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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1662/1 - 2010 ජූලි 12 වැනි සඳුදා - 2010.07.12

No. 1662/1 - MONDAY, JULY 12, 2010

(Published by Authority)

PART I : SECTION (I) — GENERAL

Government Notifications

THE FINANCE ACT, No. 11 OF 2004

REGULATION made by the Minister of Finance and Planning under section 26 read with section 22 of the Finance Act, No. 11 of 2004.

MAHINDA RAJAPAKSA,
Minister of Finance and Planning.

Ministry of Finance and Planning,
Colombo.
12th July, 2010.

Regulations

1. These regulations may be cited as the International Telecommunication Operators Levy (Imposition) Regulations, No. 1 of 2010 and shall come into effect from 15.07.2010.
2. These regulations shall apply in respect of International Telecommunication Operators licensed under section 17 of the Sri Lanka Telecommunications Act, No. 25 of 1991.
3. The International Telecommunication Operators Levy (hereinafter referred to as “the Levy”) imposed under Part III of the Finance Act, No. 11 of 2004 shall be payable to the Commission by every International Telecommunication Operator in respect of every incoming and outgoing international call terminated or originated within Sri Lanka, in the manner set out hereinafter.

LEVY ON INCOMING INTERNATIONAL CALLS

4. The Levy in respect of incoming international calls shall be charged for the periods and at the rates specified in Table A of Schedule I to these regulations.
5. The Commission shall disburse the Levy charged and collected in respect of incoming international calls in terms of regulation 4 on the basis of two distinct charges, namely, the “Incoming Local Access Charge” (ILAC) and the “Telecommunications Development Charge” (TDC). The amount of the Levy credited as ILAC and TDC for each year, shall be at the rates specified in Tables B and C of Schedule I to these regulations. International Telecommunication Operator shall pay ILAC set out in Schedule I Table B directly to the Domestic Public switched Telephone Network (PSTN) Operators.

N.B.—Gazette Extraordinary Series No. 1661/1 ends with No. 1661/42.

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6. Where an International Telecommunication Operator is also a Domestic PSTN Operator, the International Telecommunication Operator shall be permitted to make inter-company or intra-company settlements in respect of the ILAC in terms of Schedule I Table B.

7. The Commission shall remit Fifty per centum (50%) of the TDC collected in terms of Schedule I Table C to the consolidated fund on or before the expiry of 15 working days from the published due date as set out in regulation 11.

8. The Commission may as it deems fit use or disburse the remaining Fifty per centum (50%) of TDC funds collected under Table C Schedule I from International Telecommunication Operators and interest income earned on such funds for the development of telecommunications industry in Sri Lanka in order to achieve the universal service and access objectives specified by the Commission from time to time.

LEVY ON OUTGOING INTERNATIONAL CALLS

9. The Levy in respect of outgoing international calls (hereinafter referred to as the “Outgoing Local Access Charge” (OLAC)) in respect of each year shall be Zero rate.

GENERAL

10. Every International Telecommunications Operator shall pay directly to the Commission, the TDC payable, as per the charges set out in Table C of Schedule I before the expiry of the final due date of payment published by the Commission.

11. The Commission shall published at the beginning of each year the final due date of payment of TDC applicable for each month.

12. Every International Telecommunication Operator shall forward to the Commission, in respect of each month, a record of the total number of minutes used for international calls terminating and originating within its own network.

13. The International Telecommunication Operator and the Domestic PSTN Operator shall submit to the Commission five days prior to the final due date of payment, a report specifying the incoming and outgoing traffic each month in the respective Forms set out in Schedule II to these regulations.

14. Where an International Telecommunications Operator does not have direct interconnection, it shall be the responsibility of the transit operator and the terminating operator as the case may be, to share in the ILAC in the ratio of 30 : 70 respectively. The Commission may vary this ratio from time to time, upon consideration of representations made by the industry.

