

# Resolution No. 3 of 2010

# Telecommunications Regulatory Authority's Schedule of Fees for 2010

28 July 2010

Approved by

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Chairman of the Board of Directors
Telecommunications Regulatory Authority

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## 1 Definitions

a) Unless the context requires otherwise, terms and expressions used in this policy shall have the same meaning as that prescribed to them in the Telecommunications Law as promulgated by Decree No. 48 of 2002.

#### 2 Introduction

- a) The Telecommunications Regulatory Authority (TRA) is the public authority established under the Telecommunications Law as promulgated by Decree No. 48. According to Article 18 of the Law, the operations and activities of TRA shall be funded from the following sources:
  - i. Application, initial and renewal fees charged for licenses;
  - ii. A percentage (not to exceed 1%) of gross annual turnover of licensed operators;
  - iii. Fees charged by TRA for any services it provides; and
  - iv. Fines collected by TRA.
- b) Article 3(c)(1), (6) and (18) of the Law provides TRA with power to, amongst other things, set and collect application, initial, annual and renewal fees for Licenses, collect fines and fees under any License and, where appropriate collect any fees for services provided by the Authority.
- c) Article 38(c) of the Law allows TRA to prescribe a fee for type approval processes by means of a resolution.
- d) This document sets out the fees from which TRA will derive its income as foreseen in the Telecommunications Law.

### 3 Key principles

- a) The following are the key principles applied in establishing the schedule of fees.
- b) In addition to the annual turn-over based fee, TRA shall raise income from the services which it provides, including:
  - Service licensing
  - ii. Radio spectrum licensing
  - iii. Assignment of numbers
  - iv. Processing applications for equipment approval
- c) TRA shall embark on a tariff rebalancing process which reduces the level of the annual turn-over based fee levied by TRA on licensed operators by increasing the revenues received from the above services.
- d) TRA's revenues shall recover the total cost of providing the services ancillary to its regulatory function on an annual basis, including future investments for the development of TRA after coordinating with the Ministry of Finance and National Economy and with the consent of the Council of Ministers.
- e) Auctions conducted by TRA shall not be considered as revenues for cost recovery as they are not a regular occurrence and any revenue in excess of costs will be passed on to the public treasury.
- f) Fees charged for access to scarce resources shall be proportional to the amount of scarce resource consumed, or denied to other users.
- g) Revenues from the use of scarce resources shall be set at a level which encourages efficient use of the resource;
  - Revenues from radio spectrum used for commercial applications shall reflect its socio-economic or market value where such spectrum can be shown to be congested or scarce;
  - ii. Radio spectrum licensees shall pay for the full bandwidth of spectrum assigned to them; and
  - iii. Where appropriate and justified, spectrum fees shall be set at levels which assist in the realisation of socio-economic objectives.

#### 4 Schedule of Fees

#### 4.1 Service license application fees

a) The following fees shall apply for service licenses:

License type	License Fee, BD
Individual license for Paging Services	BD5,000
Individual license for Very Small Aperture Terminals (VSAT) Services	BD5,000
Individual license for Public Access Mobile Radio Services	BD5,000
Individual license for International Telecommunications Facilities	BD20,000
Individual license for International Telecommunications Services	BD10,000
Individual license for National Fixed Services	BD35,000
Internet Exchange License	BD1,000
Class License for Internet Services	BD1,000
Class License for Value Added Services	BD1,000

- b) The above fees are payable on successful outcome of the evaluation of an application and before the license is issued.
- c) If introduced, the application fee for a unified individual license or unified class license shall be BD2,000 each.
- d) The fee for a unified individual license shall be paid at the time of application and shall be non-refundable in the event that the application is not successful.

