

## CHAPTER 12

### TELECOMMUNICATIONS

#### Article 12.1: Definitions

For the purposes of this Chapter:

**cost-oriented** means based on cost, and may include a reasonable profit, and may involve different cost methodologies for different facilities or services;

**end-user** means a final consumer of or subscriber to a public telecommunications service, including a service supplier other than a supplier of public telecommunications services;

**enterprise** means an enterprise as defined in Article 1.3 (General Definitions) and a branch of an enterprise;

**essential facilities** means facilities of a public telecommunications network or service that:

- (a) are exclusively or predominantly provided by a single or limited number of suppliers; and
- (b) cannot feasibly be economically or technically substituted in order to supply a service;

**interconnection** means linking with suppliers providing public telecommunications services in order to allow the users of one supplier to communicate with users of another supplier and to access services provided by another supplier;

**international mobile roaming service** means a commercial mobile service provided pursuant to a commercial agreement between suppliers of public telecommunications services that enables end-users to use their home mobile handset or other device for voice, data or messaging services while outside the territory in which the end-user's home public telecommunications network is located;

**leased circuit** means a telecommunications facility between two or more designated points that is set aside for the dedicated use of, or availability to, a user;

**licence** means any authorisation that a Party may require of a person, in accordance with its laws and regulations, in order for that person to offer a telecommunications service, including concessions, permits or registrations;

**major supplier** means a supplier of public telecommunications services that has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for public telecommunications services as a result of:

- (a) control over essential facilities; or
- (b) use of its position in the market;

**network element** means a facility or equipment used in supplying a public telecommunications service, including features, functions and capabilities provided by means of that facility or equipment;

**non-discriminatory** means treatment no less favourable than that accorded to any other user of like public telecommunications services in like circumstances, including with respect to timeliness;

**number portability** means the ability of end-users of public telecommunications services to retain, at the same location, the same telephone numbers when switching between the same category of suppliers of public telecommunications services;

**physical co-location** means physical access to and control over space in order to install, maintain or repair equipment, at premises owned or controlled and used by a major supplier to provide public telecommunications services;

**public telecommunications network** means telecommunications infrastructure used to provide public telecommunications services between defined network termination points;

**public telecommunications service** means any telecommunications service that a Party requires, explicitly or in effect, to be offered to the public generally. These services may include telephone and data transmission typically involving transmission of customer-supplied information between two or more defined points without any end-to-end change in the form or content of the customer's information;

**reference interconnection offer** means an interconnection offer extended by a major supplier and filed with, approved by or determined by a telecommunications regulatory body, that sufficiently details the terms, rates and conditions for interconnection so that a supplier of public telecommunications services that is willing to accept it may obtain interconnection with the major supplier on that basis, without having to engage in negotiations with the major supplier concerned;

**telecommunications** means the transmission and reception of signals by any electromagnetic means, including by photonic means;

**telecommunications regulatory body** means a body or bodies responsible for the

regulation of telecommunications;

**user** means a service consumer or a service supplier; and

**virtual co-location** means an arrangement whereby a requesting supplier that seeks co-location may specify equipment to be used in the premises of a major supplier but does not obtain physical access to those premises and allows the major supplier to install, maintain and repair that equipment.

## **Article 12.2: Scope**

1. This Chapter shall apply to:
  - (a) any measure relating to access to and use of public telecommunications services;
  - (b) any measure relating to obligations regarding suppliers of public telecommunications services; and
  - (c) any other measure relating to telecommunications services.
2. This Chapter shall not apply to any measure relating to broadcast or cable distribution of radio or television programming, except that:
  - (a) Article 12.4.1 shall apply with respect to a cable or broadcast service supplier's access to and use of public telecommunications services; and
  - (b) Article 12.21 shall apply to any technical measure to the extent that the measure also affects public telecommunications services.
3. Nothing in this Chapter shall be construed to:
  - (a) require a Party, or require a Party to compel any enterprise, to establish, construct, acquire, lease, operate or provide a telecommunications network or service not offered to the public generally;<sup>1</sup>
  - (b) require a Party to compel any enterprise exclusively engaged in the broadcast or cable distribution of radio or television programming to make available its broadcast or cable facilities as a public telecommunications network; or

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<sup>1</sup> For greater certainty, nothing in this Chapter shall be construed to require a Party to authorise an enterprise of the other Party to establish, construct, acquire, lease, operate or supply public telecommunications services, unless otherwise provided for in this Agreement.

