

LEGAL NOTICE NO. X OF 2023

Lesotho Communications Authority (Licensing Classification and Fees) Rules 2023

Pursuant to section 5 of the Communications Act 2012¹ the Authority makes the following Rules –

Citation and commencement

1. These Rules may be cited as the Lesotho Communications Authority (Licensing Classification and Fees) Rules 2023 and shall come into operation on the 1st of April 2023.

Interpretation

2. In these Rules, unless the context otherwise requires -

‘annual fee’ means the recurrent fee that is charged to a licensee once a year;

‘application fee’ means a once-off, non-refundable, and non-transferable fee paid upon submission of an application for a new license or renewal to cover costs related to assessing and processing an application for any service offered by the Authority;

‘Authority’ means Lesotho Communications Authority;

‘class licence’ means an authorisation whereby the terms and conditions are standard for a particular category or class of service provider;

‘individual licence’ means a licence whereby the terms and conditions are customised according to the application parameters at the time the licensee applies for authorisation and as agreed with the Authority;

‘individual numbers’ means numbers on the national numbering plan, used for toll-free and for premium-rated services. They are allocated as single numbers, and not as blocks or ranges;

‘initial fee’ means a once-off non-refundable fee that is payable before a licence is issued, following a positive evaluation of the application;

‘land mobile network’ means a number of radios that are in the same band and can communicate with each other;

‘NOI’ means Net Operating Income and for mobile network operators it refers to gross turnover in the communications business of the operator, inclusive of contracted amounts earned for roaming and interconnection after deducting contracted amounts incurred for

roaming and interconnection. For other communications services it refers to gross turnover after deducting direct costs.

'numbering block' means a sequential block of 100,000 (one hundred thousand), 8-digit numbers which are based on the national numbering plan;

'numbering resources' means numbers allocated by the Authority to service providers for use in communications as determined by the national numbering plan;

'other administrative charges' means fees for various administrative activities relating to the processing of licences;

'permits' means an authorisation for entities to set up facilities and services for a period not exceeding 6 months. These are for testing/experiments, short-term activities or events, such as sports or meetings;

'primary licence' means a class or individual licence authorising the holder to provide services and/or infrastructure, or in the case of private networks, to self-provide services and/or infrastructure;

'renewal fee' means a once-off fee that is payable upon approval of an application for renewal of a licence;

'unified licence' means a category of licence that authorises an operator to provide electronic communication services without restrictions;

'universal service' means the provision and availability of essential communications services to all sections of society as determined by the Authority; and

'site survey/verification fee' means fees charged for gathering information on the technical aspects of a site or equipment inspection. The fee is payable per trip/site.

Calculation, Payment, and Licence Classification Details

3. (a) The licensing classification, fees and details are set out in the First, Second and Third Schedule, respectively.

(b) The fees payable under these rules are:

- (i) The application fees;
- (ii) The initial licence fees;
- (iii) Annual fees; and
- (iv) Renewal fees.

(c) Fees shall be payable within thirty (30) days upon receipt of the invoice.

(d) Fees may be paid in accordance with a payment schedule agreed between the Authority and the licensee.

Penalties

4. (a) Where a licensee fails to pay required licensing fees as set out in these Rules, the penalties as shown in the Second Schedule shall apply.

(b) Penalties envisaged in rule 4 (a) shall be imposed where payment of the invoice has not been honored after 30 days of the issuance.

Repeal

5. The Lesotho Communications Authority (Licensing Classification and Fees) Rules 2018² are repealed.

NIZAM GOOLAM

CHIEF EXECUTIVE OFFICER (a.i)

¹NOTE

¹ Act No. 4 of 2012

² Legal Notice No. 23 of 2018

FIRST SCHEDULE: LICENCE CLASSIFICATION

TABLE 1: LICENCE CLASSIFICATION

	Licence Category	Type of Authorisation
1.1	Network Services (Data services & MVNO)	Individual Licence
1.2	Network infrastructure (Facilities)	Individual Licence
1.3	Unified Licence	Individual Licence
1.4	Content (Radio and Television)	Individual Licence
1.5	Public Postal Services	Individual Licence
1.6	Courier Postal Services (Tier 1)	Individual License
1.7	Courier Postal Services (Tier 2)	Individual License
1.8	Private Networks	Class Licence
1.9	Radio Frequency Spectrum	Class Licence
1.10	Individual Numbers	Class Licence
1.11	Country Code Top-level Domain (ccTLD)	Class License
1.12	Numbering Resources	Class License
1.13	Short-term activities	Permits
1.14	Resale Internet Service Providers	Registration