#### 4.2 Spectrum licensing fees

a) The annual spectrum licensing fee for non-temporary assignments shall be calculated by multiplying the relevant entry from the table below by the required bandwidth (in MHz):

A B C D E F	G
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	Spectrum Charge, BD per MHz					
Power/coverage Frequency Band	Nationwide	≥ 25W e.r.p	≥1 W and < 25W	≤ 1W	Fixed P-P	Earth Stn and VSAT
1. VLF/LF/MF (3kHz – 3MHz)	4338	3904	2169	1085	434	434
2. HF (3 – 30MHz)	6507	5857	3254	1627	651	651
3. VHF (30 – 300MHz)	4338	3904	2169	1085	434	434
4. UHF1 (300 – 470MHz)	3254	2928	1627	813	325	325
5. UHF2 (470 – 2700MHz)	6507	5857	3254	1627	651	651
6. SHF (2.7 – 10 GHz)	1085	976	542	271	108	108
7. SHF/EHF (10 – 55 GHz)	434	390	217	108	43	43
8. EHF (55 – 275GHz)	Fixed fee of BD1,000 per fixed link, independent of bandwidth.					

- b) The resultant fee is payable annually in advance (and will be pro-rata if license is awarded or terminated part way through a year) and is subject to a minimum fee of BD40.
- c) The following is an illustration of how the annual spectrum fee is calculated:
  - Step 1: In Column A, identify the row (1 to 7) which corresponds to the frequency range of the assignment;
  - Step 2: Moving along the row, identify the column (B to G) which corresponds to the coverage/power or type of application relevant to the assignment (note that this does not apply to row 8);
  - Step 3: Locate the cell at which the selected row and column intersect;
  - Step 4: To calculate the annual spectrum fee, multiply the value of the cell identified in step 3 by the assigned bandwidth in MHz.

Therefore, if the assignment is for a transmitter operating at 200MHz with a bandwidth of 0.0125MHz and a power of 25W, the relevant cell will be C3:

	A	В	c	D	E	F	G
		Spectrum Charge, BD per MHz					
ower/coverage requency Band		Nationwide assignment	≥ 25W	≥1 W and < 25W	≤ 1W	Fixed P-P	Earth Stn and VSAT
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The value of C3 is BD3904 per MHz. Therefore the annual spectrum fee will be the product of 3904 and 0.0125MHz, i.e. BD48.8.

Had this calculation resulted in a fee less than BD40, then the minimum fee of BD40 would have been applied.

d) Licenses to use the radio spectrum on a temporary basis shall be valid for 1 month from the date of issue. Fees payable for temporary frequency licenses shall be calculated according to the following table:

Bandwidth	Charge		
0 – 1 MHz	BD20 per assignment		
> 1MHz	BD20 per MHz per assignment		

e) The annual fee for call signs or station licenses and amateur radio licenses are set out below. These fees are not available on a pro-rata basis:

Station/Call Sign	Charge
Marine ship-station – private	BD10
Marine ship-station – commercial	BD100
Aircraft call-sign – private or commercial	BD100
Coast-station	BD40
Amateur	BD10

#### 4.3 Fees for assignment of numbers

- a) The fee per 8 digit number is BD0.100 per annum.
- b) The fee will be increased by a factor of 10 for each one digit reduction in length of the number. Hence, for a 4 digit short code the fee is BD1,000 per annum.
- c) An application fee of BD25 shall be payable for each application for assignment of numbers.
- d) The fee to reserve a number or number range shall be 10% of the fee due for the number or number range.

#### 4.4 Equipment approval fees

- a) The application fee for the approval of telecommunications equipment with a radiocommunications interface which is used to establish a licensed telecommunications network is BD250. This fee is payable at the time of application and is non-refundable in the event that the application is not successful.
- b) The application fee for the approval of other forms of telecommunications equipment is BD50. This fee is payable at the time of application and is non-refundable in the event that the application is not successful.
- c) Equipment approvals are valid for 3 years from the date of issue. The fee for the renewal of an equipment approval is the same as the original application fee.

#### 4.5 Annual turn-over based fee

a) The annual turn-over based fee is 1% of gross annual turnover of the licensee resulting from the license. For the financial year commencing 1 January 2010, this will be reduced to 0.8% of gross annual turnover.