

**PEOPLE'S REPUBLIC OF CHINA TELECOMMUNICATIONS LAW**

(Draft to Solicit Comments)

**CHAPTER I GENERAL PRINCIPLES**

**Article 1** This Law has been formulated in order to preserve order in the telecommunications market, protect the legal rights and interests of telecommunication subscribers, ensure the safety of telecommunications networks and information, promote fair competition in the telecommunications market, and develop the telecommunications industry.

**Article 2** This Law applies to all telecommunications activities and telecommunications related activities carried on inside the People's Republic of China.

Telecommunications as mentioned in this Law refer to voice, text, pictures, symbols and other forms of information transmitted, emitted, received or processed by wired or wireless electromagnetic or optical systems.

In the case of telecommunications activities involving network cultural and information services and radio and television transmission, laws and administrative laws and regulations governing network cultural and information services and radio and TV transmission also apply.

**Article 3** The State actively promotes network convergence and encourages the use of the communications networks, radio and TV networks and the Internet to transmit voice, text, data, pictures, symbols and other forms of information to satisfy the population's needs for education, science, technology, culture and entertainment.

The regulatory department for telecommunications under the State Council

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(hereinafter designated as the “competent telecommunications authorities”) and competent radio and TV authorities shall, in compliance with this Law and other relevant laws and regulations of the State, encourage radio and TV transmission organizations to use radio and TV networks, communications networks, and the Internet to engage in the telecommunications business; it shall also encourage telecommunications business operators to use communications networks, radio and TV networks, and the Internet to engage in the radio and TV transmission business.

**Article 4** Citizens’ freedom and privacy of communications are protected by law. With the exception of necessary due process inspection of communications by State security organs, public security organs or supervisory organs in the cause of State security or in criminal investigation, no organization or individual may, with whatever reason, infringe the freedom and privacy of communications of citizens.

**Article 5** No organization or individual may use telecommunications networks to engage in activities that jeopardize State security, public security, social and public interests, or that violate the legal rights and interests of others.

**Article 6** Telecommunications business operators shall, in a fair and equitable manner, provide accurate, safe, convenient and smooth telecommunication services to subscribers.

**Article 7** The competent telecommunications authorities shall, in compliance with law, supervise and manage the telecommunications industry throughout the country.

The competent telecommunications authorities may, according to need, set up agencies. Such agencies shall, within the scope authorized by the competent telecommunications authorities, exercise the functions of supervision and management.

Other relevant departments of the State Council shall, each within the scope of its responsibilities, exercise in accordance with law corresponding responsibilities of supervision and management.

**CHAPTER II ACCESS TO THE TELECOMMUNICATIONS MARKET**

**Article 8** The telecommunications business is divided into basic telecommunication services and value-added telecommunication services.

Basic telecommunication services provide public network infrastructure, public data transmission or basic voice communication services. Value-added telecommunication services refer to telecommunication services provided by the public network infrastructure with the exception of public data transmission and basic voice communication service.

The competent telecommunications authorities shall formulate and adjust the concrete list of telecommunication services and announce them to the public.

**Article 9** An applicant to operate a basic telecommunications business shall meet the following conditions:

- A.** The Chinese equity or shares in the company shall be no less than 51%;
- B.** The business shall have clear cut business categories and coverage areas;
- C.** The business shall have a feasible business development plan and a technical plan to form necessary network(s);
- D.** It shall possess funds and professional technical personnel appropriate to its operation;
- E.** It shall have necessary site(s) and resources for operation;
- F.** It shall possess the capability to serve subscribers over the long term, and
- G.** Other conditions as provided by law and by administrative laws and regulations.

**Article 10** An applicant to operate a basic telecommunications business shall submit its application to the competent telecommunications authorities, attaching related information as provided for in Article 9 of this Law. The competent telecommunications authorities shall complete the examination of the application within 180 days of the day it accepts the application. In the course of examination, the competent telecommunications authorities shall solicit the opinions of relevant State Council departments and decide whether to grant a permit or not after

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overall consideration of the factors of State security, telecommunications network security, the allocation of public telecommunications resources, environmental protection and industry policy. If the decision is to grant a permit, the applicant shall be issued a permit for a basic telecommunications business; if the decision is not to grant a permit, the applicant shall be sent a written notice explaining the reasons.

**Article 11** An applicant to operate a value-added telecommunications business shall meet the following conditions:

- A. The Chinese equity or shares in the company shall be no less than 50%;
- B. The business shall have clear cut business categories;
- C. The business shall have business development and technical plans conforming to the network and information security requirements of the State;
- D. It shall possess funds, sites and professional technical personnel appropriate to its operation; and
- E. Other conditions as provided by law and by administrative laws and regulations.