- (c) prevent a Party from prohibiting a person who operates a private network from using its private network to supply a public telecommunications network or service to third persons.
4. Annex 12-A includes additional provisions relating to the scope of this Chapter.

### **Article 12.3: Approaches to Regulation**

1. The Parties recognise the value of competitive markets to deliver a wide choice in the supply of telecommunications services and to enhance consumer welfare, and that economic regulation may not be needed if there is effective competition or if a service is new to a market. Accordingly, the Parties recognise that regulatory needs and approaches differ market by market, and that each Party may determine how to implement its obligations under this Chapter.

2. In this respect, the Parties recognise that a Party may:
- (a) engage in direct regulation either in anticipation of an issue that the Party expects may arise or to resolve an issue that has already arisen in the market;
  - (b) rely on the role of market forces, particularly with respect to market segments that are, or are likely to be, competitive or that have low barriers to entry, such as services provided by telecommunications suppliers that do not own network facilities; or
  - (c) use any other appropriate means that benefit the long-term interest of end-users.

### **Article 12.4: Access to and Use of Public Telecommunications Services<sup>2</sup>**

1. Each Party shall ensure that any enterprise of the other Party has access to and use of any public telecommunications service, including leased circuits, offered in its territory or across its borders, on reasonable and non-discriminatory terms and conditions.

2. Each Party shall ensure that any enterprise of the other Party is permitted to:
- (a) purchase or lease, and attach terminal or other equipment that interfaces with a public telecommunications network;

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<sup>2</sup> For greater certainty, this Article does not prohibit any Party from requiring an enterprise to obtain a licence to supply any public telecommunications service within its territory.

- (b) provide services to individual or multiple end-users over leased or owned circuits;
- (c) connect leased or owned circuits with public telecommunications networks and services or with circuits leased or owned by another enterprise;
- (d) perform switching, signalling, processing and conversion functions; and
- (e) use operating protocols of their choice.

3. Each Party shall ensure that an enterprise of the other Party may use public telecommunications services for the movement of information in its territory or across its borders, including for intra-corporate communications, and for access to information contained in databases or otherwise stored in machine-readable form in the territory of either Party.

4. Notwithstanding paragraph 3, a Party may take measures that are necessary to ensure the security and confidentiality of messages and to protect the privacy of personal data of end-users of public telecommunications networks or services, provided that those measures are not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on trade in services.

5. Each Party shall ensure that no condition is imposed on access to and use of public telecommunications networks and services, other than as necessary to:

- (a) safeguard the public service responsibilities of suppliers of public telecommunications networks and services, in particular their ability to make their networks or services generally available to the public; or
- (b) protect the technical integrity of public telecommunications networks or services.

6. Provided that they satisfy the criteria set out in paragraph 5, conditions for access to and use of public telecommunications networks and services may include:

- (a) a requirement to use a specified technical interface, including an interface protocol, for connection with those networks or services;
- (b) a requirement, when necessary, for the interoperability of those networks and services;
- (c) type approval of terminal or other equipment that interfaces with the network and technical requirements relating to the attachment of that equipment to those networks; and
- (d) a licensing, permit, registration or notification procedure which, if adopted

or maintained, is transparent and provides for the processing of applications filed thereunder in accordance with a Party's laws or regulations.

## **Article 12.5: Obligations Relating to Suppliers of Public Telecommunications Services**

### *Interconnection*<sup>3</sup>

1. Each Party shall ensure that suppliers of public telecommunications services in its territory provide, directly or indirectly within the same territory, interconnection with suppliers of public telecommunications services of the other Party.
2. Each Party shall provide its telecommunications regulatory body with the authority to require interconnection at reasonable rates.
3. In carrying out paragraph 1, each Party shall ensure that suppliers of public telecommunications services in its territory take reasonable steps to protect the confidentiality of commercially sensitive information of, or relating to, suppliers and end-users of public telecommunications services obtained as a result of interconnection arrangements and that those suppliers only use that information for the purpose of providing these services.

