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**LAW OF UKRAINE**

**On Telecommunications**

(Official Gazette of the Verkhovna Rada, 2004, No. 12, p. 155)

(As amended by Laws

No. 1876-IV (1876-15) of 24 June 2004, Verkhovna Rada OG, 2004, No. 48, p. 526

No. 2119-IV (2119-15) of 21 October 2004, Verkhovna Rada OG, 2005, No. 2, p. 34

No. 2285-IV (2285-15) of 23 December 2004, Verkhovna Rada OG, 2005, Nos 7-8, p. 162

No. 2505-IV (2505-15) of 25 March 2005, Verkhovna Rada OG, 2005, No. 17, Nos 18-19, p. 267

No. 3200-IV (3200-15) of 15 December 2005

No. 3317-IV (3317-15) of 12 January 2006

No. 3375-IV (3375-15) of 19 January 2006

No. 3380-IV (3380-15) of 19 January 2006

No. 3475-IV (3475-15) of 23 February 2006

No. 378-V (378-16) of 28 November 2006

No. 580-V (580-16) of 11 January 2007)

{On recognizing certain provisions to be unconstitutional refer to the Decision of the Constitutional Court of Ukraine No. 21/2008 (v021 710-08) of 8 October 2008}

This Law sets legal basis of activity in the telecommunications area.

The Law defines authorities of the state with regard to management and regulation of the mentioned activity, as well as rights, obligations and grounds for responsibility of natural persons and legal entities that participate in this activity or use telecommunications services.

**Title I**

**GENERAL PROVISIONS**

**Article 1. Terms and Definitions**

1. For the purposes of this Law, the terms shall have the following definitions:

“subscriber” – a consumer of telecommunications services who obtains telecommunications services on a contract basis which stipulates the connection of terminal equipment owned or used by him to a telecommunications network;

“subscription fee” – a fixed payment that a telecommunications operator can set for a subscriber for providing him access to the telecommunications network on a regular basis regardless of the fact of obtaining services;

“Internet address” – a digital and/or symbolical identifier of domain names in the hierarchical system of domain names which is defined in accordance with applicable international standards in the Internet;

“Internet address space” – a range of Internet addresses;

“wireless access to the telecommunications network (wireless access)” — electrical communication that involves the use of radio technologies during the process of which the terminal equipment of, at least, one consumer may freely travel within the borders of terminal points of the telecommunications network while keeping its unique identification number, the terminal points being connected to one switching center;

“interconnection of the telecommunications networks” – the establishment of physical and/or logical connection between different telecommunications networks in order to ensure the possibility for users to exchange information, directly or indirectly;

“voice telephony” - the voice-based exchange of information in real time that involves the use of telecommunications networks;

“data” – information presented in the form which is suitable for automated processing by computers;

“domain” – a part of hierarchical Internet address space which has a unique name identifying it, is serviced by a group of domain name servers and administrated centrally;

“domain.UA” – a top-level domain of hierarchical Internet address space which is designed on the basis of country name coding in compliance with international standards in order to service the address space of the Ukrainian segment of the Internet;

“second level domain” – a part of the Internet address space which is located on the second level of name hierarchy in this network;

“electronic communication” – see “telecommunications”;

“public (universal) telecommunications services” – a minimum set of standardized quality services defined by this Law that is accessible to all consumers in the entire territory of Ukraine;

“Internet” – the worldwide public information system which is logically connected by means of the global address space and is based on the Internet protocol defined by international standards;

“public information system” – a range of telecommunications networks and devices for gathering, processing, saving and transferring data;

“information security of telecommunications networks” – the possibility of telecommunications networks to ensure the protection against destruction, distortion, blocking of information, unsanctioned leakage thereof or violation of the set procedure of routing thereof;

“information” – data presented in the form of signals, symbols, sounds, moving or immovable images or in other form whatsoever;

“electronical communication channel” – a range of technical facilities intended for the transmission of electrical signals between two points of telecommunications network which is also characterized by a frequency band and/or transfer speed;

“terminal equipment” - the equipment which is intended for connection to the terminal point of a telecommunications network to ensure access to telecommunications services;

“license” – the document which certifies the right of a business entity to conduct activity in the telecommunication area during a specified period in certain territories subject to compliance with licensing terms and conditions;

“licensing” – issuance, re-registration, extension of validity, invalidation, withdrawal of licenses, issuance of copies and duplicates, maintaining licensing affairs and licensing registers, control for the compliance with licensing terms and conditions, issuance of decisions on licensing terms and conditions violation remedy;

“monopolistic (dominant) telecommunications operator” – an operator, which according to the legislation of Ukraine, holds a monopolistic (dominant) position in the market of certain telecommunications services in the territory of a state or a certain region;

“National Numbering Plan” – a regulatory act which determines the structure, regulates the allocation and the terms and conditions of use of the numbering resource in telecommunications networks;

“numbering resource” – a range of digital symbols which are used for denoting (identification) of networks, services, terminal points of a network in public telecommunications networks;

“telecommunications operator” – a business entity which is entitled to perform activity in the telecommunication area and has the right of technical maintenance and exploitation of telecommunications networks;

“data transfer” – the transfer of information in the form of data utilizing telecommunications networks;

“telecommunications provider” – a business entity which is entitled to perform activity in the telecommunication area and does not have the right of technical maintenance and exploitation of telecommunications networks and the provision for use of electronical communication channels;

“wire electronical communication” – transmission and reception of information by means of wire lines with metal or fiber-optic strands;

“terminal point of telecommunications network” - the interface (point of connection) of a telecommunications network and terminal equipment;

“resources of telecommunications networks” – the quantity of numbers available in telecommunications networks (numbering resource), quantity and capacity of wire lines with metal strands and optical fibers, radio lines, channels, tracts for transfer of information, switching stations and nodes, radio frequency resource;

“allocation of the numbering resource” – the allocation of a numbering resource with a defined range of numbers for rendering telecommunications services;

“tariff (estimated rate)” – the sum which defines the amount of payment for access to technical and technological resources of the networks of telecommunications operators (accessing) for the passage of traffic units and applies to the operators who are business entities in the territory of Ukraine;

“mobile communication” – the electrocommunication that involves the use of radio technologies during the process of which the terminal equipment of, at least, one consumer may freely travel within the borders of all terminal points of the telecommunications network while keeping its unique identification number of mobile station;

“consumer of telecommunications services (consumer)” – a legal entity or natural person that needs, orders and/or receives telecommunications services for own needs;

“electronical communication structure” – the buildings, towers, antennas which are used for organizing electronical communication;

“stability of telecommunications network” – the property of telecommunications network to retain its functions, in whole or in part, due to the influence of destabilizing factors thereon;

“participants of the telecommunications market” - the operators, providers of telecommunications, consumers of telecommunications services, manufacturers and/or suppliers of technical telecommunication facilities;

“telecommunications (electronical communication)” – transmission, emission and/or reception of symbols, signals, written text, images and sounds or messages of any nature by radio, wire, optical or other electromagnetic systems;

“telecommunications network” – a complex of technical telecommunication facilities and devices intended for routing, switching, transmission and/or reception of symbols, signals, written text, images and sounds of any nature by radio, wire, optical or other electromagnetic means between units of terminal equipment;

“public telecommunications network” – a telecommunications network which is accessible to all users;

“telecommunications access network” – a part of telecommunications network between the terminal point of the telecommunications network and the nearest switching node (center) inclusive;

“telecommunications service (service)” – a product of the activity of an operator and/or provider of telecommunications aimed at satisfying consumer demands in the telecommunication area;

“linking systems” – telecommunications networks of public use which are intended for radio- and television programs broadcasting, as well as other telecommunication and multimedia services and can be integrated with other telecommunications networks of public use; (Paragraph of the Article 1 in the version of Law No.1876-IV (1876-15) of 24 June 2004)

“technical telecommunications facilities” – equipment, fixed and linear constructions intended for the creation of telecommunications networks;

“transport telecommunications network” – a network which ensures the transmission of symbols, signals, written text, images and sounds or messages of any nature between telecommunications access networks connected to it;

“fixed-line communication” – telecommunications which are realized utilizing fixed (immovable) terminal equipment.

#### **Article 2. Objective of the Law**

1. The objective of the Law is to ensure universal provision of telecommunications services of sufficient range, volume and quality by way of limited regulation of market relations for promoting the effective functioning of an open and fair competitive market. The Law defines the principles of consumer rights protection and control over the telecommunications market by the state.

#### **Article 3. Purpose of Telecommunications**

1. The telecommunications area is a part of the communications sector of Ukraine.
2. Telecommunications are an inseparable part of industrial and social infrastructure of Ukraine designed for satisfying the demands of natural persons and legal entities, state power authorities in telecommunications services.

#### **Article 4. Legislation on Telecommunications**

1. The legislation of Ukraine on telecommunications comprises the Constitution of Ukraine (254k/96-VR) and other regulatory and legislative acts that regulate relations in this area.

#### **Article 5. Scope of the Law**

1. This Law shall cover the relations of participants of the telecommunications market with regard to rendering and receiving telecommunications services and use of public telecommunications networks.
2. This Law shall not extend to telecommunications networks which do not interact with public telecommunications networks excluding the use thereof in the circumstances of an extraordinary situation, the state of emergency and martial law.

#### **Article 6. Principles of Activity in the Telecommunication Area**

1. The main principles of activity in the telecommunication area shall be:
  - 1) consumers access to publicly available telecommunications services which they need for satisfying their own needs, participating in political, economic and social life;
  - 2) interaction and interconnection of telecommunications networks for ensuring the possibility of communication between users of all networks;
  - 3) ensuring stability of telecommunications networks and managing these networks taking into consideration their technical features based on unified standards, norms and rules;

- 4) state support of the development of domestic production of technical communication facilities;
  - 5) encouraging the competition in the interests of telecommunications services consumers;
  - 6) enhancing the volumes of telecommunications services, the list thereof and creation of new workplaces;
  - 7) implementing world achievements in the telecommunication area, attracting, use of domestic and foreign material and financial resources, up-to-date technologies, managerial experience;
  - 8) contributing to the expansion of international cooperation in the telecommunication sector and the development of global telecommunications network;
  - 9) ensuring the access of consumers to information about the procedure of receiving and quality of telecommunications services;
  - 10) effectiveness, transparency of regulation in the telecommunication area;
  - 11) creating favourable conditions for activity in the telecommunications area with the consideration of particulars of technologies and telecommunications market.
2. Provision of telecommunications services in the territory of Ukraine shall be the exclusive right of legal entities located in the territory of Ukraine and registered in accordance with the legislation of Ukraine and/or natural persons – entrepreneurs residential in the territory of Ukraine.

#### **Article 7. Use of Languages in the Telecommunications Area**

1. In the area of telecommunications services in Ukraine there shall be used the Ukrainian language, languages of other nationalities according to the legislation of Ukraine.
2. Addresses of the sender and the recipient of telegrams which are sent within the borders of Ukraine shall be indicated in Ukrainian or Russian.
3. The text of a telegram can be written in any language using Cyrillic or Latin letters.
4. International messages which are transmitted via public telecommunications networks shall be processed using the languages foreseen by international agreements of Ukraine.

#### **Article 8. Accounting and Reporting Time in the Telecommunications Area**

1. While performing activity in the telecommunications area the universal accounting and reporting time shall be applied – Kyiv time.
2. In international telecommunications the accounting and reporting time shall be stipulated by international agreements of Ukraine.

#### **Article 9. Telephone Conversations, Telegraph and Other Correspondence, Security of Communications Privacy Protection**

1. Protection of the privacy of telephone conversations, telegraph or other correspondence transmitted via technical telecommunication facilities and information security of telecommunications networks shall be guaranteed by the Constitution (254k/96-VR) and laws of Ukraine.

2. Removal of information from telecommunications networks shall be prohibited except cases stipulated by the law.

3. Telecommunications operators and providers shall be obliged, under the terms of the legislation, to take technical and organizational measures on safeguarding telecommunications networks, telecommunication means, information with restricted access about the organization of telecommunications networks and information which is transmitted through these networks.

#### **Article 10. Lands of Telecommunications**

1. The lands of telecommunications as a part of communications lands shall comprise land plots which are given, under the stipulated procedure, into the ownership or are transferred by the owners thereof into permanent or temporary use including the lease to natural persons – business entities and legal entities for the purpose of locating of linear, fixed structures, antennas, towers, other technical telecommunications facilities.

2. Along air, cable lines of electronical communications and around emitting electronical communications structures there shall be set up fenced-off areas and rides, if necessary. The procedure of granting and using of land plots, setting up fenced-off areas and creation of rides shall be stipulated by the legislation of Ukraine.

3. In the case of termination of activity in the telecommunications area by persons mentioned in Paragraph 1 of this Article, the rights to a land plot shall be terminated in compliance with the grounds and under the procedure stipulated by the land legislation of Ukraine.

4. Sizes of land plots including fenced-off areas and rides which are provided to persons mentioned in Paragraph 1 of this Article shall be defined according to the land allocation norms for this type of activity and design estimates approved under the stipulated procedure.

5. In the event of seizure of the land plot or accrual of the easement right to land plot and other estate property, the redemption price as well as the payment for the use of land plot and other estate property shall be set according to the legislation.