**Article 12** An applicant to operate a value-added telecommunications business shall submit its application to the competent telecommunications authorities, attaching related information as provided for in Article 11 of this Law. The competent telecommunications authorities shall complete the examination of the application within 60 days of the day it accepts the application and make a decision as to whether to grant a permit. If the decision is to grant a permit, the applicant shall be issued a permit for a value-added telecommunications business; if the decision is not to grant a permit, the applicant shall be sent a written notice explaining the reasons.

**Article 13** A telecommunications business operator may not provide telecommunications resources, public network infrastructure, public data transmission, or connection services to an organization or individual which has not been granted a telecommunications business permit.

**Article 14** Without the approval of the competent telecommunications authorities, no organization or individual may engage in telecommunications business operations by utilizing

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telecommunications resources from outside China or telecommunications facilities established outside China.

**Article 15** International communications businesses based inside the People's Republic of China shall carry out their operations via international communications gateways set up by approval of the competent telecommunications authorities.

The locations and number of international communications gateways shall be determined by the competent telecommunications authorities in the light of the country's overall plan for the development of international communications networks and the needs of international telecommunications development.

Concrete measures for the establishment and management of international communications gateways shall be formulated by the competent telecommunications authorities under the State Council.

**Article 16** Telecommunications business operators shall operate their businesses in compliance with the time periods, business categories and covered areas set by the competent telecommunications authorities. They shall, within 30 days of the opening of their telecommunications businesses, report relevant circumstances to the competent telecommunications authorities to be filed and put on record.

If a telecommunications operator changes its name, residence, or legal representative, it shall, within 15 days of the day it processes such changes with the industrial and commercial administration, report to the competent telecommunications authorities to be filed and put on record.

**Article 17** A basic telecommunications business operator shall provide equal connection and data transmission services to a value-added telecommunications business operator and truthfully tell the latter of the relevant use information. Specific service contents and terms shall be negotiated between the two parties.

**CHAPTER III INTERCONNECTION OF AND INTERCOMMUNICATION  
BETWEEN TELECOMMUNICATIONS NETWORKS**

**Article 18** Telecommunications business operators whose networks are interconnected shall, in compliance with the regulations of competent telecommunications authorities, set up effective communication connections between their telecommunications networks, thus ensuring that the subscribers of these operators of different but interconnected networks may communicate with each other and receive telecommunication services from them (hereinafter designated as “interconnection and intercommunication”.)

Interconnection and intercommunication shall observe the principles of being fair and reasonable, technically feasible, and timely and effective.

**Article 19** Telecommunications business operators whose networks are interconnected shall report to competent telecommunications authorities information related to the interconnection and intercommunication including network functions, addresses and allocation of equipment, capacity and use of telecommunications facilities.

The competent telecommunications authorities shall provide telecommunications business operators whose networks are interconnected timely access to applied-for information about interconnection and intercommunication.

**Article 20** Telecommunications business operators whose networks are interconnected shall, in compliance with relevant State regulations and technical standards, formulate interconnection and intercommunication rules and regulations including the duration, work process, service category and fees involved, which they shall submit to the competent telecommunications authorities for approval before implementation.

**Article 21** Telecommunications business operators whose networks are interconnected shall, in compliance with interconnection and intercommunication rules and regulations and the

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interconnection and intercommunication management regulations of the competent telecommunications authorities, negotiate with each other and sign interconnection and intercommunications protocols. Such protocols shall include the method of interconnection routing, fee sharing and settlement, and communication quality requirements.

**Article 22** Should telecommunications business operators whose networks are interconnected fail to reach agreement on the interconnection of their networks after negotiations or should disputes arise in the course of interconnection and intercommunication, either party may apply to the competent telecommunications authorities for arbitration. Said authorities shall, within 60 days of receiving the arbitration application, complete the investigation and conclude the case.

**Article 23** Telecommunications business operators whose networks are interconnected shall comply with the quality standards of network communication in implementing interconnection and intercommunication.

Competent telecommunications authorities, in line with the regulatory needs of telecommunications, shall set up telecommunications network supervision and monitoring systems to supervise and monitor the quality standards of network communication. Telecommunications business operators whose networks are interconnected shall coordinate with the competent telecommunications authorities to supervise and monitor the quality of network communication.