### *Number Portability*

4. Each Party shall ensure that suppliers of public telecommunications services in its territory provide number portability without impairment to quality and reliability, on a timely basis, and on reasonable and non-discriminatory terms and conditions.

### *Access to Numbers*

5. Each Party shall ensure that suppliers of public telecommunications services of the other Party established in its territory are afforded access to telephone numbers on a non-discriminatory basis.

## **Article 12.6: International Mobile Roaming**

1. The Parties shall endeavour to cooperate on promoting transparent and reasonable rates for international mobile roaming services that can help promote the growth of trade among the Parties and enhance consumer welfare.
2. A Party may choose to take steps to enhance transparency and competition with

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<sup>3</sup> For greater certainty, the term "interconnection", as used in this Chapter, does not include access to unbundled network elements.

respect to international mobile roaming rates and technological alternatives to roaming services, such as:

- (a) ensuring that information regarding retail rates is easily accessible to consumers; and
- (b) minimising impediments to the use of technological alternatives to roaming, whereby consumers when visiting the territory of a Party from the territory of the other Party can access telecommunications services using the device of their choice.

3. The Parties recognise that a Party, when it has the authority to do so, may choose to adopt or maintain measures affecting rates for wholesale international roaming services with a view to ensuring that those rates are reasonable. If a Party considers it appropriate, it may cooperate on and implement mechanisms with the other Party to facilitate the implementation of those measures, including by entering into arrangements with that Party.

4. If a Party (the first Party) chooses to regulate rates or conditions for wholesale international mobile roaming services, it shall ensure that a supplier of public telecommunications services of the other Party (the second Party) has access to the regulated rates or conditions for wholesale international mobile roaming services for its customers roaming in the territory of the first Party in circumstances in which:<sup>4</sup>

- (a) the second Party has entered into an arrangement with the first Party to reciprocally regulate rates or conditions for wholesale international mobile roaming services for suppliers of the two Parties;<sup>5</sup> or
- (b) in the absence of an arrangement of the type referred to in subparagraph (a), the supplier of public telecommunications services of the second Party, of its own accord:
  - (i) makes available to suppliers of public telecommunications services of the first Party wholesale international mobile roaming services at rates or conditions that are reasonably comparable to the regulated rates or

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<sup>4</sup> For greater certainty, neither Party shall, solely on the basis of any obligations owed to it by the first Party under a most-favoured-nation provision, or under a telecommunications-specific non-discrimination provision, in any existing international trade agreement, seek or obtain for its suppliers the access to regulated rates or conditions for wholesale international mobile roaming services that is provided under this Article.

<sup>5</sup> For greater certainty, access under this subparagraph to the rates or conditions regulated by the first Party shall be available to a supplier of the second Party only if such regulated rates or conditions are reasonably comparable to those reciprocally regulated under the arrangement referred to in this subparagraph. The telecommunications regulatory body of the first Party shall, in the case of disagreement, determine whether the rates or conditions are reasonably comparable.

conditions;<sup>6</sup> and

- (ii) meets any additional requirements<sup>7</sup> that the first Party imposes with respect to the availability of the regulated rates or conditions.

The first Party may require suppliers of the second Party to fully utilise commercial negotiations to reach agreement on the terms for accessing such rates or conditions.

5. A Party that ensures access to regulated rates or conditions for wholesale international mobile roaming services in accordance with paragraph 4 shall be deemed to be in compliance with its obligations under Article 9.4 (Most-Favoured-Nation Treatment), Article 12.4.1, and Article 12.7 with respect to international mobile roaming services.

6. Each Party shall ensure that:

- (a) suppliers of public telecommunications services in its territory, or
- (b) its telecommunications regulatory body,

make publicly available retail rates for international mobile roaming services, for voice, data and text messages.

7. Nothing in this Article shall require a Party to regulate rates or conditions for international mobile roaming services.

#### **Article 12.7: Treatment by Major Suppliers of Public Telecommunications Services**

Each Party shall ensure that a major supplier in its territory accords suppliers of public telecommunications services of the other Party treatment no less favourable than that major supplier accords in like circumstances to its subsidiaries, its affiliates or non-affiliated service suppliers regarding:

- (a) the availability, provisioning, rates or quality of like public telecommunications services; and

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<sup>6</sup> For the purposes of this subparagraph, rates or conditions that are reasonably comparable means rates or conditions agreed to be such by the relevant suppliers or, in the case of disagreement, determined to be such by the telecommunications regulatory body of the first Party.

