

Law to revise the Telecommunications Business Law

(unofficial translation)

1. Purpose

This law aims to further encourage new business to enter the telecommunications market and to stimulate fair and effective competition among those business carriers.

2. Outline of the law

(1) Abolition of the provisions aiming at preventing excess telecommunications investment, etc., which are criteria that must be met by Type 1 telecommunications business carriers, wishing to enter the market

The following provisions will be deleted in order to facilitate the entry of the market.

- a) Telecommunications services shall be appropriate in the light of the demand (1 under Article 10 of the TBL)
- b) Telecommunications circuit facilities shall not result in a significant excess (2 under Article 10 of the TBL)

(2) Improvement of systems related to the interconnection of telecommunications carriers

The following systems will be established in order to ensure that any telecommunications carrier can interconnect promptly on transparent fair and reasonable conditions, with the carriers that own designated facilities which are composed of a significant number of subscriber lines.

- a) Tariffs concerning interconnection conditions (interconnection charges, technological requirements, etc.) must be prepared and authorized.

- b) Accounting report concerning interconnection with designated facilities should be prepared by the carriers, who own such facilities and the status of their balances and other information on such interconnection must be disclosed.
- c) Plans to revise or add features and function of designated facilities must be disclosed.

(3) Establishment of a telecommunications number-related system

The telecommunications numbering plan can be stipulated by the government in order to establish a transparent and fair telecommunications number-related system.

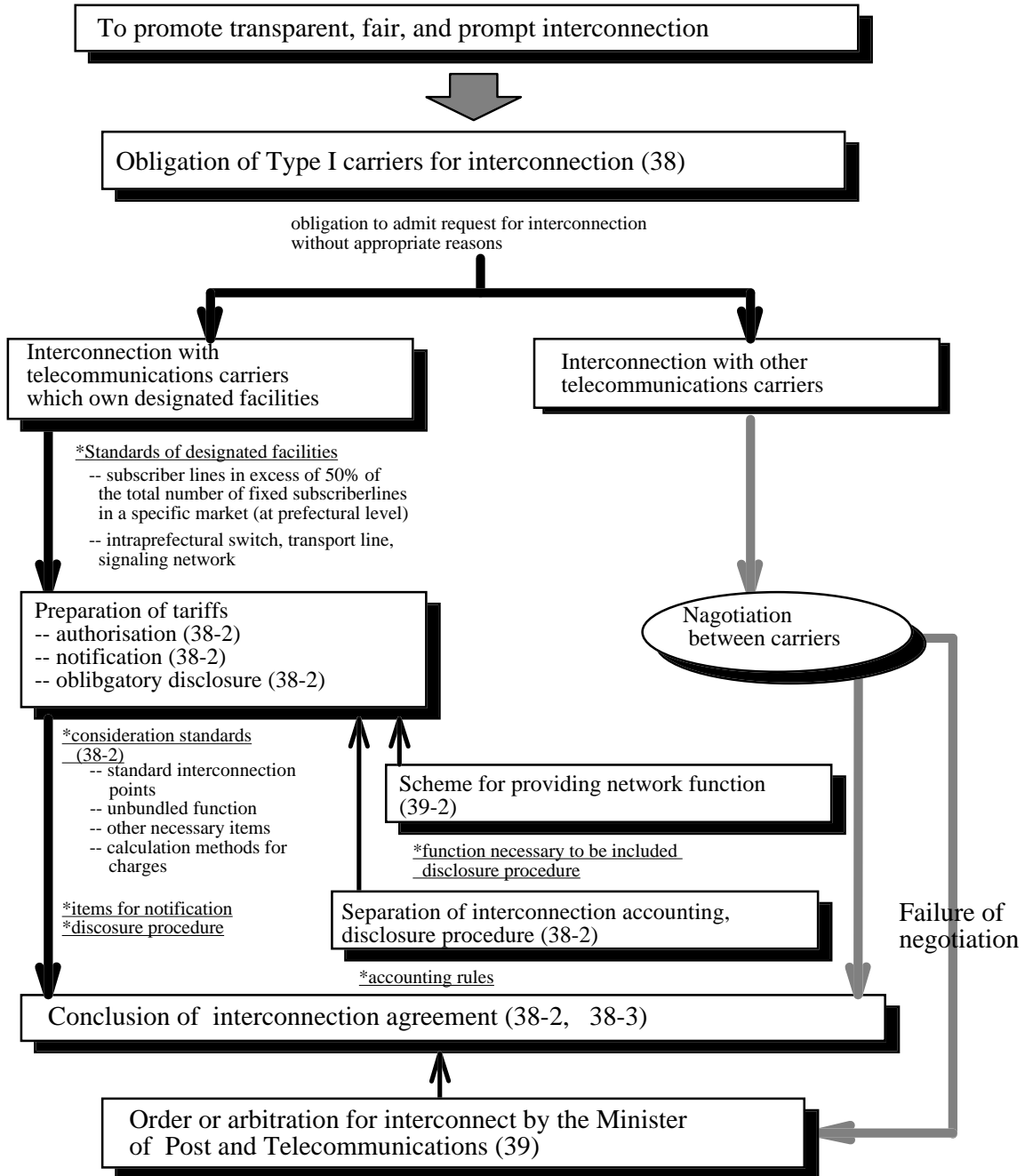
3. Date of implementation

To be implemented from the date stipulated in the government ordinance, not exceeding six months from the date of promulgation.

(The date of promulgation ; 1997/6/20)

[APPENDIX]

Interconnection with Type Telecommunications Carriers



— Ministry Ordinance Item