**Article 24** Telecommunications business operators whose networks are interconnected may not conduct themselves in the following ways:

- A.** Implement interconnection and intercommunication outside the timeframe stipulated by the competent telecommunications authorities;
- B.** Deliberately create obstacles to network communication or lower the quality of network communication;
- C.** Interrupt interconnection and intercommunication without authorization;

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- D.** Change the telecommunications network or equipment without reaching a consensus with the other parties involved, thus impeding interconnection and intercommunication;
- E.** Fail to take timely and effective measures to eliminate obstacles which impede network communication,
- F.** Deny or delay the reasonable demands of other telecommunications business operators with whom one's networks are interconnected to expand relay capacity;
- G.** Default on settlement fees between the networks, or engage in conduct that obstructs inter-network fee settlement; and
- H.** Other conduct obstructing interconnection and intercommunication.

**Article 25** Telecommunications business operators whose networks are interconnected shall, in conformity with the demands of national defense, national security or emergency communication, obey the competent telecommunications authorities' dispatch and implement interconnection and intercommunication with relevant dedicated telecommunications networks.

### CHAPTER IV TELECOMMUNICATIONS RESOURCES

**Article 26** The State shall manage telecommunications resources in a unified way. The State, in accordance with the principles of unified planning, scientific deployment and effective utilization, distributes the right to use telecommunications resources through allocation, tendering or auctions.

**Article 27** Telecommunications resources include wireless frequencies, satellite orbits, telecommunications network numbering, Internet protocol addresses and Internet domains used to realize telecommunications functions.

Telecommunications network numbering as mentioned in this Law refers to subscriber and network ID's formed by digits and symbols used to realize telecommunications functions.

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Internet protocol addresses as mentioned in this Law refer to digital coding in Internet protocols to mark Internet equipment locations.

Internet domain names as mentioned in this Law refer to hierarchical character identifiers corresponding to Internet protocol addresses used to recognize and locate the Internet equipment.

**Article 28** Where the right to use such resources as wireless frequencies or telecommunications networking numbering has been obtained from the competent telecommunications authorities, a telecommunications resource use fee shall be paid, except as separately stipulated by the State.

**Article 29** Users of such resources as wireless frequencies, satellite orbits and telecommunications network numbering shall, within the designated time period, use the allocated telecommunications resources throughout stipulated covered areas. For those who fail to use allocated telecommunications resources in the stipulated time period and according to requirements, the State may take back the right to use such telecommunications resources.

Without approval, a telecommunication resource user may not assign its wireless frequency, satellite orbit, telecommunications network numbering resources, or alter their use.

**Article 30** The opening, adjustment and ascension of telecommunications network numbering shall be approved by the competent telecommunications authorities and used in compliance with the latter's regulations.

**Article 31** The establishment of Internet domain root nameserver operations, domain name registration and management organizations and domain name registration service organizations inside the People's Republic of China shall be approved by the competent telecommunications authorities.

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**Article 32** The State exercises management of the distributed use of Internet protocol addresses and the registration of Internet domain name resources by filing and putting them on record.

### CHAPTER V TELECOMMUNICATION SERVICE FEES

**Article 33** Fee standards and computation methods for telecommunication services shall be decided autonomously by telecommunications business operators.

In regard to basic telecommunications fees for services in which there is inadequate market competition or which are closely connected to the interests of subscribers, the upper limits shall be decided by the competent telecommunications authorities in conjunction with the competent pricing authorities under the State Council.

**Article 34** In the course of determining the upper limits of telecommunication service fees, the competent telecommunications authorities in conjunction with the competent pricing authorities under the State Council shall hold hearings to solicit opinions from telecommunications subscribers, telecommunications business operators, experts and relevant social groups.

In determining the upper limits of telecommunication service fees, the competent telecommunications authorities in conjunction with the competent pricing authorities under the State Council may ask telecommunications business operators to provide fee-related data, enterprise financial accounting reports, cost statistics of different services, development status and service coverage areas. Telecommunications business operators shall provide them with truthful data according to their request.

**Article 35** The competent telecommunications authorities shall announce to the public decisions they make regarding telecommunication service fee standards and computation methods.

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**Article 36** The telecommunications business operators shall announce to the public such information as service items, the fee for each, and computation and payment methods, and facilitate subscriber inquiries.

**Article 37** Telecommunications business operators in charging fees may not resort to the following conduct:

- A. Charging telecommunication service fees exceeding the upper limits set by the State;
- B. Charging telecommunication service subscribers different rates for the same service and under the same transaction conditions;
- C. Change without authorization the telecommunication service fees, computation methods and payment methods contracted with subscribers, or adding separate charges.
- D. Falsifying or altering records of the use of telecommunication services by subscribers, the data by which fees are computed and other data related to charging of fees; and
- E. Other conduct in charging fees detrimental to the legal rights and interests of telecommunications subscribers.