<sup>7</sup> For greater certainty, such additional requirements may include, for example, that the rates provided to the supplier of the second Party reflect the reasonable cost of supplying international mobile roaming services by a supplier of the first Party to a supplier of the second Party, as determined through the methodology of the first Party.



- (b) the availability of technical interfaces necessary for interconnection.

### **Article 12.8: Competitive Safeguards**

1. Each Party shall maintain appropriate measures for the purpose of preventing suppliers of public telecommunications services that, alone or together, are a major supplier in its territory from engaging in or continuing anti-competitive practices.
2. The anti-competitive practices referred to in paragraph 1 include in particular:
  - (a) engaging in anti-competitive cross-subsidisation;
  - (b) using information obtained from competitors with anti-competitive results; and
  - (c) not making available, on a timely basis, to suppliers of public telecommunications services, technical information about essential facilities and commercially relevant information that are necessary for them to provide services.

### **Article 12.9: Resale**

1. Neither Party shall prohibit the resale of any public telecommunications service.
2. Each Party shall ensure that a major supplier in its territory:
  - (a) offers for resale, at reasonable rates<sup>8</sup>, to suppliers of public telecommunications services of the other Party, public telecommunications services that the major supplier provides at retail to end-users; and
  - (b) does not impose unreasonable or discriminatory conditions or limitations on the resale of those services.
3. Each Party may determine, in accordance with its laws and regulations, which public telecommunications services must be offered for resale by major suppliers pursuant to paragraph 2, based on the need to promote competition or to benefit the long-term interests of end-users.
4. If a Party does not require that a major supplier offer a specific public telecommunications service for resale, it nonetheless shall allow service suppliers to

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<sup>8</sup> For the purposes of this Article, each Party may determine reasonable rates through any methodology it considers appropriate.

request that the service be offered for resale consistent with paragraph 2, without prejudice to the Party's decision on the request.

#### **Article 12.10: Unbundling of Network Elements by Major Suppliers**

Each Party shall provide its telecommunications regulatory body or another appropriate body with the authority to require a major supplier in its territory to offer to public telecommunications service suppliers access to network elements on an unbundled basis on terms and conditions, and at cost-oriented rates, that are reasonable, non-discriminatory and transparent for the supply of public telecommunications services. Each Party may determine the network elements required to be made available in its territory, and the suppliers that may obtain those elements, in accordance with its laws and regulations.

#### **Article 12.11: Interconnection with Major Suppliers**

##### *General Terms and Conditions*

1. Each Party shall ensure that a major supplier in its territory provides interconnection for the facilities and equipment of suppliers of public telecommunications services of the other Party:

- (a) at any technically feasible point in the major supplier's network;
- (b) under non-discriminatory terms, conditions (including technical standards and specifications) and rates;
- (c) of a quality no less favourable than that provided by the major supplier for its own like services, for like services of non-affiliated service suppliers, or for its subsidiaries or other affiliates;
- (d) in a timely manner, on terms and conditions (including technical standards and specifications), and at cost-oriented rates, that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the suppliers do not have to pay for network components or facilities that they do not require for the service to be provided; and
- (e) on request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

##### *Options for Interconnecting with Major Suppliers*

2. Each Party shall ensure that a major supplier in its territory provides suppliers of

public telecommunications services of the other Party with the opportunity to interconnect their facilities and equipment with those of the major supplier through at least one of the following options:

- (a) a reference interconnection offer or another standard interconnection offer containing the rates, terms and conditions that the major supplier offers generally to suppliers of public telecommunications services;<sup>9</sup>
- (b) the terms and conditions of an interconnection agreement that is in effect; or
- (c) the terms and conditions set by a Party's telecommunications regulatory body or other competent body.

3. In addition to the options provided in paragraph 2, each Party shall ensure that suppliers of public telecommunications services of the other Party have the opportunity to interconnect their facilities and equipment with those of the major supplier through the negotiation of a new interconnection agreement.

*Public Availability of Interconnection Offers and Agreements*

4. Each Party shall make publicly available the applicable procedures for interconnection negotiations with a major supplier in its territory.