6. The persons who, under the terms of this Law, obtained licenses for performing activity in the telecommunications area shall have the right to require that the owners of land plots or land users set servitudes with respect to the categories of lands denominated by the Land Code of Ukraine (2768-14) for laying telecommunications underground and/or removal of damage thereof. The amount of payment (tariffs) for setting the land servitude for laying telecommunications underground and/or removal of damage thereof shall be fixed by the Cabinet of Ministers of Ukraine.

#### **Article 11. Interaction of Telecommunications Operators with Governmental Authorities, Municipal Authorities and Other Persons**

1. Interaction of telecommunications operators with governmental authorities and municipal authorities with regard to the obtaining of telecommunications services by them shall be done according to the legislation of Ukraine.

2. Owners of railway stations, airports, sea and riverside ports, wharfs, bus terminals (bus stations), as well as checkpoints at the state border, service stations, hotels, motels shall be obliged to organize the provision of telecommunications services to a sufficient extent.

#### **Article 12.** Scientific and Technical Support for the Functioning and Development of Telecommunications

1. Scientific and technical support for the functioning and development of telecommunications shall be rendered by means of organizing scientific researches, creation of regulatory and legislative basis, harmonizing state and industry standards, implementing new technologies and telecommunications means.

### **Title II**

#### STATE MANAGEMENT IN THE TELECOMMUNICATIONS AREA

The Verkhovna Rada of Ukraine shall adopt state policy and legislative basis of the state management and regulation in the telecommunication area.

#### **Article 13.** Authorities in the Telecommunication Area

1. State management in the telecommunication area shall be carried out by:

the Cabinet of Ministers of Ukraine;

the central executive authority in the communications area;

other executive authorities according to the law.

#### **Article 14.** Competence of the Cabinet of Ministers of Ukraine in the Telecommunications Area

1. The Cabinet of Ministers of Ukraine shall:

1) ensure the adoption of state policy in the telecommunications area;

2) ensure equal conditions of all types of property in the telecommunications area;

3) manage objects of state property in the telecommunications area;

4) direct and coordinate the activity of the ministries, other executive authorities in the telecommunication area.

#### **Article 15.** Powers of Central Executive Authority in the Communications Sector

1. The central executive authority in the communications sector (CEAC) shall:

1) develop proposals on state policy in the telecommunications area and realize them within the scope of its powers:

2) develop drafts of laws, other regulatory and legislative acts;

3) develop and approve regulatory and legislative acts on matters within its competence;

4) stipulate requirements to the quality of telecommunications services;

5) implement technical policy in the area of telecommunications services, standardization, technical telecommunication facilities compliance confirmation;

(Article 15 (6) has been excluded pursuant to Law No. 1876-IV (1876-15) of 24 June 2004 )

7) organize and be responsible for the development of standards in the telecommunication area;

8) approve technical requirements to telecommunications networks, means and objects of telecommunications;

9) develop and realize technical policy in the formation of the numbering resource;

10) develop together with the National Commission for Communications Regulation (NCCR), ministries and other central executive authorities the Concept of Telecommunications Development of Ukraine aimed at the achievement of strategic interests and international competitiveness of Ukraine;

11) develop forecasts of the development of telecommunications networks and services;

12) organize scientific support for the functioning and development of the telecommunications area;

13) organize the conduct of researches and development of recommendations on the convergence of computer and telecommunications technologies;

14) inform the participants of the telecommunications market about the policy and strategy of developing public telecommunications networks;

15) resolve, within the scope of its competence, issues on ensuring the provision of communications for the needs of the state system of government communications, national system of confidential communications, security services, defense services and law enforcement authorities;

16) resolve, within the scope of its competence, issues on readiness of the functioning of public telecommunications networks in the circumstances of an extraordinary situation or the state of emergency;

17) cooperate with international organizations and relevant authorities of other states;

18) perform the duties of the Administration of Communications and Radio Frequencies of Ukraine;

19) exercise other powers according to the legislation.

### **Title III**

#### **REGULATION IN THE TELECOMMUNICATIONS AREA**

##### **Article 16. Purpose of Regulation**

1. The purpose of regulation in the telecommunication area is the maximum satisfaction of consumer demands for telecommunications services, creation of favourable organizational and economic conditions for attracting investments, increase of services volumes and their quality, development and modernization of telecommunications networks taking into consideration the interests of the national security.

(Article 17 shall enter into force in 2004)

##### **Article 17. Regulatory Authority in the telecommunications area**

1. The regulatory authority in the telecommunication area is the National Commission for Communications Regulations (NCCR) which is set up according to the legislation of Ukraine.

{Provisions of the Paragraph 2 of the Article 17 on the issue of subordination of the National Commission for Communications Regulation to the President of Ukraine lapsed as unconstitutional under the Decision of the Constitutional Court of Ukraine No. v021 710-08 of 8 October 2008}

2. The NCCR is the central executive authority having a special status and being subordinate to the President of Ukraine.

{Provisions of the Paragraph 3 of the Article 17 on the issue of approval by the President of Ukraine of the Statute of the National Commission for Communications Regulation lapsed as unconstitutional under the Decision of the Constitutional Court of Ukraine No. v021 710-08 of 8 October 2008}

3. The NCCR acts on the basis of the Statute of the National Commission for Communications Regulation which is worked out according to the legislation of Ukraine and is approved by the President of Ukraine.

##### **Article 18. Powers of the National Commission for Communications Regulation**

1. The National Commission for Communications Regulation shall:

1) put forward proposals to state power authorities pertaining to the drafts of laws and other regulatory and legislative acts, standards in the telecommunication area;

2) issue regulatory acts on issues which refer to the competence of the NCCR and control the execution thereof;

3) ensure the state supervision of the compliance with the legislation on telecommunications by participants of the market; (Article 18 (3) in the version of Law No. 1876-IV ( 1876-15 ) of 24 June 2004 )

4) exercise licensing and registration in the area of telecommunications services;

- 5) exercise allocation, assigning, accounting of the numbering resource, issuing and cancelling of the licenses, supervision of the numbering resource usage;
- 6) control the telecommunications services quality and satisfaction of consumer demands;
- 7) regulate, under the terms of the law, tariffs in the telecommunications area and set the procedure of settlement between telecommunications operators;
- 8) allow telecommunications operators and providers to set special tariffs for publicly available telecommunications services to disabled and socially unprotected persons;
- 9) provide organizational and legislative support of publicly available telecommunications services;
- 10) receive statistical reports from telecommunications operators and providers free of charge in the volumes, according to the procedure and within the time stipulated by the legislation;
- 11) receive documents, materials, statistical and other information stipulated by the legislation from central and local executive authorities, executive authorities of the Autonomous Republic of Crimea, municipal authorities free of charge;
- 12) make, within the scope of its competence, decisions which are binding upon the participants of the telecommunications market;
- 13) apply disciplinary penalties to the participants of the telecommunications market under the procedure stipulated by the legislation;
- 14) hand over materials to the Antimonopoly Committee of Ukraine in cases of breach of the law on protection of economical competition;
- 15) apply to court and present appropriate bills of complaint in cases of the breach of the law on telecommunications by business entities that perform activity in the telecommunications market;
- 16) regulate the interaction of operators in cases of interconnection between telecommunications networks;
- 17) create favourable organizational and economic conditions for attracting investments into the area of telecommunications;
- 18) ensure equal conditions for activity in the telecommunications area;
- 19) ensure pre-trial resolving of disputes between telecommunications operators and providers with regard to the interconnection between telecommunications networks;
- 20) maintain a register of telecommunications operators and providers;
- 21) develop and approve, within the scope of its competence, the Regulations of the NCCR as well as other regulatory and legislative acts;
- 22) cooperate with relevant regulatory authorities in the telecommunications area of other states;

23) issue a printed version of the Official Journal and publish therein regulatory and legislative acts, statements stipulated by this Law and other information;

24) exercise other powers stipulated by this Law, other laws, regulatory and legislative acts.

### **Article 19.** Supervision of the Telecommunications Market

1. The telecommunications market shall be supervised by means of:

1) control over the quality of telecommunications services;

2) inspection of compliance with the license terms and conditions by telecommunications operators and providers;

3) control over the observance of legislation, standards and other regulatory acts in the telecommunications area by participants of the telecommunications market.

2. For the purpose of supervising the telecommunications market, the State Inspection for Communications shall be set up as a part of the NCCR.

3. For the purpose of supervising the telecommunications market, the NCCR officials shall have the right to:

1) unhindered access to the territory and into the premises of telecommunications operators and providers;

2) give, within the scope of their powers, to the participants of the telecommunications market binding guidelines with regard to remedy the violations of regulatory and legislative acts;

3) apply sanctions to the participants of the telecommunications market for breaching the law on telecommunications under the procedure stipulated by the legislation;

4) receive necessary information, explanations and other materials free of charge from the participants of the telecommunications market;

5) other rights defined by the law.

(Article 20 shall enter into force in 2004)

**Article 20.** Composition, Procedure of the Designation of Members and Management of the NCCR

{Provisions of the paragraph 1 of the Article 20 on designation and dismissal by the President of Ukraine according to the recommendation of the Prime-Minister of Ukraine for the positions of the Chairman and Members of the National Commission for Communications Regulation lapsed as unconstitutional under the Decision of the Constitutional Court of Ukraine No. v021 710-08 of 8 October 2008}

1. The NCCR shall consist of the Chairman of the Commission and seven Commission Members who shall, on the recommendation of the Prime Minister of Ukraine, be appointed to and dismissed from their positions by the President of Ukraine.

2. The Chairman and Members of the NCCR shall be appointed for a term of office of five years. Neither the Chairman nor any Member of the NCCR shall hold the office for more than a total of ten years.

3. The NCCR shall enter into force upon appointment of the entire body thereof.

4. The Chairman and Members of the NCCR shall be citizens of Ukraine who are not older than 65 years, hold a degree of higher education, have practical and managerial experience and a minimum of four years of service record in the communications sector.

5. The Chairman and Members of the NCCR shall not be the owners of corporate rights of telecommunications and postal operators, manufacturers of telecommunications equipment which activity, according to this Law, is regulated by the NCCR. Neither shall they receive any financial or material reward and support from them or hold any position, including the one on a voluntary basis.

6. The Chairman and Members of the NCCR can be dismissed from their positions in case of:

- 1) resignation;
- 2) termination of the citizenship of Ukraine;
- 3) inability to perform their duties due to the state of health;
- 4) coming into effect of sentencing decision with regard to them;
- 5) violation of restrictions provided in Paragraph 5 herein;

7. The Chairman of the NCCR shall not hold the office for more than a total of ten years.

8. The Chairman of the NCCR shall:

1) coordinate the work of the NCCR in a manner that shall contribute to prompt and efficient resolving of all matters referred to the authorities of the NCCR;

2) chair the meetings of the NCCR;

3) represent the NCCR in matters which require debates or contacts with top officials from central executive authorities;

4) inform the President of Ukraine about decisions adopted by the NCCR and regulatory documents adopted;

5) provide to the President of Ukraine and for information of the Cabinet of Ministers of Ukraine an annual report about activity of the NCCR with regard to carrying out the Concept of Telecommunications Development and the state of telecommunications in Ukraine during the previous year;

6) organize the activity of the NCCR and its staff;

7) issue orders on issues pertaining to the activity of the staff of the NCCR;

- 8) hire and dismiss employees of the NCCR staff;
- 9) sign documents which are issued in accordance with the decisions of the NCCR;
- 10) represent the NCCR in relations with enterprises, institutions, organizations;
- 11) exercise other powers according to the legislation of Ukraine;

{Provisions of the paragraph 9 of the Article 20 on appointment, where a vacancy of the, of a new Chairman or a Member of the NCCR by the President of Ukraine lapsed as unconstitutional under the Decision of the Constitutional Court of Ukraine No. v021 710-08 of 8 October 2008 }

9. Where a vacancy of the Chairman or a Member of the NCCR arises, the President of Ukraine shall, within one month, appoint a new Chairman or Member of the NCCR. The term of office of the new Chairman or Member of the NCCR in this case shall respond the term of office of the NCCR.

10. The meetings of the NCCR shall be considered as valid provided that there is a quorum of five Members of the NCCR.

11. The decisions of the NCCR shall be taken by a majority vote of the total quorum of the NCCR. The Chairman and each Member of the NCCR shall have one vote. In the event of a tie, the Chairman of the NCCR shall have the casting vote.

12. The decisions of the NCCR taken within the scope of its powers shall be binding upon all participants of the telecommunications market.

13. The decisions of the NCCR can be appealed against under the procedure stipulated by the legislation.

14. For the purpose of exercising the powers of the NCCR, there shall be formed an apparatus within the limits of appropriations allocated by the State Budget of Ukraine. Employees of the apparatus of the NCCR shall have the status of state employees.

#### **Article 21.** Activity of the NCCR on Consumer Rights Protection

1. For the purpose of consumer rights protection the NCCR shall cooperate with organizations which represent the interests of consumers, provide to such organizations as well as to the consumers necessary information about activity of telecommunications operators and providers of except cases when such information is considered to be information with restricted access.

2. Consumers shall have the right to apply to the NCCR to resolve any issues referred to the authorities thereof. The NCCR shall examine the issues and take a decision according to its competence.

#### **Article 22.** Openness of the Activity of the NCCR

1. The NCCR shall ensure that its activity is open.

2. The procedure and terms of availability of the NCCR agenda and its decisions shall be defined by the Regulations of the NCCR.