15. The Commission shall issue guidelines in terms of section 23 of the Act, specifying appropriate actions against any operator who defaults in providing of information referred to in regulations 12, 13 and 17.

16. The Commission may issue guidelines and instructions in terms of section 23 of the Act for the implementation of regulation 8 above.

17. The International Telecommunication Operators and the Domestic PSTN operators shall maintain separate accounts in respect of all charges and whenever required to do so by the Commission, shall produce and make available all records for the purpose of inspection and audit by the Commission.

18. The Commission shall maintain a bank account and separate records in respect of each International Telecommunication Operator, of the Levy paid. TDC funds collected (excluding interest income) and not disbursed in terms of regulation 8 shall be remitted to the consolidated fund on the expiry of three years from the year of such collection.

19. The Commission shall manage and invest the funds paid to the Commission under Schedule I Table C until such time they are used or disbursed to attain the purposes set out herein and such guidelines issued for implementation of such purposes.

20. The rate of levy charged for year 2010 in Table A, B, C of Schedule I, and Schedule III of International Telecommunication Operators Levy (Imposed) Regulations No. 1 of 2005 published in *Gazette Extraordinary*, 1386/24 dated 31st March, 2005 and repealed by order dated 29th December, 2009 and published in *Gazette Extraordinary*, No. 1634/33 dated 1st January, 2010 is hereby further repealed by the substitution of the following :—

Schedule I

TABLE –A

(Regulation 4)

RATE OF LEVY PAYABLE ON INCOMING INTERNATIONAL CALLS

<i>Year</i>	<i>Period</i>	<i>Rate per minute in US \$ cents</i>
2010	01.04.2010—14.07.2010	9.00

TABLE –B

(Regulation 5)

RATE OF DISBURSEMENT OF LEVY AS INCOMING LOCAL ACCESS CHARGE (ILAC)

<i>Year</i>	<i>Period</i>	<i>Rate per minute in US \$ cents</i>
2010	01.04.2010—14.07.2010	5.20

TABLE –C

(Regulation 5)

RATE OF DISBURSEMENT OF LEVY AS TELECOMMUNICATIONS DEVELOPMENT CHARGE (TDC)

<i>Year</i>	<i>Period</i>	<i>Rate per minute in US \$ cents</i>
2010	01.04.2010—14.07.2010	3.80

Schedule III

(Regulation 9)

THE CHARGE ELIGIBLE FOR SETTLEMENT BY DOMESTIC PSTN OPERATORS

<i>Year</i>	<i>Period</i>	<i>Rate per minute in US \$ cents</i>
2010	01.04.2010—14.07.2010	2.50

21. Regulations 6, 7, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19 and Schedule II and IV of the International Telecommunication Operator Levy (imposed) Regulation, No. 1 of 2005 published in *Gazette Extraordinary*, No. 1386/24 dated 31st March, 2005 and Order dated 29th December, 2009 published in *Gazette Extraordinary*, No. 1634/33 dated 1st January, 2010 is hereby repealed.

22. Notwithstanding anything set out hereto, the Commission shall continue to disburse two third (2/3rd) of (TDC) funds collected, in terms of regulations 9 of the said International Telecommunication Operator Levy (imposed) Regulation, No. 1 of 2005 and any amendments made thereto.

23. Where any two third (2/3rd) of the TDC funds collected and not disbursed as per the claims made under regulation 9 of the said International Telecommunication Operator Levy (imposed) Regulations No. 1 of 2005, the Commission may remit such excess funds upon the final completion of making such disbursements to the Domestic PSTN operators.

24. Regulations 10, 11, 12, 13, 14, 15, 16, 17 and 18 shall *mutatis mutandis* apply, unless otherwise stated herein, to the funds paid or to be paid by the International Telecommunication Operators in terms of International Telecommunication Operator Levy (imposed) Regulations No. 1 of 2005.