5. Each Party shall provide means for suppliers of the other Party to obtain the rates, terms and conditions necessary for interconnection offered by a major supplier. Those means include, at a minimum, ensuring:

- (a) the public availability of interconnection agreements that are in effect between a major supplier in its territory and other suppliers of public telecommunications services in its territory;
- (b) the public availability of rates, terms and conditions for interconnection with a major supplier set by the telecommunications regulatory body or other competent body; or
- (c) the public availability of a reference interconnection offer or another standard interconnection offer as provided for under paragraph 2(a).

**Article 12.12: Provisioning and Pricing of Leased Circuits Services by Major Suppliers**

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<sup>9</sup> For greater certainty, for the purposes of this Article, a standard interconnection offer shall be consistent with the definition of a reference interconnection offer except that such an offer does not need to be filed with, or approved by, a telecommunications regulatory body.

1. Each Party shall ensure that a major supplier in its territory provides to service suppliers of the other Party leased circuits services that are public telecommunications services in a reasonable period of time on terms and conditions, and at rates, that are reasonable and non-discriminatory, and based on a generally available offer.
2. Further to paragraph 1, each Party shall provide its telecommunications regulatory body or other appropriate bodies the authority to require a major supplier in its territory to offer leased circuits services that are public telecommunications services to service suppliers of the other Party at capacity-based and cost-oriented prices.

#### **Article 12.13: Co-Location by Major Suppliers**

1. Subject to paragraphs 2 and 3, each Party shall ensure that a major supplier in its territory provides to suppliers of public telecommunications services of the other Party in the Party's territory physical co-location of equipment necessary for interconnection or access to unbundled network elements based on a generally available offer, on a timely basis, and on terms and conditions and at cost-oriented rates, that are reasonable and non-discriminatory.
2. Where physical co-location is not practical for technical reasons or because of space limitations, each Party shall ensure that a major supplier in its territory provides an alternative solution, such as facilitating virtual co-location, based on a generally available offer, on a timely basis, and on terms and conditions and at cost-oriented rates, that are reasonable and non-discriminatory.
3. A Party may determine, in accordance with its laws and regulations, which premises owned or controlled by major suppliers in its territory are subject to paragraphs 1 and 2. When the Party makes this determination, it shall take into account factors such as the state of competition in the market where co-location is required, whether those premises can be substituted in an economically or technically feasible manner in order to provide a competing service, or other specified public interest factors.
4. If a Party does not require that a major supplier offer co-location at certain premises, it nonetheless shall allow suppliers to request that those premises be offered for co-location consistent with paragraph 1, without prejudice to the Party's decision on such a request.

#### **Article 12.14: Access to Poles, Ducts, Conduits and Rights-of-way Owned or Controlled by Major Suppliers**

1. Each Party shall ensure that a major supplier in its territory provides access to poles, ducts, conduits, and rights-of-way or any other structures as determined by the Party, owned or controlled by the major supplier, to suppliers of public

telecommunications services of the other Party in the Party's territory on a timely basis, on terms and conditions and at rates, that are reasonable, non-discriminatory and transparent, subject to technical feasibility.

2. A Party may determine, in accordance with its laws and regulations, the poles, ducts, conduits, rights-of-way or any other structures to which it requires major suppliers in its territory to provide access in accordance with paragraph 1. When the Party makes this determination, it shall take into account factors such as the competitive effect of lack of such access, whether such structures can be substituted in an economically or technically feasible manner in order to provide a competing service, or other specified public interest factors.

### **Article 12.15: Independent Regulatory Bodies and Government Ownership**

1. Each Party shall ensure that its telecommunications regulatory body is separate from, and not accountable to, any supplier of public telecommunications services. With a view to ensuring the independence and impartiality of telecommunications regulatory bodies, each Party shall ensure that its telecommunications regulatory body does not hold a financial interest<sup>10</sup> or maintain an operating or management role in any supplier of public telecommunications services.

2. Each Party shall ensure that the regulatory decisions and procedures of its telecommunications regulatory body or other competent authority related to provisions contained in this Chapter are impartial with respect to all market participants.

3. Neither Party shall accord more favourable treatment to a supplier of telecommunications services in its territory than that accorded to a like service supplier of the other Party on the basis that the supplier receiving more favourable treatment is owned by the national government of the Party.