### **CHAPTER VI UNIVERSAL TELECOMMUNICATION SERVICE AND PROTECTION OF SUBSCRIBERS' RIGHTS AND INTERESTS**

**Article 38** The State ensures that universal telecommunication service shall be gradually realized inside the People's Republic of China. People's Governments at all levels and their relevant departments shall provide necessary conditions for the realization of universal telecommunication service.

Universal telecommunication service refers to the provision of basic telecommunication services complying with State regulations to all citizens in the People's Republic of China at a universally affordable rate.

**Article 39** The State shall promote universal telecommunication service in accordance with the realities of the national economy, social development and the status of the

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telecommunications industry, by designating telecommunications business operators to undertake the obligation of universal service, or through government appropriations and telecommunications business operator's payments, set up a universal telecommunication service fund. The competent telecommunications authorities shall appoint telecommunications business operators to assume the obligation of universal service.

**Article 40** The competent telecommunications authorities shall formulate the universal telecommunication service development plan and the goals of different phases as well as exercise supervision and management of the implementation of universal service.

**Article 41** Telecommunications business operators in providing service to telecommunication subscribers shall comply with the norms formulated by the competent telecommunications authorities regarding telecommunications services, carry out service agreements, and fulfill their service commitments.

**Article 42** Telecommunications business operators shall give the public free calls to the police in case of fire, robbery, medical emergencies or traffic accidents. They shall ensure that the communications lines are not blocked.

**Article 43** Telecommunications business operators shall, in compliance with the regulations of the competent telecommunications authorities, provide number portability service for telecommunications subscribers.

**Article 44** Telecommunications business operators may not restrict telecommunication subscribers from picking their own service categories and terminal telecommunications equipment.

**Article 45** Telecommunications business operators shall announce to the public the categories of telecommunication services they provide, the scope, duration, and conditions under which telecommunication services will be suspended or cancelled, and the methods thereof. They shall make it convenient for subscribers to make payments or inquiries. Where itemized

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bills are asked for by subscribers, telecommunications business operators shall provide them free of charge.

If telecommunications subscribers dispute certain fees, the telecommunications business operator concerned shall take necessary measures to help the subscriber investigate.

**Article 46** Telecommunications business operators shall first obtain the potential subscribers' consent before providing services. No telecommunication service shall be provided or payment exacted without the consent of the subscribers. Without subscribers' consent, fees may not be exacted from them on behalf of some other telecommunications business operator.

**Article 47** In the case of changing, suspending or terminating telecommunication services or adjusting fees for services, the telecommunications business operator shall make a public announcement 30 days in advance.

If normal telecommunication services will be disrupted by engineering construction or network construction, the telecommunications business operator shall make a public announcement and notify relevant subscribers 72 hours in advance. If this may have a major impact on normal telecommunication services, a report shall also be made to the competent telecommunications authorities.

**Article 48** If a telecommunications subscriber complains of disruption of telecommunication service, the telecommunications business operator shall resolve the problem in a timely manner. When the disruption occurs in an urban area, repairs or adjustments to restore service shall be made within 48 hours of the day the complaint is received. If the disruption occurs in a rural area, repairs or adjustments to restore service shall be made within 72 hours of the day the complaint is received.

If the problem cannot be resolved within the above-mentioned time limit, the telecommunication subscriber shall be notified in a timely manner and related charges during the period of service disruption shall be waived.

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**Article 49** If network connection processing is necessary [for the subscriber??] to access telecommunication sources, subscriber information shall be truthfully provided. The telecommunications business operator may not use subscriber information to answer inquiries without their consent; they may not sell, disclose, delete, distort or use subscriber information illegally.

Subscriber information as mentioned in this Law refers to non-communication contents including the name or title of the subscriber, valid certification numbers, address of terminal equipment, user ID, account number from which fees are paid, communication fees and payment status.

If a telecommunication subscriber fails to carry out the obligation provided for in the first paragraph of this article to register in his/her real name, the telecommunications business operator may not provide him/her with service.

**Article 50** Toward a subscriber who fails to make payment after the due date, a telecommunications business operator shall first send a reminder. If the subscriber still fails to make payment 7 business days of the reminder, the telecommunications business operator may suspend service with the exception of calls to the police in the case of fire, robbery, medical emergencies, and traffic accidents.

