

LETTER OF THE MINISTER OF COMMUNICATIONS
NUMBER PK. 304/1/3/PHB-2002
CONCERNING
THE INCREASE IN TARIFFS OF BASIC TELEPHONY SERVICES OF
DOMESTIC FIXED NETWORKS IN 2002

To:
(List attached)

1. In observance of the result of calculation of adjustment to tariffs of basic telephony services of domestic fixed networks by using the formula of tariffs as stipulated in Decree of the Minister of Communications No. KM. 12/2002 concerning the improvement of Decree of the Minister of Tourism, Post and Telecommunications No. KM.79/PR.301/MPPT-95 concerning procedures for adjustment of basic tariffs of domestic telecommunication services, which has been proposed by providers of basic telephony services of domestic fixed networks, tariffs of basic telephony services of domestic fixed networks increase by 45.49% for 3 (three) years and 15% on the average in 2002. After passing a rebalancing process, percentages of the increase in the tariffs are as follows:
 - a. monthly subscription fee rises 15% on the average, with the detail of the increase as follows:
 - 1) 17.62% - 17.90%, in the case of the monthly subscription fee of business group;
 - 2) 13.79% - 13.97%, in the case of monthly subscription fee of residential group;
 - 3) 4.72% - 5.10%, in the case of the monthly subscription fee of social group.
 - b. Cost of local dial rises by 17%.
 - c. Cost of long distance direct dial (SLLJ) rises by 17%.
 - d. The tariff hike is calculated from the tariffs currently effective.
 - e. Local dial above 30 kilometers throughout service areas of providers of basic telephony services of domestic fixed networks is subjected to local tariff 2.
 - f. Single zone with the service area code of 021 (Jakarta) is not applied.
 - g. The change in term of pulse becomes minute period.
 - h. Tariffs of long distance direct dial above 30 kilometers is calculated by rounding up to 6 (six) seconds.

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2. The increase in tariffs of basic telephony services of domestic fixed networks as already conveyed to Commission IV of the House of Representatives of the Republic of Indonesia on January 23, 2002 can be applied as from February 1, 2002.
3. Based on the result of calculation of percentages of the increase in basic telephony services of domestic fixed networks by several provisions as contained in point 1, we herewith ask your attention to stipulate tariffs for 2002.
4. This is for your proper implementation.

THE MINISTER OF COMMUNICATIONS

Signed

AGUM GUMELAR, M.Sc.