INTERPRETATION

25. In these regulations unless the context otherwise requires : —

“**Commission**” means the Telecommunications Regulatory Commission of Sri Lanka established under the Sri Lanka Telecommunications Act, No. 25 of 1991 ;

“**International Telecommunication Operator**” means an operator licensed under section 17 of the Sri Lanka Telecommunication Act, No. 25 of 1991 to provide international services ;

“**Domestic PSTN (Public Switched Telephone Network) Operator**” means an operator licensed to provide fixed telephone services or cellular mobile telephone services in Sri Lanka ;

“**Transit Operator**” means any Domestic PSTN Operator who carries the international traffic of the International Telecommunications Operator to be terminated on another Domestic PSTN Operator’s network.

“**Interest Income**” means any income derived from the investment of the TDC funds.

Schedule I

TABLE – A

(Regulation 4)

RATE OF LEVY PAYABLE ON INCOMING INTERNATIONAL CALLS

<i>Year</i>	<i>Period</i>	<i>Rate per minute in US \$ cents</i>
2010	15.07.10—31.12.10	7.00
2011	01.01.11—31.12.11	7.00

TABLE – B

(Regulation 5)

RATE OF DISBURSEMENT OF LEVY AS INCOMING LOCAL ACCESS CHARGE (ILAC)

<i>Year</i>	<i>Period</i>	<i>Rate per minute in US \$ cents</i>
2010	15.07.10—31.12.10	5.50
2011	01.01.11—31.12.11	5.50

TABLE - B

(Regulations 5, 7 & 8)

RATE OF DISBURSEMENT LEVY AS TELECOMMUNICATIONS DEVELOPMENT CHARGE (TDC)

<i>Year</i>	<i>Period</i>	<i>Rate per minute in US \$ cents</i>
2010	15.07.10—31.12.10	1.50
2011	01.01.11—31.12.11	1.50

SCHEDULE II

CALL TERMINATIONS

(Regulation 13)

<i>Operator on whose Network Calls Terminated</i>	<i>Number of Incoming Minutes (Report to one decimal place)</i>	<i>ILAC Payments made to Domestic PSTN Operator</i>
Operator A		
Operator B		

CALL TERMINATIONS

<i>International Telecommunication Operator (ITO)</i>	<i>Number of Incoming Minutes Terminated (Report to one decimal place)</i>	<i>ILAC Payments made to Domestic PSTN Operator</i>
Operator A		
Operator B		

CALL ORIGINATIONS

(Regulation 13)

<i>Operator from whose Network Calls Originated</i>	<i>Number of Outgoing Minutes (Report to one decimal point)</i>	<i>OLAC Payments made to Domestic PSTN Operator</i>
Operator A		
Operator B		

<i>International Telecommunication Operator to whom Network Calls Originated</i>	<i>Number of Outgoing Minutes (Report to one decimal place)</i>	<i>OLAC Payments due from each International Telecommunication Operator</i>
Operator A		
Operator B		

CALL TRANSIT

(Regulation 15)

<i>Operator through whose Network Calls Transit</i>	<i>Terminating Operator</i>	<i>Number of Incoming Minutes (Report to one decimal point)</i>	<i>Payment to be Made to Transit Operator (30%)</i>	<i>ILAC Payment to be Made to Terminating Operator (70%)</i>
Operator A				
Operator B				

07-813/1

CORRECTION

SRI LANKA EXPORT DEVELOPMENT ACT, No. 40 OF 1979

Order under Section 14

REFERENCE the Notice, bearing No. 07-801, published under the above Heading in the *Gazette Extraordinary* Part I : Section I, No. 1661/36 of 09.07.2010, the paragraph should be read without the word "Provided" appearing at the last, "100 W" appearing in the last version of the Schedule thereto, should be corrected to read as "100 V".

ABDUL RISHAD BATHIUDEEN,
Minister of Industry and Commerce.

Ministry of Industry and Commerce,
Colombo.
10th July, 2010.

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