If the telecommunications subscriber still does not make up the payment 60 days after the telecommunications business operator suspends service, the latter may terminate service.

**Article 51** A telecommunications business operator shall take timely action in regard to subscriber complaints. If the subscriber is dissatisfied with the action taken, he/she may complain to the competent telecommunication authorities and the latter shall make a response within 30 days of the day the complaint is received.

The telecommunications business operator has the burden of proof in a dispute.

**Article 52** A telecommunications business operator who intends to suspend or terminate a subscriber's telecommunication service shall make appropriate arrangements for the subscriber.

**CHAPTER VII CONSTRUCTION AND PROTECTION OF  
TELECOMMUNICATIONS FACILITIES**

**Article 53** The competent telecommunications authorities are in charge of unified and overall planning for construction of the public communication networks, Internet and dedicated communications networks, and for formulating the development plan of the communications industry in compliance with the national economic and social development plans.

**Article 54** Basic telecommunications business operators shall formulate enterprise-specific plans based on the communications industry development plan and within 30 days after their enterprise-specific plan has been put into action, submit a report to the competent telecommunications authorities and the competent planning authorities under the State Council.

Basic telecommunications business operators in making and implementing enterprise-specific plans and carrying out telecommunications facilities construction shall observe State regulations regarding national defense and security.

**Article 55** People's Governments at all levels shall adapt construction of telecommunications infrastructure such as base stations, piping, and machinery rooms into their overall land use and city planning.

**Article 56** In planning and building roads, bridges, tunnels and other infrastructure, consideration shall be given to the needs of telecommunications facilities construction and necessary space left for them.

**Article 57** If a basic telecommunications business operator wishes to build, renovate or expand international communications facilities such as international telecommunications

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transmission lines and gateways, they shall first report to and obtain the approval of the competent telecommunications authorities.

**Article 58** Telecommunications facilities construction shall conform to State regulations regarding supervision of standards and quality of telecommunication engineering construction and must not affect the normal use of other telecommunications facilities.

**Article 59** Telecommunications facilities construction shall fully utilize existing network resources of the State.

Basic telecommunications business operators shall, guided by the principles of technical feasibility, economy of resources and reasonable sharing and in compliance with the requirements of the competent telecommunications authorities, build and use telecommunications facilities jointly. When agreement cannot be reached by telecommunications business operators on joint building or sharing of facilities, they shall submit the issue to the competent telecommunications authorities for arbitration. The latter shall make an arbitration decision within 45 days of the day it accepts the case.

**Article 60** A telecommunications business operator who uses someone else's telecommunications facilities shall first obtain the consent of the owner of said telecommunications facilities.

In the case of use of someone else's telecommunications facilities without authorization, the owner of said telecommunications facilities may submit the issue to the competent telecommunications authorities for resolution. The owner of said communication facilities may not stop or affect communications prior to an arbitration decision being made by the competent telecommunications authorities in compliance with Article 59 of this Law.

**Article 61** Construction of buildings for civilian use shall, in accordance with relevant State standards, be built in coordination with such public telecommunications facilities as communication lines and intersections within the red line of the planned land to be used.

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Expenses for the construction of aforementioned coordinated public telecommunications facilities shall be built into the estimated budget of the civil construction project.

**Article 62** The owners/managers of civilian buildings shall provide the telecommunications business operators with equal conditions for connection to and use of the public telecommunication coordinating facilities as provided for in Article 61 of this Law.

The owners/managers of telecommunications facilities inside civilian buildings may not restrict building owners from independently choosing telecommunication services legally provided by a telecommunications business operator.

**Article 63** Telecommunications facilities are protected by the laws of the State. All units and individuals are forbidden to steal, seize, harm or destroy telecommunications facilities.

Corresponding prevention measures shall be taken against activities by any organization or individual which may endanger telecommunications facilities.

**Article 64** A telecommunications business operator who needs to use a civilian building or public facilities in building communications infrastructure such as the base station, machine rooms and piping shall negotiate with the owner/manager of said civilian building or public facilities. The telecommunications business operator may not impede the normal use of said civilian building or public facilities and shall, in addition, make commensurate compensation.

**Article 65** No unit or individual may change or move someone else's telecommunications facilities without authorization. In special circumstances when a change or move is truly necessary, the telecommunications facilities' owner shall first be notified and informed that the unit or individual who wants to make the change or move shall defray all expenses as well as compensate for the economic losses incurred thereof.

**Article 66** In building hidden telecommunications facilities underground, underwater or in the air, warning signs shall be put up in compliance with relevant State regulations.