3. The decisions of the NCCR shall be passed during the sessions which are held as open or closed sessions. In case of an examination of issues which are of great social significance, the sessions shall be carry out in the form of open meetings which shall be open for participation to the participants of the telecommunications market and public organizations under the procedure established by the NCCR.

### **Article 23.** Liability of Officials of the NCCR

1. For violation of the requirements of this Law, other legislative acts, non-performance or improper performance of one's official duties which results in the infringement of rights or interests of the participants of the telecommunications market protected by the law, the Chairman and Members of the NCCR and official persons of the NCCR staff shall be held liable according to the legislation of Ukraine.

## **Title IV**

### **TECHNICAL TELECOMMUNICATIONS FACILITIES**

#### **Article 24.** Use Conditions of Technical Telecommunications Facilities

1. The conditions of use of technical telecommunications facilities are their conformance with standards and technical regulations. Technical telecommunications facilities shall have a document confirming the compliance with the requirements of regulatory documents in the telecommunications area issued under the procedure stipulated by the legislation.

2. Conformance of technical telecommunications facilities shall be confirmed in accordance with the Law of Ukraine "On Conformance" (2406-14) accredited, under the stipulated procedure, by authorities empowered to perform such activity, the list thereof being subject to approval by the NCCR.

3. The CEAC shall decide on the list of technical means which can be applied in public telecommunications networks and shall publish the list a minimum of two times on an annual basis in the Official Journal of the NCCR.

4. The usage of telecommunications facilities not included in the list shall be approved by telecommunications operators and providers with the CEAC under the procedure stipulated by the legislation.

5. The criteria for taking a decision on the approval of telecommunications facilities which can be used in telecommunications networks shall be:

- 1) ensuring the unification and uniformity of public telecommunications networks;
- 2) ensuring reliability, safety of telecommunications networks;

- 3) possibility of automated operational and technical management of networks;
- 4) ensuring the compliance with applicable regulatory documents in the telecommunications area and technical regulations on conformance;
- 5) harmonizing national regulatory and legislative acts on conformance in the telecommunications area with international and European acts;
- 6) other technical and economical indicators denominated by the legislation of Ukraine.

6. The CEAC shall within 60 calendar days after the date of receipt of the application of telecommunications operator and provider make a decision with respect to the approval of telecommunications facilities which can be used in telecommunications networks. In case of taking a decision about the approval of telecommunications facilities shall be included into the list envisaged by Paragraph 3 hereof.

7. The NCCR shall control the observation of use conditions of technical facilities in public telecommunications networks.

8. The procedure of usage of the meters calculating the duration of telecommunications services which are installed on terminal equipment shall be determined by the NCCR. The NCCR shall resolve disputes between telecommunications operators and providers of and their subscribers concerning the discrepancies in readings of duration of telecommunications services registered by the meters.

9. The norms of this Article shall extend to terminal equipment.  
(Article 24 has been supplemented with Paragraph 9 pursuant to Law No.3380-IV (3380-15) of 19 January 2006)

#### **Article 25.** Standardization in the Telecommunications Area

1. The purpose of standardization in the telecommunications area is the creation of a single system of state and industry standards and other regulatory documents which determine the requirements to telecommunications networks, their technical facilities and the quality of telecommunications services, as well as the harmonization of these requirements with the requirements of international regulatory documents.

2. The requirements of state and industry standards of other regulatory documents for telecommunication facilities shall be binding upon all manufacturers and suppliers of technical facilities, research, development and construction organizations as well as telecommunications operators and providers. The requirements to the quality of services shall be binding upon telecommunications operators and providers which provide telecommunications services in the territory of Ukraine.

3. Industry standards shall be developed and approved according to the law of Ukraine on standardization taking into account the standards and recommendations of international organizations.

#### **Article 26.** Metrological Assurance in the Telecommunications Area

1. Metrological assurance in the telecommunications area shall be done by the CEAC with the objective of ensuring the unity and required accuracy of measurements according to the Law of Ukraine “On Metrology and Metrological Activity” (113/98-VR).

2. The regulatory basis for metrological assurance in the telecommunications area shall be state standards, other regulatory documents of state system of measurements uniformity as well as industry regulatory documents.

3. The requirements of metrological assurance in the telecommunications area shall be binding upon telecommunications operators and providers, manufacturers of technical telecommunication facilities, other institutions and organizations which test technical telecommunication facilities.

## **Title V**

### TELECOMMUNICATIONS NETWORKS

#### **Article 27. Public Telecommunications Network**

1. Public telecommunications networks of Ukraine shall be developed and upgraded according to the Concept of Telecommunications Development in Ukraine utilizing the latest technologies in the telecommunications area which respond international standards taking into consideration the technological integrity of all networks and telecommunications facilities, enhancing the effectiveness and stability of functioning thereof. The main purpose of the Concept of Telecommunications Development in Ukraine shall be the harmonious and dynamical development of telecommunications networks in the entire territory of the country and, primarily, in the regions where the saturation level of local public networks is insufficient.

2. The right of ownership and the right of maintenance and exploitation of telecommunications networks may belong to any natural person – a business entity or legal entity that is a resident of Ukraine regardless of ownership type.

3. Public telecommunications networks shall be managed by the telecommunications operators that exploit these networks on the basis of uniform standards, norms and rules.

4. Responsibility for ensuring the stability of public telecommunications networks shall be charged on the telecommunications operators that exploit the networks.

5. When building and equipping public telecommunications networks, the requirements to the stability of the mentioned networks shall be taken into consideration.

6. State power authorities and municipal authorities, within the scope of their powers, shall create favourable conditions for the development of public telecommunications networks and full provision of telecommunications services.

7. The telecommunications operators, regardless of ownership types, shall, primarily, allow the use of its network resources on a contract basis to the state system of government communications, authorities for emergencies, safety, defense, internal affairs of Ukraine under the procedure stipulated by the CEAC.

8. A special access regime, under the terms of the legislation, shall be set up for telecommunications objects, as well as specific organization departments of telecommunications

operators and providers of where information with restricted access, the property of the state, is processed or kept.

9. Unauthorized intervention and/or usage of telecommunications networks by natural persons and legal entities shall entail liability under the law.

**Article 28.** Use of Public Telecommunications Networks for the Needs of Radio and Television

1. The use of public telecommunications networks for the needs of radio and television shall be subject to a contract basis according to the legislation.

2. The provision of telecommunications networks for the needs of radio and television shall be regulated by the Law of Ukraine “On Radio and Television Broadcasting” (3759-12).  
(Article 28 (2) in the version of Law No. 3317-IV of 12 January 2006)

**Article 29.** Operational and Technical Management of Public Telecommunications Networks under the State of Emergency

1. The management of public telecommunications networks and responsibility for ensuring the stability thereof during the state of emergency shall be assigned to the CEAC.

2. For the purpose of ensuring the possibility of operational and technical management of public telecommunications networks of all operators of telecommunications in the circumstances of extraordinary situations, an emergency, martial law, there shall be set up the National Center of Operational and Technical Management of Telecommunications Networks of Ukraine.

3. The procedure of setting up of and performing activity by the National Center of Operational and Technical Management of Telecommunications Networks of Ukraine shall be determined by the Cabinet of Ministers of Ukraine.

4. Under the circumstances of extraordinary situations, an emergency and martial law, the National Center of Operational and Technical Management of Telecommunications Networks of Ukraine shall perform operational and technical management of telecommunications networks within the scope of powers granted to it by the Cabinet of Ministers of Ukraine.

5. Under usual conditions, the National Center of Operational and Technical Management of Telecommunications Networks of Ukraine shall:

- 1) interact with operating centers of telecommunications operators, including foreign ones;
- 2) perform other functions delegated to it by telecommunications operators on a contract basis.

6. For the purpose of ensuring the possibility of performing the functions assigned to the National Center of Operational and Technical Management of Telecommunications Networks of Ukraine, telecommunications operators shall provide information about their telecommunications networks, the state thereof in the volume and under the procedure prescribed by the Cabinet of Ministers of Ukraine.

7. The interaction of telecommunications operators with the National Center of Operational and Technical Management of Telecommunications Networks of Ukraine shall be done on a contract basis under the procedure and in compliance with the terms and conditions of the Standard Form Contract approved by the CEAC.

8. The state shall finance special communications objects at the expense and within the limits envisaged by the State Budget of Ukraine.

**Article 30.** Determination of the Development Trends of Public Telecommunications Networks

1. Priority development trends of public telecommunications networks shall be determined by the Concept of Telecommunications Development in Ukraine. The Cabinet of Ministers of Ukraine, the CEAC, the NCCR shall, within the scope of their powers, create appropriate conditions for the fulfillment thereof by realizing the state tariff policy, launching competition and creating a beneficial investment climate in the telecommunications area.

2. Investments in the development of public telecommunications networks shall be made at the expense of own funds of telecommunications operators, funds of other legal entities and natural persons, being attracted on a contract basis, as well as at the expense of loans, capital issue and other incomings not prohibited by the legislation of Ukraine.

3. Investments in the development of public telecommunications networks can be also made at the expense of the state and local budgets in the event that these expenses are foreseen in the relevant budgets. State investment in the development of public telecommunications networks shall be made in accord with the procedure established by the legislation of Ukraine, on the basis of the Concept for Telecommunications Development in Ukraine, relevant national programs and projects. Investments in the development of telecommunications networks from local budgets shall be made according to the development plans of relevant territories upon decision of municipal authorities.

4. Business entities that exercise implementation of projects on development of public telecommunications networks can be granted guarantees and benefits determined by the legislation of Ukraine.

**Article 31.** Planning, Building, Reconstruction and Modernization of Telecommunications Networks

1. Projects of building, reconstruction and modernization of telecommunications networks shall be subject to expert examination in cases and under procedure stipulated by the legislation. The costs relating the examination shall be charged on telecommunications operators.

2. Building, reconstruction and modernization of telecommunications networks shall not decrease the reliability and quality of communication. All costs relating the compliance with these requirements shall be charged on the telecommunications operator that exercise such works.

3. New objects for residential and domestic, cultural, treatment and other purposes that belong to the state ownership shall be equipped by construction firms with networks and devices for organizing telecommunications of general use.

4. Customers contracting for the building of telecommunications networks shall be allowed, in accordance with the procedure stipulated by the legislation of Ukraine, lay cable underground, submarine and overhead telecommunications lines through bridges, tunnels, collectors, streets, roads, edifices, woods and waters as well as use power transmission lines for this purpose.

5. Customers contracting for the reconstruction and building of bridges, tunnels, collectors, streets, roads, edifices, power transmission lines jointly using poles for stringing telecommunication lines shall, at their own expense, perform works relating the adjustment and transfer of telecommunications networks located in the built-up area according to technical specifications given by the owners of the networks.

6. Business entities that build public telecommunications networks can install telecommunications equipment inside the premises owned by them on a rental basis, use building roofs and technical premises to install antennas and necessary equipment on the basis of a contract with the owner of the premises.

7. The procedure and use terms of operating pipelines, cable channels, collectors, towers, antennas and other constructions by persons who do not own them shall be set by entering into a contract with the owner thereof.

## **Title VI**

### **CONSUMERS OF TELECOMMUNICATIONS SERVICES**

#### **Article 32. Telecommunications Services Consumers Rights**

1. When ordering and/or receiving telecommunications services, the consumers shall have the right of:

1) protection of their rights by the state;

2) free access to telecommunications services;

3) safety of telecommunications services;

4) selection of telecommunications operator and provider;

5) selection of the type and number of telecommunications services;

6) reception of thorough information from telecommunications operator and provider about the content, quality, price and procedure of the provision of telecommunications services free of charge;

7) timely and qualitative provision of telecommunications services;

8) reception of available data on the provided telecommunications services from telecommunications operator and provider;

9) restriction of consumer access by an telecommunications operator and provider to specific types of services based on consumer's own written request;

10) refund of the unused portion of money by the telecommunications operator and provider of in case of refuse from pre-paid telecommunications services in cases and under the procedure defined by the rules of the provision and obtainment of such services;

11) refusal from telecommunications services under the procedure stipulated by the contract on the provision of telecommunications services;

12) compensation of losses incurred as a result of non-performance or improper performance by the telecommunications operator and provider of obligations foreseen by the contract signed with the consumer or by the legislation;

13) appeal against wrongful acts of the telecommunications operators and providers by applying to the court and authorized state bodies;

14) refusal from the payment for telecommunications services which have not been ordered by them;

15) obtaining information about the possibility and the procedure of refusing from the telecommunications service ordered;

16) receiving invoices from the operator, provider of telecommunications services about telecommunications services provided free of charge. Upon personal request of the consumer and taking into consideration technical capabilities of telecommunications network equipment, the amount calculated for the services provided shall be itemized only for the accounting period with regard to which the consumer has complaints. Therein shall be indicated the phone number of the subscriber called by the consumer, kind of service, start and finish time of each call session, volume of services provided, amount payable for each call session.

The telecommunications services which are provided anonymously shall not be itemized; (Article 32 (1) (16) in the version of Law No. 3375-IV ( 3375-15 ) of 19 January 2006)

17) other rights stipulated by the legislation of Ukraine and contract on the provision of telecommunications services.

