



APPLICATION REQUIREMENTS FOR UNIFIED LICENCE

1. NATURE OF THE UNIFIED LICENCE¹

Unified Licence is a full service licence that consists of fixed and mobile services. The licence authorizes the holder to provide all forms of electronic communications networks and services within Lesotho. The holder of Unified Licence qualifies for numbering and spectrum resources required for provision of telecommunication services.

The Applicable fees are as follows:

- a) Non-refundable application fee of M200, 000.00.
- b) Initial Fee of M10, 000,000.00, payable when the application is successful but before the licence can be issued.
 - The initial fee covers the provision of telecommunications services without limitation; and
 - 30 blocks of numbering resources where a block is 100,000 contiguous numbers.
 - Additional numbering resources shall be applied for separately.
 - The radio spectrum shall be applied for separately.
- c) Annual Fee - 4% of Net Operating Income.
- d) Applicable fees for other resources (numbering and spectrum) are payable prior to the issuance of the licence.

The duration of the licence will be for a period of twenty (20) years. However, resources for the primary licence are paid for on an annual basis.

¹ In accordance with the Lesotho Communications Authority (Licensing Classification and Fees) Rules, 2018.

2. SUBMISSION REQUIREMENTS

The applicant is required to submit the following:

1. A Completed Application Form 01.
2. Application letter which contains:
 - a) Description of the scope of the services proposed to be provided under the licence; and
 - b) Details of the contact person in respect of the application (attach the certified identity document/passport copy).
3. Certified company registration documents which must include Certificate of Incorporation and Company Extracts (The applicant MUST be registered as a company in Lesotho).
4. Company profile with ownership details as follows:
 - a. Shareholding structure – Names of shareholders and percentage of shares held.
 - b. Percentage of local and foreign shareholders.
 - c. List of all directors and their addresses.
 - d. Company Structure – Holding, Subsidiary and Associate Companies.
 - e. Full details of current business activities.
5. Certified identity documents (ID) or passport copies of all the directors of the company.
6. Comprehensive Business Plan which includes among others:
 - a. Full details and scope of proposed services to be provided under the licence.
 - b. Detailed technical plan including full details of service roll out timelines for the first five years; network topology (configuration details including interconnection interface where applicable, technology to be deployed, system design, capacity, implementation plan and other technological details supplementing the application).
 - c. Interconnection Arrangement Plan. The plan should entail detailed system configuration with a network diagram to illustrate proposed interconnection and technical arrangement.
 - d. Detailed description of technical support which should include:

- Description of technical support facilities, whether in house or external.
 - Contractors responsible for the day-to-day maintenance of the support facilities.
 - Description and details of the system routine maintenance schedule.
- e. A detailed contingency plan for proposed services in response to service outage or network breakdown in order to ensure sustainability of service delivery. The plan should include :
- Designed level of resilience for affected services recovered and the recovery period;
 - Backup capacity relative to the capacity level required for normal operation and spare resources like backhaul equipment for contingency connection;
 - Prior and post arrangements for re-allocating resources, re-routing the affected traffic and acquisition of additional bandwidth to recover the affected services;
 - Internal procedures for monitoring and reporting critical network outage.
- f. Planned facilities and traffic management as well as signaling arrangements.
- g. Intended coverage areas upon commissioning of facilities.
- h. Project implementation schedule and expected service launch date, showing key milestones for the first five years starting from the date of the grant of the licence. The plan should include network planning, placing of order for equipment, delivery timelines, acquisition of sites, access to buildings, construction of equipment buildings, and conclusion of maintenance of agreements, negotiations on interconnection, installation and testing. The schedule should provide details how the phases will be introduced and plans for introducing new services in future.
- i. Description of the distribution arrangements to the public, including wholesale and or retail services.
- j. Frequency requirements.