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The telecommunications business operator shall, in accordance with the regulations of the competent telecommunications authorities, mark out forbidden zones in related telecommunications facilities which no organization or individual may enter without authorization.

**Article 67** Construction of telecommunications facilities shall comply with State requirements regarding protection against earthquakes and prevention of lightning (strong current) and fire.

Requirements of telecommunications facilities to withstand earthquakes and prevent lightning (strong current) and fire shall be formulated by the competent telecommunications authorities in conjunction with relevant State agencies.

### **CHAPTER VIII TELECOMMUNICATIONS STANDARDS AND CONNECTION OF EQUIPMENT TO NETWORKS**

**Article 68** Telecommunication standards include national standards and industry standards. National telecommunications standards are planned, drafted and approved by the State Council's department in charge of standardization in concert with the competent telecommunications authorities, and opinions shall be solicited from relevant departments under the State Council where network and information security is involved. The State Council's department in charge of standardization shall number the standards in a unified way and publish them. Industry telecommunications standards are drawn up by the competent telecommunications authorities and reported to the State Council's department in charge of standardization to be filed and put on record.

**Article 69** Telecommunication standards shall be drawn up for the following:

- A. Technical requirements that need to be unified including basic performance, functions of telecommunications networks, systems and equipment, related protocols and

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commands, as well as for formation of the network, connecting to the networks, interconnection and intercommunication, and compatibility;

**B.** Matters and requirements that need to be unified in the design, construction, supervision, and acceptance of engineering projects related to telecommunications construction;

**C.** Technical requirements that need to be unified for placing into service and operational maintenance of telecommunications networks, systems, and equipment;

**D.** Quality requirements that need to be unified for telecommunications services; and

**E.** Technical requirements that need to be unified for telecommunications networks and information security.

**Article 70** Telecommunications equipment that connects to the State telecommunications network shall conform to related telecommunications standards.

Telecommunications business operators shall implement telecommunications standards in construction and operational activities of telecommunications networks.

**Article 71** The State shall implement permission management in regard to connection to public networks for wireless communications equipment, equipment used in network interconnection, as well as switching equipment and routing equipment that is connected to public telecommunications networks and which involves interconnection and intercommunication or network and information security. Management in the form of filing and putting the data on record shall be implemented for other equipment connected to public telecommunications networks.

The telecommunications equipment list for network connection permission management shall be drawn up by the competent telecommunications authorities in concert with relevant departments of the State Council and shall be announced by the competent telecommunications authorities.

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**Article 72** Telecommunications equipment that a network connection permit is being applied for shall meet standards administered by a testing organization approved by the State Council's competent telecommunications authorities before being submitted to the competent telecommunications authorities for examination. The competent telecommunications authorities shall complete the examination within 45 days of the day the application is received, and make a decision whether or not to grant network connection. Where State security is involved, the competent telecommunications authorities shall conduct joint examination and verification with the relevant departments of the State Council.

Telecommunications equipment manufacturers shall affix the network connection permission symbol to the telecommunications equipment for which they have obtained a network connection permit.

**Article 73** For telecommunications equipment using new technology for which no standards yet exist, they must go through network connection testing for a minimum of 90 days, and an application for network connection testing must be submitted to the competent telecommunications authorities. The competent telecommunications authorities shall complete its examination within 60 days of the day the application is received. Network connection testing can be granted if the examination shows that it will not affect network and information security.

**Article 74** Telecommunications equipment manufacturers shall ensure the quality of their telecommunications equipment remains consistent before and after obtaining a network connection permit or the information being filed and put on record; the products performance level in network and information security must not be lowered.

**Article 75** No unit or individual may sell or use telecommunication equipment that should have a network connection permit but has not obtained it.

**CHAPTER IX TELECOMMUNICATIONS  
NETWORK AND INFORMATION SECURITY**

**Article 76** In the course of planning, constructing, and operating a telecommunications network, a telecommunications business operator shall simultaneously plan, construct and operate compatible telecommunication network and information security facilities and emergency communication facilities in a manner that meets State demands and standards for state security, network security, information security, emergency response, and national defense, and also provide relative technological support to ensure normal operation of related equipment and facilities. Specific implementation measures shall be drawn up by the competent telecommunications authorities in conjunction with relevant State Council departments.

**Article 77** Telecommunications business operators shall establish a sound internal security system in accordance with relevant State laws and administrative rules and regulations regarding telecommunications network and information security, establish and implement network and information security management systems and technological protection measures for information security while also accepting legally conducted supervision and inspection by the competent telecommunications authorities and relevant departments of the State Council.