### **Article 33. Obligations of Telecommunications Services Consumers**

1. The consumers of telecommunications services shall comply with the Rules of the Provision and Obtaining of Telecommunications Services to be approved by the Cabinet of Ministers of Ukraine, in particular,

1) to use the terminal equipment which is accompanied by a documentary proof of conformance;

2) to restrain from the use of the terminal equipment of a consumer for doing wrongful acts or acts that conflict with the interests of the national security, defense and protection of law and order;

3) to restrain from acts that can threaten the safety of the exploitation of telecommunications networks, support of the uniformity and interaction of telecommunications networks, protection of information safety of telecommunications networks, electromagnetic compatibility of radio-electronic devices, complicate or make impossible the provision of services to other consumers;

4) to restrain from the commercial use of terminal equipment and subscriber phone lines for the purpose of provision of telecommunications services to third persons;

5) to execute the conditions of the contract on the provision of telecommunications services in case of signing thereof, including the timely payment for telecommunications services received by them;

6) perform other obligations in accordance with the legislation.

2. In case of using the meters calculating the duration of telecommunications services which are installed on terminal equipment for the purpose of checking the accuracy of payment calculation for services obtained, the subscribers shall:

1) use meters which have a documentary proof of conformity in accordance with the legislation of Ukraine;

2) regularly perform the metrological inspection of the meters as units of measuring equipment under the procedure stipulated by the legislation of Ukraine.

3. Telecommunications services consumers shall perform other obligations in accordance with this Law and the legislation of Ukraine.

#### **Article 34. Consumer Data Protection**

1. Operators, providers of telecommunications shall ensure and be liable for the security of consumer data obtained when signing the contract, the telecommunications services provided including the receiving of services, duration, content, routes of transmission thereof etc.

2. Telephone directories for public purposes, including soft copies thereof and databases of reference and information services, can contain information about the last, first and patronymic name, name, address and phone number of subscriber provided that the consumer provides in the contract on the provision of telecommunications services his consent on publishing such information. The operator of telecommunications shall ensure the protection of consumer data during automated processing thereof under the law.

The consumer shall have the right to the exclusion of his data, in whole or in part, from soft copies of databases of reference and information services free of charge.

3. Information about the consumer and telecommunications services received by him can be provided in cases and under the procedure stipulated by the law. In other cases the above information shall be disseminated only upon written consent of the consumer.

#### **Article 35. Protection of Consumer Interests in the Event of Terminating the Provision of Telecommunications Services by Operator, Provider of Telecommunications**

1. The operator, provider of telecommunications that terminates the provision of telecommunications services shall give three months notice, at the latest, before the termination of the provision of telecommunications services.

2. In the event of cancellation or invalidation of license, withdrawal of allocations of the numbering and/or radio frequency resource following a violation of the telecommunications law by an operator, provider of telecommunications, such operator, provider of telecommunications shall compensate the subscribers for losses incidental to the provision of telecommunications services under the procedure stipulated by the law.

#### **Article 36. Liability of Consumers of Telecommunications Services**

1. The consumers of telecommunications services shall be fully liable for violating the norms of this Law, the Rules of the Provision and Obtaining of Telecommunications Services in accordance with the law.

2. In case of a delayed payment for telecommunications services provided by an operator, provider, the consumers shall pay a penalty that shall be calculated on the basis of the value of non-paid services and shall equal the discount rate of the National Bank of Ukraine, being valid in the period for which the penalty is due.

3. The payment of penalty, legal suspension or reducing the list of telecommunications services by an operator, provider shall not release the consumer from the obligation to pay for telecommunications services provided to him.

4. In case of discovering a damage to the telecommunications network that was caused by the consumer's fault, the consumer shall bear all expenses of the telecommunications operator associated with the repairing of the damage and shall also compensate all other losses (including any lost profits).

## **Title VII**

### **TELECOMMUNICATIONS OPERATORS AND PROVIDERS**

#### **Article 37.** Legal Principles for the Activity of Telecommunications Operators and Providers

1. Telecommunications operators and providers shall perform their activity under the legislation on telecommunications.

2. Legal principals for the activity of telecommunications operators and providers shall be:

1) equal rights of operators and providers in the telecommunications market of Ukraine;

2) priority of the interests of telecommunications services consumers;

3) development of competition under the conditions of operators and/or providers of various ownership types functioning;

4) barring discriminatory acts by operators and providers that hold the monopolistic (dominant) position with respect to other participants of the telecommunications market.

(Article 37 (3) has been excluded pursuant to Law No. 1876-IV ( 1876-15 ) of 24 June 2004)

4. The rating of telecommunications operators and providers as such operators and providers that hold the monopolistic (dominant) position in the telecommunications market shall be done by the Antimonopoly Committee of Ukraine on the basis of the legislation on protection of economic competition.

#### **Article 38.** Rights of Telecommunications Operators and Providers

1. The operators of telecommunications shall have the right to;

- 1) perform activity in the telecommunication area in accordance with the legislation;
- 2) obtain licenses under this Law;
- 3) obtain a numbering resource;
- 4) plan and develop their own networks;
- 5) set tariffs for telecommunications services provided by them except the services tariffs for which are regulated by the state under this Law;
- 6) assign phone numbers to consumers within the numbering resource allocated to the operator;
- 7) connect telecommunications networks owned or used by him with telecommunications networks owned or used by other operators, under this Law;
- 8) reduce the list or terminate the provision of telecommunications services to consumers that violate the rules of the provision and obtaining of telecommunications services or disconnect the terminal equipment of the consumer if it does not have a document, which is issued under the procedure stipulated by the legislation, on compliance with the requirements of regulatory documents in the telecommunication area under the procedure established by these rules;
- 9) disconnect, pursuant to a court decision, the terminal equipment if it is used by the consumer for doing wrongful acts or acts that threaten the interests of the national security;
- 10) suspend activity in the telecommunication area according to this Law and under the procedure set by the CEAC and agreed with the NCCR;
- 11) install telecommunications equipment in the premises owned by them on a rental basis, subject to consent of the owner of the premises;
- 12) other rights foreseen by the legislation of Ukraine and contracts on the provision of telecommunications services.

2. The terminal equipment of the departments of the Ministry of Defense of Ukraine, the Security Service of Ukraine, the Foreign Intelligence Service of Ukraine, the Ministry of Internal Affairs of Ukraine, the specially authorized central executive authority for emergencies and matters of population protection from the consequences of Chernobyl catastrophe, the specially authorized executive authority for matters of the state border protection, interconnecting lines of emergency services shall be disconnected under the procedure set by the Cabinet of Ministers of Ukraine. (Article 38 (2) with amendments introduced pursuant to Law No. 3200-IV (3200-15) of 15 December 2005 and Law No. 3475-IV (3475-15) of 23 February 2006)

3. Telecommunications provider shall exercise the rights foreseen by Paragraph 1 hereof excluding the rights foreseen by Subparagraphs 2, 3, 6, 7 of Paragraph 1 hereof and shall also have the right to connect telecommunication facilities to public telecommunications networks in accordance with the legislation.

4. Telecommunications provider shall perform activity in the telecommunication area on the basis of the contract with a telecommunications operator – a resident of Ukraine and a copy of the license of the operator for the relevant type of activity in cases foreseen by the law.

(Article 38 has been supplemented with Part 4 pursuant to Law No. 1876-IV (1876-15) of 24 June 2004)

### **Article 39.** Obligations of Telecommunications Operators and Providers

1. The operators of telecommunications are obliged to:

1) perform activity in the telecommunication area, which is subject to licensing, only upon presence of a license;

2) provide free access for the consumers to public telecommunications networks for the purpose of calling the fire brigade, police, ambulance, gas emergency service;

3) provide telecommunications services according to the set quality parameters;

4) provide to the consumers thorough information required for entering into the contract and concerning the telecommunications services provided by them;

5) perform accurate accounting of telecommunications services provided to the consumer;

6) ensure the accuracy of the application of tariffs;

7) keep records on telecommunications services provided during the limitation period defined by the law and provide information about provided telecommunications services under the procedure stipulated by the law;

8) restrain from violating the rules of fair competition in the telecommunications market;

9) provide telecommunications services, in the first place, to the departments of the Ministry of Defense of Ukraine, the Security Service of Ukraine, the Foreign Intelligence Service of Ukraine, the Ministry of Internal Affairs of Ukraine, the specially authorized central executive authority for emergencies and matters of population protection from the consequences of Chernobyl catastrophe, the specially authorized executive authority for matters of the state border protection; (Article 39 (1) (9) with amendments introduced pursuant to Law No. 3200-IV (3200-15) of 15 December 2005 and Law No. 3475-IV (3475-15) of 23 February 2006)

10) ensure the readiness of own telecommunications networks for operating under the conditions of extraordinary situations, the state of emergency and martial law including the possibility of alerting the consumers under these conditions;

11) provide information to the CEAC about their own telecommunications networks on an annual basis for working through mobilization plans within the limits defined by the Cabinet of Ministers of Ukraine;

12) maintain accounting and other documentation determined by the legislation relating their own telecommunications networks and interconnection with other telecommunications networks;

13) provide reports and information to the CEAC and the NCCR in a timely manner under the law;

14) make the tariffs for telecommunications services established by the operator publicly available no later than seven calendar days prior to the effective day of the launch thereof;

15) ensure the use of the allocated numbering resource within the terms set by the NCCR;

16) notify the consumers about the possible reduction of the list of telecommunications services or disconnection of their terminal equipment in cases and under the procedure foreseen by the rules of the provision and receipt of these services;

17) take measures to prevent an unauthorized access to telecommunications networks and information transmitted through these networks;

18) execute other obligations in accordance with the legislation of Ukraine.

2. All Subparagraphs of Part 1 hereof excluding Subparagraphs 1, 2, 10, 11, 12, 15, 17 shall also apply to telecommunications providers. (Article 39 (2) in the version of Law No. 1876-IV (1876-15) of 24 June 2004)

3. In case that a telecommunications operator or provider fixes a payment for telecommunications services in accordance with hourly rates, he shall take into account only full units of time when making settlements with the consumers.

4. Telecommunications operators shall at their own expense install technical facilities on own telecommunications networks which are required for carrying out investigation activities by authorized bodies and ensure the functioning of these technical facilities as well as promote, within the scope of their powers, the carrying out of investigation activities and prevent the disclosure of organization and tactics of their carrying out.

The operators of telecommunications shall ensure the protection of the mentioned technical facilities against unauthorized access.

5. Telecommunications operators and providers shall not have the right to refuse the subsequent provision of publicly available services to disabled people of the 1<sup>st</sup> and the 2<sup>nd</sup> groups of all categories whose current debts for obtained services does not exceed three minimum retirement pensions.

#### **Article 40. Liability of Telecommunications Operators and Providers**

1. For the non-provision or improper provision of telecommunications services the telecommunications operator, provider shall bear the following civil liability with the property he owns:

1) for the non-provision of paid telecommunications services or provision thereof in a volume less than the one paid for, -

in the amount of the paid value of non-provided services and a fine at the rate of 25 per cent of the value of services;

2) for a delay in the transmission of a telegram which resulted in the non-delivery or untimely delivery thereof, -

a fine in the amount of 50 per cent of the value of the paid service as well as the refund of money to the consumer for the services paid by him;

3) for a groundless disconnection of the terminal equipment, -

in the amount of the subscription fee for the entire connection period;

4) for groundless reduction of or changes in the list of services, -

in the amount of the subscription fee applicable per month;

5) in other cases – in the amount stipulated by the contract on the provision of telecommunications services;

6) in case of failure of repairing the damage of the telecommunications network which made impossible the consumer access to the service or reduced the quality parameters of the telecommunications service down to inadmissible values within twenty-four hours after the fixed moment of filing an application by the subscriber, the subscription fee for the entire period of damage shall not be charged and in case that the telecommunications operator fails to repair the damage during five days from the fixed moment of filing an application by the subscriber the operator shall pay a penalty to the consumer in the amount of 25 per cent of daily subscription fee per each day of exceeding this term but no more than for three months.

2. Telecommunications operators, providers shall not bear civil liability with their property with respect to the telecommunications services consumers for the non-performance or improper performance of the obligations concerning the provision of telecommunications services in consequence of any acts of God (earthquake, flood, hurricane etc.), malicious theft of or damage to linear and fixed facilities which are used by the telecommunications operator or through the fault of the consumer in cases foreseen by this Law.

3. The issues pertaining to the compensation of actual losses to the consumer, moral damage, lost profits through the improper performance of obligations under the contract on the provision of telecommunications services by the telecommunications operator, provider shall be resolved by the court.

4. Telecommunications operators, providers shall not be held liable for the content of information transmitted through their networks.

#### **Article 41. Personnel of Telecommunications Operators and Providers**

1. The personnel of the telecommunications operator, provider shall comprise all employees who have established labour relations with him.

2. The personnel of the telecommunications operator, provider shall be held liable for violation of the requirements of the legislation of Ukraine concerning maintaining the privacy of telephone conversations, telegraphic or other correspondence transmitted by means of communications or by computer as well as information with restricted access relating organization and functioning of telecommunications networks in the interests of the national security, defense and protection of law and order.

3. The personnel of the telecommunications operator, provider shall be prohibited to take part in strikes if such acts cause the stoppage of the functioning of telecommunications networks or the provision of telecommunications services which hinders the ensuring of the national security, protection of health, rights and freedoms of man.