### **Article 12.16: Universal Service**

Each Party has the right to define the kind of universal service obligation it wishes to maintain. Each Party shall administer any universal service obligation that it maintains in a transparent, non-discriminatory and competitively neutral manner, and shall ensure that its universal service obligation is not more burdensome than necessary for the kind of universal service that it has defined.

### **Article 12.17: Licensing Process**

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<sup>10</sup> This paragraph shall not be construed to prohibit a government entity of a Party other than the telecommunications regulatory body from owning equity in a supplier of public telecommunications services.

1. If a Party requires a supplier of public telecommunications services to have a licence, the Party shall ensure the public availability of:
  - (a) all the licensing criteria and procedures that it applies;
  - (b) the period that it normally requires to reach a decision concerning an application for a licence; and
  - (c) the terms and conditions of all licences in effect.
2. Each Party shall ensure that, on request, an applicant receives the reasons for the:
  - (a) denial of a licence;
  - (b) imposition of supplier-specific conditions on a licence;
  - (c) revocation of a licence; or
  - (d) refusal to renew a licence.

#### **Article 12.18: Allocation and Use of Scarce Resources**

1. Each Party shall administer its procedures for the allocation and use of scarce telecommunications resources, including frequencies, numbers and rights-of-way, in an objective, timely, transparent and non-discriminatory manner.
2. Each Party shall make publicly available the current state of frequency bands:
  - (a) allocated to specific services
  - (b) assigned to service suppliers to provide access to end-users,but retains the right not to provide detailed identification of frequencies that are allocated or assigned for specific government uses.
3. For greater certainty, a Party's measures allocating and assigning spectrum and managing frequency are not *per se* inconsistent with Article 9.5 (Market Access) either as it applies to cross-border trade in services or through the operation of Article 9.2.2 (Scope) to an investor or covered investment of the other Party. Accordingly, each Party retains the right to establish and apply spectrum and frequency management policies that may have the effect of limiting the number of suppliers of public telecommunications services, provided that the Party does so in a manner that is consistent with other provisions of this Agreement. This includes the ability to allocate frequency bands, taking into account current and future needs and spectrum availability.

4. When making a spectrum allocation for commercial telecommunications services, each Party shall endeavour to rely on an open and transparent process that considers the public interest, including the promotion of competition. Each Party shall endeavour to rely generally on market-based approaches in assigning spectrum for terrestrial commercial telecommunications services. To this end, each Party shall have the authority to use mechanisms such as auctions, if appropriate, to assign spectrum for commercial use.

#### **Article 12.19: Enforcement**

Each Party shall provide its telecommunications regulatory body or other relevant body with the authority to enforce the Party's measures relating to the obligations set out in Article 12.4, Article 12.5, Article 12.7, Article 12.8, Article 12.9, Article 12.10, Article 12.11, Article 12.12, Article 12.13 and Article 12.14. That authority<sup>11</sup> shall include the ability to impose effective sanctions, which may include financial penalties, injunctive relief (on an interim or final basis), or the modification, suspension or revocation of licences.

#### **Article 12.20: Resolution of Telecommunications Disputes**

1. Further to Article 25.3 (Administrative Proceedings) and Article 25.4 (Review and Appeal), each Party shall ensure that:

##### *Recourse*

- (a) enterprises have recourse to a telecommunications regulatory body or other relevant body of the Party to resolve disputes regarding the Party's measures relating to matters set out in Article 12.4, Article 12.5, Article 12.6, Article 12.7, Article 12.8, Article 12.9, Article 12.10, Article 12.11, Article 12.12, Article 12.13 and Article 12.14;
- (b) if a telecommunications regulatory body declines to initiate any action on a request to resolve a dispute, it shall, upon request, provide a written explanation for its decision within a reasonable period of time;
- (c) suppliers of public telecommunications services of the other Party that have requested interconnection with a major supplier in the Party's territory may seek review, within a reasonable and publicly specified period of time after the supplier requests interconnection, by its telecommunications regulatory

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<sup>11</sup> For greater certainty, such authority may include the ability to seek such sanctions from administrative or judicial bodies, in accordance with a Party's laws and regulations.

body<sup>12</sup> to resolve disputes regarding the terms, conditions and rates for interconnection with that major supplier; and

### *Reconsideration*<sup>13</sup>

- (d) any enterprise whose legally protected interests are adversely affected by a determination or decision of the Party's telecommunications regulatory body may appeal to or petition the body or other relevant body to reconsider that determination or decision. Neither Party shall permit the making of an application for reconsideration to constitute grounds for non-compliance with the determination or decision of the telecommunications regulatory body, unless the regulatory or other relevant body issues an order that the determination or decision not be enforced while the proceeding is pending. A Party may limit the circumstances under which reconsideration is available, in accordance with its laws and regulations.