Telecommunications business operators shall voluntarily keep a record of and store subscriber usage information along with a system maintenance journal. A backup of these records shall be maintained for a minimum of 60 days.

**Article 78** No organization or individual may carry out the following acts that compromise telecommunications network and information security:

- A.** Hack into, attack, or destroy telecommunications networks or information systems;

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- B.** Illegally delete or modify functions of a telecommunications network or information system or data and application programs stored, processed, or transmitted thereon;
- C.** Deliberately creating or disseminating programs with damaging computer viruses or other methods that block, obstruct, or interrupt a telecommunication network or information system of others;
- D.** Deliberately concealing, intercepting, or delaying information transmitted on a telecommunications network;
- E.** Illegally connecting to a telecommunications network as a means to infringe on a telecommunications business operator's processed information; and
- F.** Other acts that compromise telecommunications networks or information security.

**Article 79** When an emergency situation occurs because network or information security has been compromised, telecommunications business operators shall, in accordance with requirements of the competent telecommunications authorities, take measures to stop telecommunications services, break network connections, or stop domain name resolution to prevent compromises from occurring or expanding, and to retain technical evidence.

**Article 80** No organization or individual may use a telecommunications network to produce, reproduce, disseminate or transmit the following information or to engage in illegal acts that:

- A.** Opposes the fundamental principles determined in the Constitution;
- B.** Compromises State security, discloses State secrets, subverts State power or damages national unification;
- C.** Harms the dignity or interests of the State;
- D.** Incites ethnic hatred or racial discrimination or damages ethnic unity;
- E.** Disseminates rumors, disturbs social order or disrupts social stability;
- F.** Sabotages State religious policy or propagates evil cults, feudal superstitions or religious extremism;
- G.** Promotes terrorism, propagates obscenity, pornography, gambling, violence, murder or fear or incites the commission of crimes;

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- H.** Carrying out pyramid schemes, illegal fund-raising, or illegal business activities;
- I.** Insults, slanders or frames another person or infringes upon the lawful rights and interests of others;
- J.** Incites the establishment of illegal non-governmental organizations or unlawful acts in the name of illegal non-governmental organizations;
- K.** Engages in fraud or extortion;
- L.** Engages prostitutes or induces and introduces others to prostitution;
- M.** Promotes drug use, sells drugs or spreads formulas for manufacturing drugs;
- N.** Stealing or dissemination of another person's private matters;
- O.** Selling of firearms, ammunition, and prohibited items; or
- P.** Other information and illegal activities prohibited by laws and administrative rules and regulations.

**Article 81** If a telecommunications business operator discovers information transmitted over a telecommunications network clearly falls under the content stipulated in Article 80 of this Law, it shall immediately refuse or stop the transmission, adopt technical measures to eliminate it, store relevant records, and report to the public security organs and related departments in a timely manner.

**Article 82** A telecommunications business operator shall give assistance and cooperation, provide necessary technological conditions, accurately provide relevant materials and data, and safeguard the knowledge of State secrets with regard to measures taken by the State security organs and public security organs in detecting the use of telecommunications networks to carry out illegal and criminal activities.

**Article 83** The competent telecommunications authorities shall establish a security monitoring system for the telecommunications network to monitor the network security situation, and establish necessary network and information consultation mechanisms with relevant departments of the State Council to safeguard network and information security.

**CHAPTER X EMERGENCY COMMUNICATIONS SUPPORT AND  
COMMUNICATIONS CONTROL**

**Article 84** The competent telecommunications authorities shall establish a sound emergency communication support system and construct an emergency communication system that is compatible with wired and wireless networks and basic telecommunications networks and mobile communication networks to ensure the smooth flow of communication when responding to emergencies.

The competent telecommunications authorities shall carry out unified deployment and coordination in emergency communications support work. When necessary, various public telecommunications facilities and dedicated telecommunications facilities may be temporarily used.

**Article 85** Telecommunications business operators shall, in accordance with requirements of the competent telecommunications authorities, provide emergency communications support, the necessary network resources, and emergency telecommunications equipment; formulate a emergency communications support plan and improve the network and information security emergency response system. In the event of a sudden major network and information security incident, operators will be subject to the unified command and coordination of the competent telecommunications authorities and will take corresponding emergency security measures.

**Article 86** In order to safeguard State security, support major tasks of the State, and deal with emergencies, the State Council may decide to implement communication controls on public telecommunication networks nationwide or in certain areas. The People's Governments of provinces, autonomous regions, and municipalities directly under the central government may decide to implement communication controls on public telecommunication networks within their area of jurisdiction.