4. The operators, providers of telecommunications shall create workplaces for employing disabled people at the rate of 4 per cent of the total quantity of employees exclusive of those engaged under difficult, harmful working conditions and works that involve an increased risk of danger.

5. Managers of enterprises - telecommunications operators, providers and their branches - can be employed on a contract basis.

## **Title VIII**

### REGULATION OF ACCESS TO THE TELECOMMUNICATIONS MARKET

#### **Article 42. Exercising Activity in the Telecommunication Area**

1. Business entities that desire to exercise activity in the telecommunication area shall no later than a month prior to the launch thereof give notice to the NCCR a sample whereof is approved by the NCCR. The NCCR shall, within a week, include the business entity into the register and provide an appropriate notice to him.

2. Certain kinds of activities in the telecommunication area shall be exercised by business entities on the basis of a license.

3. The following kinds of activities in the telecommunication area shall be subject to licensing:

1) provision of fixed-line telephone communication services with the right of maintenance and exploitation of telecommunications networks and the provision for use of electronic communications channels:

local;

national;

international;

1-1) provision of fixed-line telephone communication services utilizing the wireless access to the telecommunications network with the right of maintenance and the provision for use of electronic communications channels:

local;

national;

international;

(Article 42 (3) has been supplemented with Subparagraph 1-1 pursuant to Law No. 1876-IV (1876-15) of 24 June 2004)

2) provision of mobile telephone communication services with the right of maintenance and exploitation of telecommunications networks and the provision for use of electronic communications channels;

3) provision of services on maintenance and exploitation of telecommunications networks, networks of television and radio broadcasting, wire radio broadcasting and linking systems; (Article 42 (3) (3) in the version of Law No. 3380-IV (3380-15) of 19 January 2006)

4) provision for use of electronic communication channels:

local;

national;

international.

(Article 42 (3) has been supplemented with Subparagraph 4 pursuant to Law No. 3380-IV (3380-15) of 19 January 2006)

#### **Article 43. Basic Principles of Licensing in the Telecommunication Area**

1. The basic principles of licensing in the telecommunication area shall be:

1) creating open, non-discriminatory and transparent conditions of access to the telecommunications market and activity therein;

2) promoting the effective functioning of the telecommunications market on the basis of balancing the interests of the society and telecommunications operators, providers;

3) ensuring the equality of rights, legal interests of all business entities;

4) rational use of limited resources in the telecommunication area;

5) encouraging the launch of new kinds of telecommunications services and use of up-to-date technologies;

6) attracting investments in the development of telecommunications in Ukraine.

2. Licensing shall not be used for restricting the competition in exercising activity in the telecommunication area.

#### **Article 44. Licensing Terms and Conditions**

1. Licensing terms and conditions shall represent a regulatory act that contains a complete list of organizational, qualification, technological and other special requirements which are obligatory when exercising a kind of activity in the telecommunication area which is subject to licensing, the act being compiled with the consideration of the requirements of this Law.

2. Licensing terms and conditions and the procedure of controlling the observance thereof shall be established by the NCCR.

3. The NCCR can include special conditions in the licenses for exercising activity in the telecommunication area for certain operators, providers.

#### **Article 45. Documents Submitted for Obtaining a License**

1. A business entity that intends to exercise a kind of activity in the telecommunication area which is subject to licensing shall apply to the NCCR personally, through a body or person authorized by him or by means of registered letter with the description of the enclosure thereto and file an application for a license in accordance with the sample approved by the NCCR. (Article 45 (1) in the version of Law No. 1876-IV (1876-15) of 24 June 2004)

2. The applicant shall submit the following documents with the application for a license:

1) a copy of the Certificate of State Registration of Business Entity or a copy of the Certificate about Inclusion in the Unified State Register of Enterprises and Organizations of Ukraine certified by a notary or authority that issued the original document;

2) copies of constituent documents (for legal entities) certified by a notary or authority that issued the original document;

3) properly certified copies of documents that prove the ownership right of the business entity or his right to the use of production facilities;

4) plans of creation and use of the telecommunications network bearing the signature of the applicant – business entity;

5) documents that confirm financial possibilities and human resources for ensuring the exercising of the declared activity.

3. The NCCR shall be prohibited to require that business entities submit other documents which are not foreseen by this Law.

4. In case that the applicant has branches, other separate divisions that shall exercise economic activity on the basis of the license to be obtained, the application shall contain the list of names and addresses thereof.

5. The application for a license and documents submitted with it shall be accepted subject to compiling a schedule, which copy shall be handed over or sent to the applicant with the stamp about the receipt of documents and the signature of a responsible person of the NCCR. (Article 45 (5) in the version of Law No. 1876-IV (1876-15) of 24 June 2004)

6. All documents submitted by the applicant after registration of the application shall be put in a separate file.

7. The application for a license shall not be reviewed if:

1) the application has been filed (signed) by a person not authorized thereto;

2) documents have been drawn up in violation of the provisions of this Article.

8. In case that the application for a license remains non-reviewed, the applicant shall be notified in writing within a week after the registration date of the application, the relevant grounds being indicated.

9. In case of removal of the grounds which led to the decision to leave the application non-reviewed, the applicant shall be able to re-apply for a license.

10. The NCCR shall publish information about the procedure of the issuance of a license in its Official Journal.

#### **Article 46. Decision on Issuance or Refusal of License**

1. The NCCR shall take a decision on whether to issue or refuse a license within the period not exceeding 30 business days after the registration date of application for a license.

2. A copy of the decision on issuance or refusal of a license shall be sent (issued) to the applicant within three business days after the date of its making.

3. The decision about refusal to issue a license shall include grounds of refusal.

4. Together with the decision on issuance of a license the applicant shall be given notice about the amount of payment for the issuance of the license, the payment and receipt procedure.

5. Grounds for refusal to issue a license shall be:

1) inaccuracy of data in the documents submitted by the applicant for a license;

2) failure of the applicant and the documents submitted to comply with licensing terms and conditions established for a certain kind of economic activity in the telecommunication area;

3) impossibility to issue a license as a consequence of the decision taken earlier about the restriction of the quantity and distribution thereof on a competitive basis.

6. In case of refusal to issue a license, the business entity shall be able to file a new application for a license with the NCCR after circumstances that led to the refusal to issue it are removed.

7. The decision of the NCCR on refusal to issue a license can be appealed to the court.

8. In case that the activity which is licensed requires the use of limited resource (radio frequency and/or numbering resource), the period of taking a decision about issuance or refusal of the license shall be 60 business days after the registration date of the application. In case that the international coordination of radio frequency assignment is required, the period of granting the license shall be extended for a period defined by the Regulations of Radio Communication of the International Telecommunication Union or relevant international agreements. The license for a kind of activity in the telecommunication area which provides for the use of radio frequency resource of Ukraine shall be issued together with the relevant license for the use of radio frequency resource of Ukraine. (Article 46 has been supplemented with Part 8 pursuant to Law No. 1876-IV (1876-15) of 24 June 2004)

#### **Article 47. Restriction of the Quantity of Licenses and Carrying out a Competition for a License in Such Cases**

1. The NCCR shall be able to take a decision on restricting the quantity of licenses for kinds of activity in the area of telecommunications services provision in case of ensuring the efficient use of telecommunications networks in the interests of consumers and use of limited resources. This decision shall be published with the indication of grounds for it.

2. In case of making a decision on the restriction in the quantity of licenses, the licenses shall be granted on a competitive basis. The competition for issuance of licenses shall be run on an open, non-discriminatory and transparent basis and shall provide equal competitive conditions and requirements for all participants of the competition.

3. In case of the competition the licenses shall be issued within the period which does not exceed four months after the date of announcement thereof.

4. The order of running competitions for obtaining licenses shall be determined by the NCCR in compliance with the following conditions:

1) announcement about the carrying of competitions for obtaining licenses shall be given no later than 60 calendar days prior to the effective date of the competition and is subject to obligatory publication in the Official Journal of the NCCR;

2) for the purpose of participation in the competition the business entities shall, no later than 30 calendar days prior to the carrying out thereof, submit a notice of intention to take part in the competition to a licensing authority, as well as other documents foreseen by the order of carrying out the competition;

3) decision on the competition results shall be set out in the Minutes of the NCCR no later than five business days after the date of the competition;

4) decision on the competition results shall be published in the Official Journal of the NCCR.

5. Notice about making a decision based on the results of the competition for issuance or refusal of a license shall be sent (handed over) to the applicant in writing during three business days after the date of registration thereof.

6. The decision about the competition results can be appealed to the court.

7. In case of cancellation of a license issued by results of the competition, the NCCR shall no later than ten days after the date of making the cancellation decision announce a competition for obtaining a license which was cancelled.

#### **Article 48.** Issuance of License and its Copies

1. The NCCR shall issue a license no later than three business days after the date of receipt of the document that confirms the payment for issuing the license.

2. The NCCR shall put a stamp about the date of receipt of documents, that confirm the payment of the applicant for issuing a license, on the copy of the schedule that was given to the applicant when accepting the application for a license.

3. In case that the applicant has not provided a document that confirms the payment for issuance of the license or has not applied to the NCCR to obtain the license during 30 calendar days after the date of giving him notice about taking a decision on issuance of a license, the NCCR shall cancel the decision on issuance of a license or take a decision on declaring such license invalid.

4. Licenses shall be issued on standard forms samples of which are approved by the NCCR and are the protected documents of accountable forms.

5. The validity period of a license shall be indicated by the NCCR in the license but it shall not be less than five years.

6. The license shall include the name of the territory in which the activity in the telecommunication area shall be exercised under the license.

7. The license shall be signed by the head of the NCCR or his Deputy and certified by the seal of this authority.

8. For each branch, other separate division of the business entity that shall exercise activity in the telecommunications area under the license, the NCCR shall issue certified copies of the license which shall be registered in the register of applications and licenses issued. A copy of the license shall be also given to the telecommunications provider that provides relevant telecommunications services under the contract with such business entity. A copy of the license certified by the NCCR shall be the document confirming the right of branch, other separate division to exercise activity in the area of telecommunications under the license.

9. In case of establishing a new branch, other separate division by the business entity that will provide activity in the telecommunications area under the license obtained and also in case of entering into the contract with the telecommunications provider, the business entity shall file an approved form of application with the NCCR for issuance of copies of relevant licenses as well as document that confirm the establishment of a new branch, other separate division.

10. In case of liquidation of a telecommunications provider, branch, other separate division of the business entity that exercised economic activity in accordance with the licenses obtained by the business entity or in case of termination of activity by them in the telecommunications area, the business entity shall within seven business days after the date of liquidation or termination of activity in the telecommunications area by a telecommunications provider, branch, other separate division give written notice to the NCCR and return the relevant copy of license. The NCCR shall introduce appropriate changes in the licensing register no later than the next business day after the receipt date of such notice.

11. Information about the issuance of the license and special conditions set out in the license shall be published in the Official Journal of the NCCR.

12. The business entity shall not have the right to transfer the license or a copy thereof to another legal entity or natural person for the purpose of exercising activity in the telecommunications area.

#### **Article 49.** Extension of the Period of Validity of License

1. In case that a business entity intends to exercise a kind of activity in the telecommunications area indicated in the license, it shall no later than four months before the expiry date of the license file an application with the NCCR for extension of the period of validity of the license under the procedure stipulated by Article 45 (1).

(Article 49 (1) in the version of Law No. 3380-IV (3380-15) of 19 January 2006)

2. The NCCR shall have no right to refuse the extension of the period of validity of the license if the telecommunications operator, provider has fulfilled all terms and conditions laid down in the license or these terms and conditions have not been fulfilled due to a valid reason which was beyond control of the telecommunications operator, provider.

3. The decision on the extension of the period of validity of the license or refusal to extend the period of validity of the license indicating the grounds for refusal shall be sent to the applicant no later than 15 business days after the registration date of application.

4. The decision of the NCCR on the extension of the period of validity of the license shall be provided on a license form.

5. When extending the period of validity of the license, the NCCR may introduce changes in the special conditions of the above license.

6. The license issued on a competition basis shall be extended without carrying out the competition.

7. In case that an telecommunications operator, provider appeals against the decision of the NCCR on refusal to extend the period of validity of the license by taking the matter to the court before the expiry date of the license, the decision shall be suspended until judicial inquiry is completed.

8. The procedure of the extension of the period of validity of the license shall be applied only to the kinds of activities licensed under this Law. (Article 49 has been supplemented with Paragraph 8 pursuant to Law No. 1876-IV (1876-15) of 24 June 2004)

#### **Article 50. Reissuing of License**

1. Grounds for the reissuing of a license shall be:

1) change of the name of a legal entity or last, patronymic, first name of a natural person – a business entity;

2) change of the address of a legal entity or domicile of a natural person – a business entity;

3) reorganization of a legal entity – a business entity by means of changing the legal organization form, transformation, merger, affiliation. In this case the licenses obtained by a telecommunications operator shall be reregistered in the name of his legal successor.

2. In case if grounds for the reissuing arise, the business entity shall within 30 business days file an application with the NCCR for the reissuing of the license together with the license to be reissuing and relevant documents or notarized copies thereof that confirm the changes indicated. The application for the reissuing of license shall be submitted under the procedure established by Article 45 (1).

