economy and in the society by telephone.</p> <p>To this end, Universal Service Providers shall provide the basic and additional services to private payphone operators at wholesale rates no greater than the prevailing standard rate. This service shall give users of a private payphone access to the Basic Public Voice Service from the payphone. The additional services shall include facilities that enable the payphone operator to charge the user accurately and reliably and in proportion to the charges levied on the payphone operator by the USP. (such as cost-meter pulse)</p> <p>It is envisaged that private payphone operators will provide such payphones</p>	<p>()</p> <p>" "</p> <p>()</p>

<p>in areas where they believe that there is a need. However, it is anticipated that payphone operators will not provide payphones in all areas where the penetration of telephone services is low. If, after a suitable period of time, such areas are not served by payphone, and a representative of such an area can present evidence to TRC of low penetration of telephone services, as that is defined by TRC, and that the area qualifies for the Universal Service, then the USP shall underwrite the provision of a private payphone and seek recompense through the Universal Service Fund.</p> <p>The TRC shall review each case where underwriting of private payphone provision is requested, and shall determine the merit of the request and the amount of compensation.</p> <p>1.7.2 Internet access</p>	<p style="text-align: right;">.1.7.2</p>
<p>Government requires that community based internet access is provided wherever possible by the market.</p> <p>Nevertheless, there are limited circumstances in which Government shall provide internet access services to further its policy in other areas.</p> <p>Government shall continue to extend the network of Knowledge Stations and eVillages to provide access to ICT and the internet within specific communities.</p> <p>Government shall continue to extend the availability of ICT and internet access within education establishments in Jordan, and shall ensure the provision of broadband access (like fiber optic networks) in such education establishments.</p>	<p style="text-align: center;">" " " "</p> <p style="text-align: center;">()</p>
<p>1.8 Provision of the Universal Service</p>	<p style="text-align: right;">.1.8</p>
<p>Government requires that until there is effective competition to JT's provision of a Public Switched Voice Service (as defined in Section 1.1.14</p>	

<p>of Jordan Telecom's current Licence Agreement), JT continues to be the USP in all geographic areas and that JT shall continue to bear the entire cost of the USO under the terms of its licence.</p> <p>At such time as there is effective competition to JT's provision of a Public Switched Voice Service, the USO and selection of USP shall be administered under the regime defined by the TRC for sharing USO costs.</p>	<p>1.1.14) " "</p> <p>(</p>
<p>1.9 Correcting the market distortion created by the Universal Service Obligation</p>	<p>.1.9</p>
<p>Before the start of operations of any Public Switched Voice Service in competition with JT, the TRC shall establish a regime for the sharing of universal service costs. This regime shall ensure that the USO does not impose any material competitive disadvantage on USPs and that the USO is provided in the most economically efficient manner.</p> <p>When conditions in Section 1.8 of this document apply, the TRC shall evaluate the capabilities and costs of assigning the role of USP to JT and other licensed operators in its determination of the most economic efficient manner of delivering the USO.</p> <p>A USP incurring any material competitive disadvantage arising from its provision of the USO as determined by the TRC may receive compensation. A fund for this purpose may be established by the TRC pursuant to Article 86 of the Telecommunications Law. The TRC may require other licensed operators and service providers to contribute to this fund in proportion to the material competitive advantage that those other licensed operators and service providers gain from the USO.</p>	<p>" "</p> <p>" "</p> <p>1.8</p> <p>" "</p> <p>86</p>