SECOND SCHEDULE: REGULATORY FEES

TABLE 2: INDIVIDUAL LICENCES

Category	Authorization Tenure (Years)	Application Fee (Maloti)	Initial Fee (Maloti)	Renewal Fee (Maloti)	Annual Fee (Maloti)
2.1 Networks					
2.1.1 Unified Licence	20 years	220,000	11,000,000	5,700,000	4% of NOI
2.1.2 Network Services	20 years	70,000	146,300	146,300	4% of NOI
2.1.3 Network Infrastructure	20 years	70,000	146,300	146,300	4% of NOI
2.2 Content (Sound Broadcasting)					
2.2.1 Commercial	15 years	13,500	20,900	20,900	12,000
2.2.2 Community	15 years	9,500	10,000	10,000	5,000
2.2.3 Private	15 years	13,500	20,900	20,900	12,000
2.2.4 Public	20 years	0	0	0	100,000
2.2.5 Internet Radio	3 years	250	1,500	1,500	1,500
2.3 Content (Television)					
2.3.1 Commercial	15 years	17,000	34,000	34,000	25,000
2.3.2 Community	15 years	9,800	10,500	10,500	5,000
2.3.3 Private	15 years	17,000	34,000	34,000	25,000
2.3.4 Public	20 years	-	0	0	200,000
2.3.5 Internet Television	3 years	250	1,500	1,500	1,500
2.4 Private Networks					
2.4.1 Private Network	One year	220,000			5,700,000

2.5 Postal services

2.5.1 Public Postal Services	20 years	13,500	20,900	20,900	25,000
2.5.2 Courier Postal Service (Tier 1)	15 years	13,500	20,900	10,000	10,000
2.5.3 Courier Postal Services (Tier 2)	5 years	2,000	3,000	5,000	10,000

TABLE 3: CLASS LICENCES –RADIO FREQUENCIES SPECTRUM

Type of Service	Application Fee (Maloti)	Annual Fee (Maloti)
3.1 Land Mobile Services (Non-Cellular)		
3.1.1 <i>Mobile Two-way Radio Stations (National)</i>		
3.1.1.1 Network of up to 10 radios	1,500	1,900
3.1.1.2 Network of 11-30 radios	1,500	3,900
3.1.1.3 Network of 31-50 radios	1,500	7,900
3.1.1.4 Network of 51-100 radios	1,500	11,700
3.1.1.5 Network of above 100 radios	1,500	19,800
3.1.2 <i>Mobile Two-way Radio Stations (Cross Border)</i>		
3.1.2.1 Network of up to 10 radios	1,500	3,300
3.1.2.2 Network of 11-30 radios	1,500	5,200
3.1.2.3 Network of 31-50 radios	1,500	9,200
3.1.2.4 Network of 51-100 radios	1,500	13,300
3.1.2.5 Network of above 100 radios	1,500	21,300
3.1.3 The alarm System includes a base station with remote stations	1,500	6,700
3.1.4 Paging Systems	1,500	400
3.1.5 Telemetry/Tele-command	1,500	3,900

	Type of Service	Application Fee (Maloti)	Annual Fee (Maloti)
3.1.6	Emergency services as per ITU recommendations & national requirements	-	
3.1.7	Vehicle tracking	2,600	5,200
3.2	Satellite Services		
3.2.1	<i>Earth station/VSAT</i>		
3.2.1.1	Private	2,200	8,800
3.2.1.2	Commercial	2,200	4,400
3.2.1.3	Amateur	2,200	1,600
3.2.2	Terminal for radio determination services	2,200	1,600
3.2.3	<i>Landing Rights</i>		
3.2.3.1	Subscription	5,500	500,000
3.2.3.2	Tracking (Vehicle & Other)	2,700	16,500
3.3	Radio-Determination/Aeronautical Services		
3.3.1	Aeronautical Stations (per airport)	800	3,900
3.3.2	Aircraft licence (per aircraft)	800	1,000
3.3.3	Aeronautical Earth Station	800	1,300
3.3.4	Radio location stations e.g. radar	800	700
3.4	Fixed Links		

	Type of Service	Application Fee (Maloti)	Annual Fee (Maloti)
3.4.1	Point-to-point link (Per MHz)	1,400	1,500
3.4.2	Fixed Links for Broadband Access (60/90 GHz) (Per Hop)	1,500	3,300
3.5	Access Spectrum		
3.5.1	Mobile spectrum	11,000	29,500
3.5.2	Broadband fixed wireless access	1,500	2,300
3.6	Sound Broadcasting Services		(Per Channel)
3.6.1	MF-AM	1,200	1,100
3.6.2	HF-AM	1,200	1,100
3.6.3	<i>VHF-FM operating with an effective isotropic radiated power (e.i.r.p) of:</i>		
3.6.3.1	Up to 500 W	1,200	1,100
3.6.3.2	Above 500 W (but below 1000 W)	1,200	1,600
3.6.3.3	Above 1000 W	1,200	5,500
3.7	Television Broadcasting Services		(Per MHz)
3.7.1	VHF	1,400	1,100

