



Rules of Procedures to ensure the Continuity of Service Provision in case of Non-renewal, Cancellation or Suspension of License or Bankruptcy in the Communications and Information Technology Sector

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1- Introduction:

1.1.1 These procedures are intended to interpret the provisions of Telecommunications Law and its executive regulations. These procedures aim at implementing a clear and transparent mechanism to ensure the continuity of the service provider licensed to provide services in case of non-renewal, cancellation or suspension of license or bankruptcy.

1.1.2 The cases subject to these procedures are cases where the service cannot be provided in the event of the bankruptcy of a service provider licensed in the Kingdom, or the cases of non-renewal, cancellation or suspension of the license as set out in Article (20) of Telecommunications Act, as well as Article (60-1) of the Telecom Act Bylaw thereof.

1.1.3 The Commission is entitled to exempt any person subject to these procedural rules from applying any of their provisions in whole or in part, at their request or on its own initiative.

1.1.4 The Commission may, as it considers appropriate, amend, update, add to, replace or annul the rules.

2- Definitions:

Terms or words defined herein shall have the same meanings as contained in the Telecommunications Act . The following words and expressions shall have their associated meanings unless otherwise provided by the context:

2.1.1 **“The Concerned Service Provider”**: Any Service Provider licensed by the Commission, who is unable to continue to provide the licensed telecommunications services in accordance with the cases stated in Article (20) of the Telecommunications Act , as well as Article (60-1) of the Telecom Act Bylaw thereof.



2.1.2 “**Alternative Service Provider**”: Any service provider licensed by the Commission, qualified to provide telecommunications services that cannot be provided by the concerned Service Provider.

2.1.3 “**Bankruptcy**”: Take commercial debt for all funds

2.1.4 “**Potential Bankruptcy**”: The situation in which there is financial or economic disturbance that it is feared to stop paying the debts at the time of repayment.

2.1.5 “**Regulatory Requirement**”: means the procedures imposed by the Commission to deal with cases related to continuity of service in the event that they cannot be submitted due to bankruptcy or for one of the reasons stipulated in Article (60-1) of the Telecom Act Bylaw .

3- Rules of Procedure to ensure the Continuity of Service Provision

3.1 Notification:

3.1.1 Any particular service provider shall provide immediate written notification to the Commission in the following cases:

- (A) When the service cannot be continued as a result of actual or potential bankruptcy.
- (B) If the service cannot continue to be provided as a result of receiving any notice of actual or potential bankruptcy from any party, excluding such notification.
- (C) If the service cannot be continued, as a result of the non-renewal, suspension or cancellation of the license under the Commission's regulations.

3.1.2 The notification provided by the concerned service provider shall include the following minimum detailed information:

- (A) The reasons for the possibility of the non-continuity of the licensed services.



(B) The type of telecommunications services it provides at the time of notification delivery to the Commission, the number of users, its revenue, market share, the names of the main competitors, details of its network coverage, spectrum details, figures used and methods of maintaining the records of users of its services, and any other arrangements relating to the forward payment of services, or any insurance amounts collected by users and all applicable contracts and agreements.

(C) A proposed action plan to ensure the continuity of service delivery, including the name of the alternative service provider, and all necessary arrangements for the transfer of users, and the time required.

(D) An acknowledgement signed by the Chief Executive Officer or the relevant service provider or their representative - with attaching the attestations of the official agencies or delegations that clearly indicate the powers of the signer- that the information provided to the Commission in the notification is accurate and not misleading, and that it bears all responsibility for its inaccuracy and accuracy.

E) Any information or requirement issued by the Commission in this regard.

3.1.3 In accordance to the Article mentioned-above, the service provider concerned may provide an initial notification to the Commission if it considers that the full submission of the information requires a longer period, followed by a detailed notification.