Communication controls are the adoption of mandatory measures such as blocking and restricting communications on public telecommunications networks.

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**Article 87** A decision to control communications issued by the State Council or the People's Governments of provinces, autonomous regions, or municipalities directly under the central government shall clearly state the scope, beginning and ending time, programs, and other related content of the communication controls, and notice will be given to the public.

When communication controls end, the People's Government making the decision to implement communication controls shall issue a notice on end of the communication controls.

**Article 88** The competent telecommunications authorities, in accordance with a control decision of the State Council or provincial level People's Government, is responsible for organizing and implementing the communication controls.

When implementing controls, the competent telecommunications authorities may order telecommunications business operators to take measures such as blocking, suspending, or limiting communications in specific areas or for specific targets.

The relevant local People's Governments and their departments shall assist the competent telecommunications authorities in implementing the control decision.

**Article 89** The competent telecommunications authorities, based on the requirements for communication controls, in concert with relevant departments of the State Council shall draft a communication control plan, draft corresponding communication control standards and norms for network construction, and improve the corresponding technical means for communications control.

**Article 90** Telecommunications business operators shall follow orders and implement the communication control decision, and monitor results of the controls to ensure the controls are effective.

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**Article 91** During a period of communication controls, telecommunications subscribers shall comply with the controls' requirements. Telecommunications business operators shall correspondingly exempt or reduce the telecommunication subscriber's communication costs. .

### CHAPTER XI SUPERVISION AND INSPECTION

**Article 92** The following measures may be taken by the competent telecommunications authorities when carrying out supervision and inspection of the implementation of telecommunications activities such as quality of service, billing system, network and information security, communication support, and communication controls:

- A.** Carry out evidence gathering inspections and investigations at production and business sites of telecommunications business operators and telecommunications equipment producers to extract relevant material and data;
- B.** Question parties concerned and organizations and individuals connected with the incident being investigated, and require they explain matters related to the incident under investigation;
- C.** Review and copy documents and materials related to the parties concerned and organizations and individuals connected with the incident under investigation;
- D.** Order suspension of activities involving transmission of illegal information;
- E.** Disclose to the public the quality of service of telecommunications business operators and circulate a notice on the regulatory situation; or
- F.** Other administrative measures stipulated by law and administrative rules and regulations.

**Article 93** The competent telecommunications authorities may, based on their needs in executing their duties, require the board of directors and high-level managers of a telecommunications business operator explain important matters regarding the activities and business management of the telecommunications operation.

## UNOFFICIAL TRANSLATION

**Article 94** Telecommunication business operators shall, in accordance with requirements of competent telecommunications authorities, submit to them at specified intervals statistical information and data on their enterprises

**Article 95** The competent telecommunications authorities may stipulate necessary technical requirements in order to ensure the effective use of telecommunications resources, protect State network and information security, ensure network interconnection and intercommunication, and protect the rights and interests of subscribers.

**Article 96** The competent telecommunications authorities shall strengthen supervision and inspection of the telecommunication network billing system and announce the results to the public

**Article 97** Competent telecommunications authorities may take the following measures regarding a telecommunication business operator that holds a dominant position in the telecommunication-related market and who may have an adverse effect on competition in the telecommunications market:

- A. Review its telecommunications service fees and marketing programs;
- B. Adjust the standard network settlement standards between it and other telecommunications business operators; and
- C. Increase the proportion of its obligation to provide universal telecommunications service.

**Article 98** When carrying out supervision, inspection or investigation, there shall be at least two personnel from the competent telecommunications authorities and they must present their law enforcement credentials.

Personnel from the competent telecommunication authorities are obligated to keep their knowledge of State secrets, trade secrets, and subscriber information confidential.

UNOFFICIAL TRANSLATION

**CHAPTER XII LEGAL LIABILITIES (OMITTED)**

**CHAPTER XIII SUPPLEMENTARY PROVISIONS**

**Article 99** Investments made by foreign investors inside the People's Republic of China shall be handled according to relevant State provisions.

**Article 100** If a party is not satisfied with a decision made by the competent telecommunications authorities based on this Law, it may initiate action for administrative review or administrative litigation in accordance with law.

**Article 101** An applicant applying to engage in non-commercial telecommunications services shall comply with the provisions in this Law except for Articles 9, 10, 11, and 12.

**Article 102** This law becomes effective on the \_\_\_\_day of \_\_\_\_ (month, year). The Telecommunications Regulations of the People's Republic of China, published by the State Council on September 25, 2000 shall be simultaneously abolished.