### *Judicial Review*

2. Neither Party shall permit the making of an application for judicial review to constitute grounds for non-compliance with the determination or decision of the telecommunications regulatory body, unless the judicial body issues an order that the determination or decision not be enforced while the proceeding is pending.

## **Article 12.21: Transparency**

1. Further to Article 25.2.2 (Publication), each Party shall ensure that when its telecommunications regulatory body seeks input<sup>14</sup> for a proposal for a regulation, that body shall:

- (a) make the proposal public or otherwise available to any interested persons;
- (b) include an explanation of the purpose of and reasons for the proposal;
- (c) provide interested persons with adequate public notice of the ability to comment and reasonable opportunity for such comment;
- (d) to the extent practicable, make publicly available all relevant comments

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<sup>12</sup> With respect to Australia, such review is available through judicial bodies.

<sup>13</sup> With respect to Peru, enterprises may not petition for reconsideration of rulings of general application, as defined in Article 25.1 (Definitions), unless provided for under its laws and regulations. For Australia, paragraph 1(d) does not apply.

<sup>14</sup> For greater certainty, seeking input does not include internal governmental deliberations.



filed with it; and

- (e) respond to all significant and relevant issues raised in comments filed, in the course of issuance of the final regulation.<sup>15</sup>

2. Further to Article 25.2.1 (Publication), each Party shall ensure that its measures relating to public telecommunications services are made publicly available, including:

- (a) tariffs and other terms and conditions of service;
- (b) specifications of technical interfaces;
- (c) conditions for attaching terminal or other equipment to the public telecommunications network;
- (d) licensing, permit, registration or notification requirements, if any;
- (e) general procedures relating to resolution of telecommunications disputes provided for in Article 12.20; and
- (f) any measures of the telecommunications regulatory body if the government delegates to other bodies the responsibility for preparing, amending and adopting standards-related measures affecting access and use.

#### **Article 12.22: Flexibility in the Choice of Technology**

1. Neither Party shall prevent suppliers of public telecommunications services from choosing the technologies they wish to use to supply their services, subject to requirements necessary to satisfy legitimate public policy interests, provided that any measure restricting that choice is not prepared, adopted or applied in a manner that creates unnecessary obstacles to trade. For greater certainty, a Party adopting those measures shall do so consistent with Article 12.21.

2. When a Party finances the development of advanced networks, including broadband networks, it may make its financing conditional on the use of technologies that meet its specific public policy interests.

#### **Article 12.23: Relation to Other Chapters**

In the event of any inconsistency between this Chapter and another Chapter of this Agreement, this Chapter shall prevail to the extent of the inconsistency.

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<sup>15</sup> For greater certainty, a Party may consolidate its responses to the comments received from interested persons.

#### **Article 12.24: Relation to International Organisations**

The Parties recognise the importance of international standards for global compatibility and interoperability of telecommunications networks and services and undertake to promote those standards through the work of relevant international organisations.

## ANNEX 12-A

### RURAL TELEPHONE SUPPLIERS – PERU

1. With respect to Peru:
  - (a) a rural operator shall not be considered a major supplier;
  - (b) Article 12.5.4 shall not apply to rural operators; and
  - (c) Article 12.12, Article 12.13 and Article 12.14 shall not apply to the facilities deployed by major suppliers in rural areas.
2. For the purposes of this Annex:
  - (a) rural area means a population centre:
    - (i) that is not included within urban areas, with a population of less than 3,000 inhabitants, a low population density and a lack of basic services; or
    - (ii) with a teledensity rate of less than two fixed lines per 100 inhabitants; and
  - (b) rural operator means a rural telephone company that has at least 80 per cent of its total fixed subscriber lines in operation in rural areas.