3.1.4 The Commission may, in accordance with its absolute authority, request the Licensee to prove its inability to meet its obligations either financially or towards the beneficiaries of its services, to provide a precautionary plan for continuity of services in the event of any impediment to the continuation of the licensee to provide its services.



3.2 Review Process:

3.2.1 Upon receipt of the notification by the concerned service provider or in the case of having information that may indicate that it may not be able to continue to provide a licensed telecommunications service, the Commission may assess whether or not the service provider is able to continue to provide the service and to take such measures as it sees fit to guarantee the rights of the beneficiaries of its services.

3.2.2 The Commission may invite the concerned service provider to a meeting to discuss the issues raised, with a view to ensuring that the information required to study the notification is available and to assess the need for the regulatory intervention or not.

3.2.3 In considering the need for regulatory intervention, the Commission will consider the following criteria:

- A. The licensed telecommunications market for the concerned service provider to provide its services.
- B. Market share of the concerned service provider.
- C. The effect of suspension of the Services of the concerned Service Provider to the users.
- D. Type of services provided by the concerned service provider, and the affected segment of users.
- E. The extent to which the alternative service provider is able to meet the user's needs for the service provider's services.
- F. The extent to which the alternative service provider can provide similar telecommunications services to the telecommunications services provided by the concerned service provider.



- G. The time frame required to transfer users from the respective provider to the alternative service provider.
- H. Use of limited resources, including spectrum, and numbers.
- I. Procedures for the protection of prepayments and deposits for users.
- J. Procedures for access to user data, including databases, site records, data and other records.
- K. Any other criteria to be determined by the Commission.

3.2.4 During the review and evaluation of the standards set forth in this document, the Commission may consult on possible regulatory actions with related parties (liquidation officer or managing director appointed by creditors in bankruptcy cases, court, government agencies, users, or any other party designated by the Commission).

3.3 Regulatory Procedures:

3.3.1 Based on the review process, the Commission will make a decision on the need for its regulatory intervention or not to ensure continuity of service. In general, the Commission will intervene in a regulatory manner if it is not possible to provide the services of the concerned service provider by the alternative service provider. Regulatory intervention includes the Commission's endorsement of one or more of the following regulatory requirements:

- A. Transferring the ownership of the license of the concerned service provider to an alternative service provider selected by the Commission.
- B. Facilitating user transfer procedures and assign the concerned service provider to an alternative service provider selected by the Commission.



- C. In the case of cancellation of the license, the decision of cancellation shall be suspended for a certain period of time, in accordance with Article (60-3) & (60-4) of the Telecom Act.
- D. Any other regulatory requirements determined by the Commission.

3.3.2 When considering regulatory requirements, the Commission must take into account any laws that provide protection to the creditors of the concerned service provider or its licensed services users.

3.3.3. In the event of bankruptcy, the Commission may intervene in the bankruptcy proceedings before any other entity that allows it to do so, in accordance with the bankruptcy system and its executive regulations.

3.3.4 The Commission's decisions regarding the continuity of the provision of the Service shall be published on its website, with the exception of bankruptcies; the affected parties shall be notified of these decisions and will not be published till after the declaration of bankruptcy, or in conjunction with the times of decisions issued by the competent authorities in cases of bankruptcy.

3.3.5 The following workflow map provides an illustrative example of the procedures to be undertaken by the Commission in cases of continuity of service.



Workflow Map

<p>✓ Notify the Commission or receiving information that the concerned service provider may not be able to continue providing the service.</p>	
<p>✓ The Commission carries out the initial assessment process to determine whether or not the service is continued or not.</p>	
<p>✓ Provide relevant information and deliver it to the Commission by the concerned service provider.</p>	
<p>✓ Initiation of the consultation process.</p>	
No	Yes
<p>The Commission's decision that no regulatory intervention is necessary</p>	<p>The Commission's decision to complete the regulatory procedures</p>
	<p>The Commission shall issue its decision in this regard and publish it on its website after the declaration of bankruptcy by the competent authorities.</p>

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