



MENTERI TENAGA, KOMUNIKASI DAN MULTIMEDIA, MALAYSIA
MINISTER OF ENERGY, COMMUNICATIONS AND MULTIMEDIA, MALAYSIA

COMMUNICATIONS AND MULTIMEDIA ACT 1998

MINISTERIAL DIRECTION ON UNIVERSAL SERVICE PROVISION

DIRECTION No. 1 of 2001

In exercise of the powers conferred by sections 7, 8 and 202 of the Communications and Multimedia Act 1998 [Act 588], the Minister issues the following Direction to the Commission:

Citation and commencement

1. This Direction may be cited as the **Ministerial Direction on Universal Service Provision, Direction No.1 of 2001** and shall come into operation on the date of registration of this Direction.

Interpretation

2. Any term used in this Direction shall, unless the context otherwise requires, have the same meaning as in the Act or the Regulations made under it.

Universal Service Provision System

3. The Commission shall determine a system to promote the widespread availability and usage of network services and/or applications services throughout Malaysia by encouraging the installation of network facilities and the provision for network services and/or applications services in underserved areas or for underserved groups within the community.

4. The system as referred to in paragraph 3 shall be implemented by the Commission in two phases. In Phase 1 the universal service obligations including the scope of universal services and the costing and funding of such services as set out in TRD006/98 entitled Determination of Cost-Based Interconnect Prices and the Cost of Universal Service Obligation will continue. Phase 1 shall have effect from 1 January 2001 and shall continue until 31 December 2001 or such other date as may be set out in the determination made by the Commission pursuant to paragraph 3.

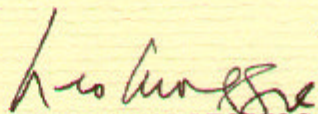
5. Phase 2 of the system shall address the following matters:-

- (a) The scope of universal services including the types of services which should be subject to universal service provision obligations;
- (b) Definitions of 'underserved areas' and 'underserved groups within the community' including the criteria for identifying specific areas as 'underserved areas' and specific groups as 'underserved groups within the community';
- (c) The control and operation of the Universal Service Provision Fund ("USP Fund");
- (d) Contributions to the USP Fund including who should contribute to the USP Fund and how the contributions should be determined;

- (e) The delivery of universal service provision services including, where appropriate, competitive delivery mechanisms;
 - (f) Monitoring and compliance mechanisms;
 - (g) Ascertaining the cost of universal service provision including, where appropriate, the use of market-based mechanisms for such purpose.
6. The matters referred to in paragraph 5 above are not the only matters which the system for universal service provision may address.
7. The Ministerial Direction on Universal Service Provision, Direction No. 1 of 2000 is revoked.

Issued **23 MAR 2001**

[KTKM(S)110/186/2-20 (5)]


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Minister of Energy, Communications and Multimedia