(Article 50 (2) with amendments introduced pursuant to Law No. 3380-IV (3380-15) of 19 January 2006)

3. The NCCR shall within ten business days after the registration date of the application for license reissuing, upon receipt of documents confirming the payment of reissuing fee, issue a reissued license executed on a new form and containing changes indicated in the application for license reissuance or shall refuse to reissue the license if there are no grounds for reissuance or the documents submitted contain inaccurate data.

4. Together with the license reissued on a new form the NCCR shall issue to the business entity certified copies of such license for branches, other separate divisions that exercise activity in the telecommunications area.

5. In case of the reissuing of the license, the NCCR shall take a decision on invalidation of the license that was reissuing and introduce relevant changes to the licensing register no later than the next business day.

6. The period of validity of the reissued license shall not exceed the period of validity indicated in the license that was reissued.

7. The business entity that filed an application with the NCCR for the reissuance of a license and relevant documents shall be able to exercise its activity till the issuance of the license reissued on a new form or the taking of a decision on refusal to reissue the license on the basis of the certificate from the NCCR on receipt of the application.

8. The license which has not been reissued within the defined time shall be invalid.

**Article 51. Change of Information Specified in the Documents Submitted with the Application for a License**

1. A business entity shall give written notice to the NCCR about all changes of information specified in the documents submitted with the application for a license within 30 business days after occurrence of such changes and furnish documents or certified copies thereof that confirm the changes indicated.

**Article 52. Issuance of License Duplicate**

1. The following shall constitute grounds for the issuance of a license duplicate:

1) loss of license;

2) damage to the form of license.

2. In case of the loss of a license the business entity shall file an application with the NCCR for the issuance of a license duplicate. Should the form of license be unsuitable for use as a consequence of damaging thereof, the damaged form of license shall be submitted together with the application to the NCCR.

The application for the issuance of a license duplicate shall be filed according to the procedure defined by Article 45 (1).

(Article 52 (2) with amendments introduced pursuant to Law No.3380-IV (3380-15) of 19 January 2006).

3. The period of validity of the license duplicate shall not exceed the period of validity indicated in the lost or damaged license.

4. The NCCR shall within five business days after the receipt date of the application, upon submission of documents confirming the payment of the fee for issuing the duplicate, issue to the applicant a duplicate of the lost or damaged license.

5. In case of the issuance of a license duplicate, the NCCR shall make a decision about invalidation of the lost or damaged license and introduce relevant changes in the licensing register no later than the next business day.

6. The business entity that filled an application and relevant documents for the issuance of a license duplicate, shall be able to exercise its activity until the obtaining of a license duplicate on the basis of the relevant certificate from the NCCR.

**Article 53. Charges for Issuance, Reissuance, Issuance of a Duplicate, License Copy, Extension of the Period of Validity thereof**

1. For the issuance of licenses, reissuance thereof, issuance of duplicates, copies and extension of the period of validity thereof there shall be charged a fee which amount and the procedure of entering into the State Budget of Ukraine shall be stipulated by the Cabinet of Ministers of Ukraine.

2. The fee for the extension of the period of validity of the license, reissuance thereof, issuance of duplicates and copies shall not exceed charges associated with the performance of the above procedures. (Article 53 (2) with amendments introduced pursuant to Law No. 1876-IV (1876-15) of 24 June 2004)

(Article 53 (3) has been excluded pursuant to Law No. 2505-IV (2505-15) of 25 March 2005)

**Article 54. Licensing Terms and Conditions Observance Control**

1. Licensing terms and conditions and special conditions set out in the license observance control shall be exercised by the NCCR by performing planned and unplanned inspections.

2. Planned inspections shall be performed a maximum of once per year.

3. Unplanned inspections shall be performed only upon submission of a written application (notice) to the NCCR about the violation of licensing terms and conditions by telecommunications operators, providers or in order to check the execution of the instructions to remedy the violation of licensing terms and conditions.

4. Based on the results of the inspection there shall be drawn up a certificate in two copies. One copy of the certificate shall be handed over to the head of the entity inspected and the other one shall be kept by the NCCR.

5. In case of violations of licensing terms and conditions, the NCCR shall no later than 20 business days after the date of drawing up the certificate issue an order to remedy the violations or make the decision to cancel the license.

6. Telecommunications operator, provider that received the order to remedy the violations of licensing terms and conditions shall, within the time defined in the order, provide information to the NCCR about the remedying of the violations.

**Article 55. Cancellation of License**

1. Grounds for the cancellation of a license shall be:

1) application filed by a business entity for the cancellation of the license;

2) certificate on discovery of inaccurate information in the documents submitted by the business entity for obtaining a license;

- 3) certificate on transfer of the license or a cope thereof to another legal entity or natural person for exercising economic activity;
- 4) certificate on non-execution of the order to remedy the violations of licensing terms and conditions by telecommunications operator, provider;
- 5) certificate on repeated refusal of telecommunications operator, provider to allow representatives of the NCCR to perform an inspection as well as other obstacles that hinder to perform an inspection fully;
- 6) certificate on repeated violation of licensing terms and conditions by the licensee;
- 7) decision to cancel the state registration of telecommunications operator, provider;
- 8) notarized copy of death certificate of a natural person – a business entity.

2. The matters of cancellation of licenses based on the certificate on discovery of inaccurate information in the documents submitted by the business entity for obtaining a license, about transfer of the license or a cope thereof to another legal entity or natural person for conducting economic activity, certificate about non-execution of the order to remedy the violations of licensing terms and conditions by telecommunications operator, provider, certificate about repeated refusal of telecommunications operator, provider to allow representatives of the NCCR to perform an inspection as well as other obstacles that hinder to perform an inspection fully shall be examined subject to obligatory prior invitation of the telecommunications operator, provider or representatives thereof.

3. The NCCR shall take a decision to cancel the license within 20 business days after the date of ascertainment of grounds for the cancellation of the license. Notice of the decision shall be handed over or sent by registered letter to the telecommunications operator indicating the grounds for cancellation no later than three business days after the date of taking thereof. The decision to cancel the license may be appealed to the court.

4. In case of taking the decision to cancel the license except cases foreseen by Subparagraphs 7 and 8 of Paragraph 1 hereof, the decision to cancel the license shall be executed in three months after the effective date of the decision.

5. The decision to cancel the license shall become effective in ten days after the date thereof. In case that an telecommunications operator, provider appeals against the decision within this time, the decision shall be suspended until judicial inquiry is completed.

6. The date and number of the decision to cancel the license shall be recorded in the licensing register no later than the next business day after the effective date of the decision.

7. The decision to cancel or declare the license null and void shall be published by the NCCR within a ten-day period after the effective date of the decision.

#### **Article 56. Administration of IP Address Space of the Ukrainian Internet Segment**

1. The administration of IP address space of the Ukrainian Internet segment shall comprise a complex of organizational and technical activities required for ensuring the functioning of technical facilities for supporting IP addressing including the domain name servers of the

Ukrainian Internet segment, register of domain.UA in coordination with the international system of the Internet administration aimed at the systematization and optimization of use, accounting and administration of second-level domains, as well as the creation of conditions for the use of domain name space on the basis of equal access opportunities, protection of Internet service consumers and free competition.

2. The IP address space of the Ukrainian Internet segment shall be administrated by an authorized organization for the purpose of:

1) creating a register of domain names and IP addresses of the Ukrainian Internet segment;

2) creating a register of domain names in domain.UA;

3) creating and maintaining a system of registration and accounting of domain names and IP addresses of the Ukrainian Internet segment;

4) ensuring the uniqueness, formation and maintenance of second-level domain names in domain.UA;

5) creating conditions for the use of IP address space of the Ukrainian Internet segment on the basis of equal access opportunities, optimum use, protection of Internet service consumers and free competition;

6) representing and protecting the interests of the consumers of the Ukrainian Internet segment in relevant international organizations.

3. The IP address space in domain.UA shall be administrated by a non-governmental organization which is to be established by self-governmental organizations of operators/providers of the Internet services and registered in compliance with international requirements.

4. The creation of the IP address space, allocation and assignment of addresses, routing of information between addresses shall be done in compliance with international requirements.

## **Title IX**

### **INTERCONNECTION BETWEEN TELECOMMUNICATIONS NETWORKS**

#### **Article 57. Principles of Interconnection between Telecommunications Networks**

1. When interconnecting telecommunications networks, the following principles shall be adhered to:

1) technical, organizational and economic conditions for interconnection between telecommunications networks of telecommunications operators as well as tariffs for accessing the networks shall be a subject of a contract to be signed by telecommunications operators that carry out the interconnection;

2) economic conditions of interconnection between telecommunications networks and the tariffs for accessing the telecommunications networks of telecommunications operators shall be defined

on the basis of cost value taking into account the profitability of the services provided by telecommunications operators;

3) technical, organizational and commercial conditions of interconnection to the telecommunications operators that hold the monopolistic (dominant) position in the telecommunications market shall be regulated by the NCCR;

4) tariffs for access to telecommunications networks of the telecommunications operators that hold the monopolistic (dominant) position in the telecommunications market, shall be established by the NCCR;

5) the NCCR, upon request of either party, shall intervene in the relations of telecommunications operators when the contracts on interconnection between their telecommunications networks are signed. For the purpose of ensuring effective competition and conditions which are non-discriminatory, fair and acceptable for both parties and useful for consumers, the NCCR shall within a month after the request date take the appropriate decision;

6) the decision of the NCCR on to the issues that arise between telecommunications operators when entering into a contract on interconnection between their telecommunications networks shall be binding upon telecommunications operators and can be revoked only upon decision of the court.

#### **Article 58.** Obligations of Operators when Interconnecting Telecommunications Networks

1. Telecommunications operators are obliged to:

1) comply with technical requirements stipulated for telecommunications networks;

2) provide to other telecommunications operators, which want to enter into interconnection contracts, information required for the preparation of such contracts, as well as offer interconnection conditions which are no worse than those offered by other telecommunications operator;

3) ensure the interconnection between telecommunications networks at all technically feasible locations with the capacity required for quality provision of telecommunications services. When carrying out the interconnection, the operators shall be prohibited to require from each other to perform any kinds of works, services, incur costs aimed at installing additional equipment for their telecommunications networks;

4) provide, upon request of the NCCR, information about conditions of interconnection between telecommunications networks;

5) make settlement of payments under the provisions of the contract between operators, providers of telecommunications in full volume and in a timely manner;

6) avoid creating obstacles for interconnection between telecommunications networks;

7) take measures to ensure stable and quality interconnection between telecommunications networks during 24 hours, inform each other about damage to a telecommunications network or occurrence of other circumstances that led or may lead to the deterioration of or unacceptable quality indicators of telecommunications services;

8) share accounting data of telecommunications services provided via interconnection points of their networks;

9) comply with the traffic routing procedure stipulated by regulatory acts.

**Article 59.** Catalogue of Proposals on Interconnection of Telecommunications Networks

1. The NCCR shall approve and no less than once a year publish a catalogue of proposals of telecommunications operators on interconnection between their telecommunications networks in the Official Journal.

The proposals to be published shall include a list of existing interconnection points of telecommunications networks, organizational, economic and technical conditions of interconnection.

2. The submission of proposals by telecommunications operators with the exception of the operators that hold the monopolistic (dominant) position shall not be obligatory.

3. The procedure of submission, review and approval of the proposals of telecommunications operators pertaining to the interconnection between telecommunications networks shall be established by the NCCR.

**Article 60.** Peculiarities of Signing, Changing and Terminating a Contract on Interconnection of Telecommunications Networks

1. A contract on the interconnection of telecommunications networks shall be made by telecommunications operators, providers in accordance with obligatory requirements to the interconnection contract which are set by the NCCR.

2. The telecommunications operator that intends to enter into the interconnection contract or change or terminate such contract shall present its proposals to the relevant operator in writing.

3. The telecommunications operator that received a written proposal from another operator shall reply to it within 20 calendar days after the receipt date thereof.

4. The telecommunications operator which received a written proposal on interconnection shall have the right to refuse from interconnection to a telecommunications network of another operator by providing grounds therefor.

5. The telecommunications operator that holds the monopolistic (dominant) position shall not have the right to refuse from interconnection of ~~шеы~~ telecommunications network to a telecommunications network of another operator in points indicated in the catalogue of proposals of telecommunications operators except cases when a telecommunications network to be interconnected does not meet the requirements of this Law.

6. The parties to a contract on interconnection of telecommunications networks that enter into contracts, change their terms or terminate them shall give notice to the NCCR within 30 calendar days after the signing date of relevant documents.

7. The NCCR shall quarterly publish in its Official Journal a list of contracts on interconnection of telecommunications networks entered into between telecommunications operators.

#### **Article 61. Pre-Trial Settlement of Disputes on Interconnection of Telecommunications Networks**

1. In case if telecommunications operators fail to reach agreement on entering into, changing or terminating a contract that regulates the interconnection of telecommunications networks and in case if a reply is not received within the defined time, the interested party shall have the right to forward the dispute to the NCCR.

2. To resolve a dispute, the operator that considers its rights to be infringed upon shall submit a request to the NCCR and attach a draft of the contract on the interconnection of telecommunications networks, proposals on interconnection terms, as well as certified copies of all documents and materials required for the dispute adjudication.