7. Financial Plan including:
 - a. Sufficient documentary evidence to prove that the applicant has the financial capability to meet the capital investment required in the financial plan (including certified audited financial statements for the past three years for holding, subsidiary or associate companies or recent bank statements of directors/shareholders).
 - b. Copies of audited financial statements for the past three years of the financing company in a case where holding/subsidiary or associate companies are not the only financiers.
 - c. Breakdown of initial capital investment, five-year financial projections with relevant cash flow projections and operating costs.
 - d. Method of depreciation of assets.
 - e. Projected volume of business and market share for the first ten years of operation and forecast internal rate of return and payback period of the project.
8. Proposed Billing and Tariff Plans.
9. Human Resource Plan - proposed management structure, proposed remuneration structure, training plan, curricular vitae of management and technical team.
10. Disaster Recovery Plan - possible disaster scenarios, risk management, resiliency and recovery strategy, network and data security measures.
11. Assured Quality of Service and Help Desk Services Plans.
12. Feasibility study informing the proposed business model.
13. Corporate Social Investment Plan.
14. Relevant experience and capability of running the proposed services to the satisfaction of the Authority. Provide full details of the previous experience, shareholders and key personnel in establishing and running the proposed services, as well as information on the current status of these networks and services.
15. Detailed customer service standard plan.
16. Confirmation of compliance with international standards.
17. Certified copy of sublease agreement which must be submitted if the application is successful.

18. Proof of payment of a non-refundable application fee of M200, 000.00 must be attached. *

All payments should be made by direct deposit into the following banking details²:

Account Name: Lesotho Communications Authority
Bank: Nedbank Lesotho
Account Number: 021000017644
Branch Code: 390161
Swift Code: NEDLLSMX

19. Applicable Fees³:

TYPE OF SERVICE	APPLICATION FEE -M-	ANNUAL FEE -M-	INITIAL FEE -M-
Unified Licence	200,000.00	4% of Net operating income	10,000,000.00
Mobile Spectrum	10,000.00	11,800.00 (per MHz)	
Broadband fixed wireless access	1,400.00	2,100.00 (per MHz)	
Point to point links	1,300.00	1,400.00	
Fixed links for broadband access (60/90 GHz)	1,400.00	3,000.00	
Numbering Resources (block of 100,000 contiguous numbers)	2,500.00	35,000.00	

Requests for clarification shall be directed in writing to licensing@lca.org.ls

² All bank charges shall be borne by the remitter. Specifically, please notify your bank that you are responsible for bank charges incurred outside of your country.

³ Lesotho Communications Authority (Licensing Classification and Fees) Rules of 2018.

3. DISCLAIMER

- a. Preparation of the application does not commit the Authority to pay any expenses incurred by the applicant.
- b. The Authority reserves the right to accept or reject any application.

4. SUBMISSION FORMAT

- a. The applicant is expected to submit 8 sets of the application clearly marked "Original" and "Copies" (1 original & 7 copies).
- b. The completed application form, together with the required submission documents, should be signed.
- c. The applicant may attach additional information if the space provided in the application form is not enough.
- d. Enquiries concerning the application should be sent to this email address: licensing@lca.org.ls
- e. Telephone inquiries are not allowed.
- f. Incomplete submissions shall not be accepted.

5. SUBMISSION ADDRESS

Applications can be submitted in person to the following address:

The Chief Executive Officer
Lesotho Communications Authority
30 Princess Margaret Road
Old Europa
Maseru

No electronic submissions will be accepted.

6. EVALUATION OF APPLICATIONS

Evaluation of applications for licences will be based on the following:

- a. All submission requirements.
- b. Full details of the Business Plan covering:
 - i. Scope of Services to be Provided,
 - ii. Detailed Financial Plan,
 - iii. Detailed Technical Plan,
 - iv. Details of Technical Support,
 - v. Service Roll Out Plan,
 - vi. Project Implementation Schedule,
 - vii. Contingency Plan,
 - viii. Billing and Tariff Plans,
 - ix. Disaster Recovery Plan,
 - x. Help Desk Service Plan,
 - xi. Assured Quality of Service Plan,
 - xii. Customer Service Standard Plan,
 - xiii. Interconnection Arrangement Plan,
 - xiv. Distribution Plan,
 - xv. Intended Coverage Plan,
 - xvi. Planned Facilities and Traffic Management and Signaling Arrangements,
 - xvii. Human Resource Plan and
 - xviii. Corporate Social Investment Plan.
- c. Feasibility analysis report informing the proposed business model.
- d. Proven experience with large scale network deployment, operation and service provisioning.
- e. Any Other Information which the Applicant will include to motivate the award of the Licence.
- f. Relevant experience and capability of running the proposed services.