3. The NCCR shall, with the participation of interested parties representatives, specialists and experts in the telecommunication area, examine the materials provided, listen to the parties and make the corresponding decision. The decision of the NCCR shall be binding upon the participants of telecommunications networks interconnection.

4. The procedure for requests review, materials examination, decision making on the dispute between parties shall be established by the NCCR.

5. In case if the NCCR shall make a decision which does not satisfy one of the parties, the interested party shall have the right to apply to the court.

### **Title X**

#### **TELECOMMUNICATIONS SERVICES**

##### **Article 62. Publicly Available Telecommunications Services**

1. Publicly available telecommunications services shall include consumer terminal equipment connecting to the public telecommunications networks (universal access), fixed-line telephone communication services within numbering area (local telephony), as well calls to emergency services, directory enquiry services from the payphones, excluding services which are provided on the basis of wireless access.

2. Calls made from the fixed telephone networks to the mobile networks are not included to the publicly available telecommunications services

{Article 62 in the version of the Law No. 378-V (378-16) of 28 November 2006}

##### **Article 63. Procedure for the Provision and Obtaining of Telecommunications Services**

1. Telecommunications services shall be provided according to the legislation.

2. The terms and conditions of the telecommunications services provision shall be:

1) entering into a contract between a telecommunications operator, provider and a telecommunications services consumer in accordance with the basic requirements to the contract on the provision of telecommunications services established by the NCCR;

2) payment for a telecommunications service ordered by the consumer.

3. Telecommunications operators, providers shall provide telecommunications services to the consumers which are entitled to subsidies, under the terms of the legislation of Ukraine, for the payment thereof in compliance with the legislation of Ukraine.

4. The State ensures universal service, that is provision of consumers' universal access to the public telecommunications networks and provision of standard quality public telecommunications services at state regulated tariffs.

{Article 63 is amended with the paragraph 4 according to the Law No. 378-V (378-16) of 28 November 2006}

5. Universal access shall meet the following requirements:

1) provision on consumer request of the connection of his terminal equipment to public telecommunications networks at state regulated tariffs;

2) public telecommunications networks, to which consumers terminal equipment is connected, shall provide voice-based telephony (making and receiving of local, national, international calls), facsimile communications, data transfer on the level sufficient for consumers to access Internet;

3) when providing universal access the cost of connecting to the public telecommunications network shall not depend on access technology and the way of connecting.

{Article 63 is amended with the paragraph 5 according to the Law No. 378-V (378-16) of 28 November 2006}

#### **Article 64. Peculiarities of Development, Provision and Financing of Publicly Available Telecommunications Services**

1. The main objective of the development and provision of publicly available telecommunications services shall be the provision, at tariffs regulated by the state, of the possibility to the citizens of Ukraine to satisfy their own needs in telecommunications services defined by this Law, be full-fledged participants of political, economic and social life of the society.

2. The development of publicly available services shall be in line with the Concept of Telecommunications Development of Ukraine. The Concept shall foresee, before all, the procedure and the terms of providing access to publicly available services for consumers in rural, mountainous areas, as well as sensitive consumer groups such as families with low income, pensioners and disabled people and foresee the deadlines for providing the possibility of general access to publicly available services to the whole population of Ukraine, construction volumes of telecommunications networks and necessary capital investments for achieving this objective.

3. In areas where public telecommunications networks are insufficiently equipped with technical facilities, the applications for the provision of publicly available telecommunications services shall be satisfied as follows:

1) state power authorities and municipal authorities, the Security Service of Ukraine, the Foreign Intelligence Service of Ukraine and military institutions of Ukraine; (Article 64 (3) (1) with amendments introduced pursuant to Law No. 3200-IV (3200-15) of 15 December 2005)

2) medical establishments, fire fighting units, organizations which provide information about the occurrence of calamities (earthquakes, floods, hurricanes etc.), state pre-school and educational establishments, scientific and cultural establishments;

3) diplomatic representative offices and consular institutions of foreign states;

4) citizens which according to the legislation of Ukraine have the right to obtain telecommunications services on preferential terms;

5) enterprises, institutions and organizations, citizens.

4. Legal entities and natural persons that invest in the building of telecommunications networks to which the terminal equipment of the persons is connected in the amounts not less than the cost of relevant number of subscriber phone numbers shall have the right to preemptive obtainment of services of the network operator without adhering to the above procedure.

5. In case if the demand of consumers for publicly available telecommunications services is insufficiently satisfied in certain regions of Ukraine, the NCCR shall have the right to make a decision to impose on the telecommunications operators which hold the monopolistic (dominant) position in the telecommunications market and exercise activity in the entire territory of Ukraine as well as fixed-line communication operators exercising or intending to exercise activity in these regions, the obligations to develop and provide publicly available telecommunications services to consumers utilizing a loss compensation mechanism set by the Cabinet of Ministers of Ukraine.

(Article 64 (5) shall enter into force on 1 January 2005)

#### **Article 65.** Provision of Telecommunications Services in Extraordinary Situations, State of Emergency and Martial Law

1. Telecommunications operators, providers shall under the conditions of extraordinary situations, state of emergency and martial law ensure quality communication and alerting of the population under the procedure stipulated by the Cabinet of Ministers of Ukraine.

2. Telecommunications operators, providers shall ensure the readiness to perform their functions under the conditions of extraordinary situations, state of emergency and martial law. During the state of emergency all facilities and telecommunications networks, regardless of ownership type, shall be used for the purposes of mobilization and satisfaction of the needs of the national security, defense and protection of law and order. Telecommunications operators shall interact with the National Center of Operational and Technical Management of Networks in matters referred to its competence.

3. Under the conditions of extraordinary situations, state of emergency, in order to alert and provide telecommunications services to the participants liquidating the consequences of extraordinary situations, reconstruction works and taking appropriate measures by the Council of Ministers of the Autonomous Republic of Crimea, Regional, Kyiv and Sevastopol City Administrations and municipal authorities the telecommunications operators can, in coordination with the CEAC, set temporary restrictions for the provision of telecommunications services for

the consumers until the consequences of extraordinary situations are liquidated and the state of emergency is cancelled.

4. The Council of Ministers of the Autonomous Republic of Crimea, Regional, Kyiv and Sevastopol City State Administrations and municipal authorities shall, within the scope of their powers, assist operators, telecommunications providers and their local departments in liquidating extraordinary situations that arose as a result of a natural calamity and liquidating the consequences thereof, purchasing necessary material resources, as well as assist in providing workforce, transport means and other technical facilities for this purposes.

## **Title XI**

### **REGULATION OF TARIFFS AND PAYMENTS**

#### **Article 66. Tariff Regulation**

1. Tariffs for telecommunications services shall be set by operators, providers of telecommunications on an independent basis except cases foreseen by Paragraph 2 hereof.

2. The following shall be under the state regulation through establishing fixed tariffs or tariff caps:

1) tariffs for publicly available services;

2) tariffs for the provision of electronic communications channels use of telecommunications operators that hold the monopolistic (dominant) position in the market of these services.

#### **Article 67. Principles of Tariff Regulation**

1. Tariff regulation in the telecommunications market of Ukraine shall be based on the following principles:

1) basing the calculation of tariffs on the cost value of these services taking into consideration the revenues;

2) dependence of tariffs level on the telecommunications services quality level;

3) prevention of fixing dumping or discriminatory prices by certain telecommunications operators, providers;

4) necessity of avoiding the cross-subsidizing of certain telecommunications services at the expense of others;

5) charging an hourly rate for the actual time of telecommunications services obtaining by a consumer.

#### **Article 68. Procedure of Settlements for Telecommunications Services**

1. Settlements for telecommunications services shall be subject to the conditions of the contract on the provision of telecommunications services between a telecommunications operator, provider services and a consumer or shall be made without a contract by cash or cards etc. in

case of obtaining a pre-paid service ordered by the consumer as per the tariffs approved according to the legislation.

2. In case if the pre-payment has not been used during the accounting period, the remaining amount of money shall be carried over to the next accounting period unless it is provided otherwise by the contract. The telecommunications operator or provider shall be prohibited to write off the remaining amount of money of the subscriber, including the writing off for its benefit.

(Article 68 in the version of Law No. 3375-IV (3375-15) of 19 January 2006)

## **Title XII**

### **NUMBERING RESOURCE**

#### **Article 69. Principles of Formation and Allocation of the Numbering Resource of Ukraine**

1. The numbering resource is a technically limited resource.
2. The CEAC shall develop and realize technical policy in the formation of the numbering resource.
3. The NCCR shall allocate, assign, account the numbering resource, issue and cancel permits, supervise the use thereof.
4. The main principles of the formation and allocation of the numbering resource shall be:
  - 1) openness, non-discrimination and impartiality, equality of rights of access to the numbering resource for all telecommunications operators;
  - 2) use of the numbering resource on a permissive and paid basis;
  - 3) establishment of a reserved numbering capacity;
  - 4) ensuring the rational use of the numbering resource;
  - 5) adjusting the National Numbering Plan of Ukraine in accordance with international requirements.
5. In the interests of expanding and ensuring the sufficient capacity of the numbering resource and adjusting it in accordance with international requirements the CEAC shall make a decision on changing the structure of the numbering resource and numbering space.
6. The decision of the CEAC on changing the structure of the numbering resource and numbering space shall be communicated to the NCCR and published in its Official Journal.
7. The NCCR shall give notice to telecommunications operators, providers about changes in the structure and space of the numbering of the allocated numbering resource no later than six months prior to the effective date of the mentioned changes.

#### **Article 70. Allocation and Use of the Numbering Resource**

1. A numbering resource shall be allocated to a telecommunications operator for a validity period of relevant license to be used on a non-transferable basis except cases of re-allocation on the basis of the permit to be issued by the NCCR.

2. The application of a telecommunications operator for the allocation of a numbering resource shall be examined by the NCCR within a month after the date of registration thereof. The decision of the NCCR to allocate or refuse an allocation of a numbering resource shall be made taking into account the earlier allocated resource and shall be communicated to telecommunications operators within three business days. The decision on refusal shall contain the relevant grounds.

3. The permit for the use of the numbering resource shall be issued to the telecommunications operator after submitting documents, which confirm making the payment, within three days.

4. The NCCR shall have the right to make the decision to withdraw (in whole or in part) the numbering resource from the operator in case if:

1) the numbering resource or a part thereof has not been put into operation within the period set out in the permit;

2) the numbering resource is misused including the illegal transfer thereof to other persons;

3) the relevant license has been cancelled, declared invalid or has expired, or upon the request of the telecommunications operator.

5. The issues on withdrawal of the numbering resources shall be examined subject to obligatory prior invitation of the telecommunications operator or its representatives.

6. The decision on withdrawal of the numbering resource shall be published by the NCCR within a ten-day period after the effective date thereof.

7. The permit for the use of the numbering resource shall be cancelled and the allocated numbering resource shall be returned under the decision of the NCCR to be made in accordance with the legislation.

8. Telecommunications operators shall provide information to the NCCR about the status of use of the numbering resource under the procedure stipulated by the legislation.

(Article 70 (8) shall enter into force on 1 January 2005)

9. The NCCR shall determine the order of allocation and use of the numbering resource and shall publish it in the Official Journal of the NCCR.

10. For the purpose of executing international obligations and ensuring the sufficient availability of the numbering resource, the CEAC may change the structure, space of numbering and the NCCR, accordingly, the allocation of numbers subject to giving notice to telecommunications operators no later than six months prior to the introduction of such changes.

11. For the allocation of the numbering resource a fee shall be charged in the amount and under the procedure established by the Cabinet of Ministers of Ukraine and is to be entered into the State Budget of Ukraine.

(Article 70 (11) has been suspended for 2005 (till 31 March 2005) in the part stipulating the entering of the fee for the allocation of the numbering resource to a special fund of the State

Budget of Ukraine pursuant to Law No. 2285-IV (2285-15) of 23 December 2004; in the version of Law No. 2505-IV (2505-15) of 25 March 2005)

#### **Article 71.** Allocation and Use of the Radio Frequency Resource

1. The allocation and use of the radio frequency resource of Ukraine for exercising activity in the telecommunication area shall comply with the Law of Ukraine “On Radio Frequency Resource of Ukraine” (1770-14).

### **Title XIII**

#### INTERNATIONAL COOPERATION

#### **Article 72.** Objective and General Principles of International Cooperation

1. The objective of international cooperation in the telecommunication area is the integration of telecommunications of Ukraine into global telecommunications taking into consideration political and economic interests of Ukraine.

2. International cooperation in the telecommunication area shall be realized by means of:

1) entering into international agreements;

2) participating in the work of international organizations;

3) participating in the implementation of international projects relating the creation of global and regional telecommunications networks taking into consideration the interests of the national security of Ukraine;

4) harmonizing of standards, norms and rules with international standards, recommendations, norms and rules concerning the requirements to technical facilities and telecommunications networks, interaction of telecommunications operators, use of scarce resources, quality and kinds of telecommunications services;

5) interacting of telecommunications operators of Ukraine with telecommunications operators of other states.

3. The execution of powers of Ukraine as the Member State of the International Telecommunication Union, responsibility for the performance of obligations of Ukraine under the Charter of the International Telecommunication Union (995\_099) and the Convention of the International Telecommunication Union (995\_100) and obligations under administrative regulations as well as liaison and cooperation with authorities that perform the functions of communications administrations of foreign states shall be assigned to the Communications and Radio Frequencies Administration of Ukraine which, under the procedure stipulated, shall also represent the interests of Ukraine in other world, European and regional telecommunications organizations and the World Trade Organization on issues concerning telecommunications.

#### **Article 73.** International Agreements

1. In case if an international agreement of Ukraine stipulates other rules than those foreseen by the legislation on telecommunications of Ukraine, the rules of the international agreement shall apply.

**Article 74.** Interaction of Telecommunications Operators of Ukraine with Operators of Other States

Interaction of telecommunications operators of Ukraine with telecommunications operators of other states, distribution of revenues from the provision of telecommunications services among them, interconnection of public telecommunications networks shall be in accordance with the recommendations of the International Telecommunication Union on the basis of international agreements of Ukraine with relevant states and/or agreements of telecommunications operators of Ukraine with telecommunications operators of other countries.

(Article 74 in the version of Law No. 1876-IV (1876-15) of 24 June 2004)

**Article 75.** Liability for Violation of Legislation on Telecommunications

1. Persons guilty of a violation of legislation on telecommunications shall incur civil, administrative, criminal liability in accordance with the law.

2. Proceeds obtained by a telecommunications operator, provider as a result of the activity without advising the NCCR thereof and/or without a license, violations of tariffs fixed by the NCCR shall be judicially withdrawn and directed to the State Budget of Ukraine.

**Title XIV**

**FINAL PROVISIONS**

1. The Law shall enter into force on the date of promulgation thereof.

Articles 17, 20 shall become effective in 2004.

Article 53 (3), Article 64 (5), Article 70 (8) shall become effective on 1 January 2005.

2. The CEAC shall execute the powers of the NCCR to full extent until 1 January 2005. (Title XIV (2) in the version of Law No. 1876-IV (1876-15) of 24 June 2004, No. 2119-IV (2119-15) of 21 October 2004)

3. Antill adjusting of regulatory and legislative acts in accordance with this Law, current regulatory and legislative acts shall be applied in the part which does not contradict this Law.

4. The Cabinet of Ministers of Ukraine shall within six months after the effective date of this Law:

1) prepare and submit for examination of the Verkhovna Rada proposals on amendments to legislative acts arising out of this Law;

2) develop and approve regulatory and legislative acts foreseen by this Law and adjusting its regulatory and legislative acts in accordance with this Law;

3) ensure that ministries and other central executive authorities of Ukraine adjust regulatory and legislative acts in accordance with this Law.

5. Business entities in the telecommunication area shall, within a month after the establishment date, give notice to the NCCR in accordance with Article 42 of this Law.

6. Licenses for exercising activity in the telecommunication area and permits for the use of the numbering resource that were issued prior to the effective date of this Law shall remain valid during the period indicated in them.

7. To introduce changes in legislative acts of Ukraine:

1) in the Code of Ukraine on Administrative Offences (80731-10, 80732-10) (The Official Journal of the Verkhovna Rada of the UUSR, 1984, Annex to No. 51, p. 1122):

a) Articles 148-1, 148-2, 148-4, 243 shall read as follows:

**Article 148-1.** Violation of the Rules of the Provision and Obtaining of Telecommunications Services

Acts that led to the loss of quality of the functioning of telecommunications networks or unauthorized (without the knowledge of telecommunications operator) obtaining of telecommunications services shall result in a penalty in the amount varying from thirty to forty untaxed minimum wages of citizens.

The same acts done repeatedly during a year after the imposition of an administrative penalty for violations stipulated by Paragraph 1 hereof shall result in the compensation for losses sustained by the operator and a penalty applied in the amount varying from fifty to one hundred untaxed minimum wages of citizens.

**Article 148-2.** Violation of the Procedure and the Terms and Conditions of the Provision of Communication Services in Public Networks

Violation of the procedure and the terms and conditions of the provision of communication services in public communication networks shall result in a penalty applied to officials in the amount varying from fifty to one hundred untaxed minimum wages of citizens.

Refusal of a communication operator to provide to the consumer thorough information about contents, quality and procedure of the provision of telecommunications services which are provided by the operator and/or have been obtained by the consumer during the recent six months as well as the violation of the period for making public the tariffs fixed by telecommunications operators on an independent basis shall result in a penalty applied to officials or natural persons – business entities in the amount varying from one to ten untaxed minimum wages of citizens.

**Article 148-4.** Use of Technical Facilities and Equipment Used in Public Communication Networks without a Documentary Proof of Compliance

The use of technical facilities and equipment used by communication operators in public communication networks without a documentary proof of compliance shall result in a penalty in the amount varying from one hundred to two hundred untaxed minimum wages of citizens.

**Article 243.** Authorities of the National Commission for Communications Regulation and the Administration of Communications and Radio Frequencies of Ukraine

The National Commission for Communications Regulation (NCCR) shall examine matters of administrative offences relating the violation of telecommunications and postal communication legislation (Article 148-5).

Authorities of the State Inspection for Communications of the NCCR and the Ukrainian State Center of Radio Frequencies of the Administration of Communications and Radio Frequencies of Ukraine shall examine matters of administrative offences relating the violation of legislation on telecommunications, postal communication and radio frequency resource of Ukraine (Articles 144, 145, 147, 148-1 - 148-4).

Heads of the State Inspection for Communications of the NCCR and the Ukrainian State Center of Radio Frequencies and officials designated by them shall have the right to examine matters of administrative offences and impose administrative penalties on behalf of authorities of the State Inspection for Communications of the NCCR and the Ukrainian State Center of Radio Frequencies of the Administration of Communications and Radio Frequencies of Ukraine.

b) to insert Article 148-5 that shall read as follows:

**Article 148-5.** Violation of the Rules of Interconnection between Public Telecommunications Networks

The refusal to provide necessary information for the interconnection of telecommunications networks, access to the network at all technically feasible places, provide information on call identification and duration thereof between telecommunications networks, the refusal of the operator that holds the monopolistic (dominant) position in the telecommunications market to submit proposals on interconnection of telecommunications networks for approval by the NCCR, refusal to execute the decision which is made by the NCCR and came into force shall result in a penalty applied to officials or natural persons – business entities in the amount varying from one hundred to three hundred untaxed minimum wages of citizens.

The same acts done repeatedly within a year after the imposition of an administrative penalty for violations foreseen by Paragraph 1 hereof shall result in a penalty applied to officials or natural persons – business entities in the amount varying from three hundred to five hundred untaxed minimum wages of citizens.

2) Paragraph 3 of the Article 4 of the Law of Ukraine “On Prices and Pricing” (507-12) (The Official Journal of the Verkhovna Rada of the UUSR, 1990, No. 52, p. 650) shall be supplemented with the words “with the exception of the area of telecommunications”;

3) Article 4 (3) of the Law of Ukraine “On Entrepreneurial Activity” (698-12) (The Official Journal of the Verkhovna Rada of the UUSR, 1991, No. 14, p. 168; The Official Journal of the Verkhovna Rada of Ukraine 2000, No. 36, p. 299; 2003, No. 39, p. 333) shall be excluded;

4) in the Law of Ukraine “On Natural Monopolies” (1682-14) (The Official Journal of the Verkhovna Rada Ukrayiny, 2000, No. 30, p. 238):

a) Article 4 (1) shall be supplemented with Paragraph 4 that shall read as follows:

“The regulatory authority in the area of communications shall be the National Commission for Communications Regulation that shall be set up in accordance with the Law of Ukraine “On Telecommunications” (1280-15);

b) Paragraph 8 of Article 5 (1) shall be excluded;

c) Paragraph 8 of Article 6 shall be excluded;

d) Title V “Final Provisions” shall be supplemented with Paragraph 4 that shall read as follows:

4. Regulation in the area of communications shall be in compliance with the Law of Ukraine “On Telecommunications”, Law of Ukraine “On Postal Communication” (2759-14);

5) in the Law of Ukraine “On Radio Frequency Resource of Ukraine” (1770-14) (The Official Journal of the Verkhovna Rada of Ukraine, 2000, No. 36, p. 298; 2003, No. 30, p. 247):

a) in Article 19:

Paragraph 8 shall be updated as follows:

8. In case is a user of the radio frequency resource intends to continue the use of the radio frequency resource after the expiry date of licenses obtained by him, he shall file an application of approved form to the Administration of Communications and Radio Frequencies of Ukraine. The form of application shall be approved by the mentioned authority.

An application for the extension of the period of validity of the license shall be filed four months prior to the expiry date of relevant licenses. The Administration of Communications and Radio Frequencies of Ukraine shall not have the right to refuse to extent the period of validity of the license provided if the holder of the license has fulfilled all terms and conditions of these licenses or the terms and conditions have not been fulfilled due to reasons beyond control of the licensee.

The decision on extension of the period of validity of the license shall be made no later than two months prior to the last day of validity of the relevant license. A notice of decision containing grounds for refusal to extent the period of validity of the license shall be given to the applicant no later than two months prior to the last day of validity of the relevant license.

The decision of the Administration of Communications and Radio Frequencies of Ukraine on refusal to satisfy the application for the extension of the period of validity of the license can be appealed to the court. In case if the applicant files an appeal to the court before the expiry date of the relevant license, the decision of the ACRF shall be suspended until the appeal is examined by the court.

Following Pragraph 8 a new subparagraph shall be added that shall read as follows:

9. Grounds for the reissuing of a license for the use of radio frequencies shall be:

1) change of the name of a legal entity or last, patronymic, first name of a natural person – the user of a radio frequency resource;

2) change of the address of a legal entity or domicile of a natural person – the user of a radio frequency resource;

3) reorganization of a legal entity – a business entity which is the user of a radio frequency resource by means of changing the legal organization form, transformation, merger, affiliation. In case of such reorganization the licenses obtained by the user of a radio frequency resource shall be reregistered in the name of its legal successor.

In case if the grounds for the reissuing of the license arise, the user of a radio frequency resource shall within 30 business days file an application with the ACRF for the reissuing of the license for the use of radio frequencies together with the license to be reissued and relevant documents or notarized copies thereof that confirm the changes indicated.

The ACRF shall within ten business days after the registration date of the application for the reissuing of license for the use of radio frequencies, upon receipt of documents confirming the payment of reissuing fee, reissue a license on a new form and containing changes indicated in the application for license reissuance or shall refuse to reissue the license if there are no grounds for the reissuance or the documents submitted contain inaccurate data. Together with the license for the use of radio frequencies reissued on a new form the ACRF shall issue to the business entity certified copies of such license for branches, other separate divisions that use the radio frequency resource.

In case of the reissuing of the license for the use of radio frequency resource, the ACRF shall make the decision on invalidation of the license that was reissued and introduce relevant changes to the licensing register no later than the next business day.

The period of validity of the reissued license for the use of a radio frequency resource shall not exceed the period of validity indicated in the license that was reissued.

The amount of fee for the reissuance of the license for the use of a radio frequency resource shall be fixed by the Cabinet of Ministers of Ukraine.

In connection with this, Paragraphs 9-11 shall be deemed Paragraphs 10-12 respectively;

Paragraph 12 shall be supplemented with Subparagraph 2 that shall read as follows:

“In case if the decision to cancel the license of the user of a radio frequency resource - a telecommunications operator is made, the ACRF shall define the terminal date of validity of the license taking into consideration the time which shall be sufficient for informing subscribers about termination of the activity thereof, but no less than three months”;

b) in the text of the Law the words “Ukrainian State Center of Radio Frequencies and Supervision of Communications” in all declensions shall be replaced with the words “Ukrainian State Center of Radio Frequencies” to be used in the relevant declension;

6) in the Law of Ukraine “On Licensing Certain Kinds of Economic Activity” (1775-14) (The Official Journal of the Verkhovna Rada of Ukraine, 2000, No. 36, p. 299, No. 45, p. 377; 2001, No. 11, p. 45, No. 16, p. 76, No. 22, p. 105; 2002, No. 1, p. 1, No. 6, p. 39, No. 7, p. 50, No. 17, p. 121, No. 20, p. 134, No. 30, p. 207, No. 31, No. 214; 2003, No. 23, p. 145, No. 36, p. 276):

a) in Article 2 (2) the words “tobacco goods” shall be replaced with the words “tobacco goods, in the telecommunication area”;

b) Paragraphs 47, 48, 49 of Article 9 shall be excluded;

{The paragraph 7(7) lapsed under the Law No. 580-V (580-16) of 11 January 2007}

8. The following shall be deemed invalid:

a) Law of Ukraine “On Communications” (160/95-BP) (The Official Journal of the Verkhovna Rada of Ukraine, 1995, No. 20, p. 143; 1997, No. 9, p. 71; 2000, No. 6-7, p. 40, No. 41, p. 341; 2001, No. 9, p. 38; 2002, No. 15, p. 103, No. 35, p. 257; 2003, No. 15, p. 106, No. 24, p. 156, No. 30, p. 247, No. 39, p. 333);

b) The Decree of the Verkhovna Rada of Ukraine of 16 May 1995 “On Procedure of Enforcing the Law of Ukraine “On Communications” (161/95-BP) (The Official Journal of the Verkhovna Rada of Ukraine, 1995, No. 20, p. 144).

President of Ukraine

L. KUCHMA

Kyiv, 18 November 2003      No. 1280-IV