Type of Service		Application Fee (Maloti)	Annual Fee (Maloti)
3.7.2	<i>UHF operating with an effective isotropic radiated power (e.i.r.p) of:</i>		
3.7.2.1	Up to 1kW	1,200	2,500
3.7.2.2	Above 1kW	1,200	4,400
3.8	Amateur Radio (terrestrial)	400	-
3.9	Resale Internet Service Providers	-	-

Table 4: CLASS LICENCES – NUMBERING RESOURCES

	Authorization Type	Application Fee (Maloti)	Annual Fee (Maloti)
4.1	Individual Numbers		
4.1.1	PRMS	1,400	1,400
4.1.2	PRVS	1,400	1,400
4.1.3	USSD	1,400	1,400
4.1.4	Toll-free numbers		
4.1.4.1	Commercial entities	1,400	1,200
4.1.4.2	Non-commercial entities	1,400	-
4.2	Numbering Resources (block of 100,000 contiguous numbers)	2,700	38,500
4.3	Emergency Numbers - National Emergency Services (e.g. fire department, child helpline, police, public ambulance)	-	-

Table 5: CLASS LICENCES – REGISTRARS (COUNTRY CODE TOP-LEVEL**DOMAIN (ccTLD))**

	Authorization Type	Registration Fee (Maloti)	Annual Fees (Maloti)
5.1	Registrar accreditation fees		
5.1.1	Accreditation of Registrars Locals or operating within Lesotho	3,000	1,500
5.2	Third Level Domains		
5.2.1	Domains	150	100
5.2.2	Domain transfers/ modification	-	-
5.3	.Is Premium Domains (Second Level)		
5.3.1	Domains	500	450

TABLE 6: SHORT-TERM ACTIVITIES (PERMITS) UP TO 6 MONTHS

		Permit Fees (Maloti)
6.1	Content (includes spectrum where required)	11,000
6.2	Individual numbers	1,400

TABLE 7: UNIVERSAL SERVICE OBLIGATION

		USF Fees
7.1	Network Services	1.5% of NOI
7.2	Network Infrastructure	1.5% of NOI
7.3	Unified licence	1.5% of NOI
7.4	Public Postal Services	20,900

TABLE 8: PENALTIES

8.1	Non-Payment of regulatory fees	
8.1.1	1-3 Months	20% of the outstanding amount
8.1.2	Above 3 months, up to 6 months	50% of the outstanding amount
8.1.3	Above 6 months, up to 12 months	75% of the outstanding amount
8.1.4	After 12 months	Automatic revocation*
8.2	Unauthorised use of spectrum or exceeding authorised power limits	Payment of 3 times the applicable annual fee
8.3	Other Penalties	As stipulated in the Communications Act 2012, and/or licence conditions / General Authorizations

Notes to Table 8:

* Automatic revocation will only apply to class licenses.

TABLE 9: OTHER ADMINISTRATIVE CHARGES

Service		Proposed Fees (Maloti)
9.1	Documents	
9.1.1	Documents on USB*	160
9.1.2	Licence Certificate (reprint per certificate)	160
9.1.3	Printed material per page	20
9.2	Licence Amendment (requested by a licensee)	
9.2.1	Individual licence: Unified, Infrastructure, Network Services**	17,700
9.2.2	Individual Licence: Content**	3,500
9.2.3	Private Network licence	3,500
9.2.3	Class Licence	2,300
9.3	Verification/Site survey (per site)	1,600
9.4	Registration of transmitting equipment	-
9.5	Type-approval (per item)	3,800
9.6	Licence transfer or assignment:	
	The fee payable shall be equivalent to the application fee of a relevant licence.	

Notes to Table 9

* In the case where the documents are requested by email, the fee is M0.00. The fees do not include postage or courier; that will be the responsibility of the person requesting the documents.

** In the case of a merger of two or more licences, the application for licence amendment is treated as if it is one licence that is being amended.

THIRD SCHEDULE

LICENCE CLASSIFICATION DETAILS

10 Content (broadcasting)

The classification of broadcasting licences is defined in the Broadcasting Classification Regulations No. 19 of 2007. Broadcasting content authorization is for television and audio broadcast services and broadcast over terrestrial radio or distributed through the internet. A licence for terrestrial services is issued subject to the availability of frequencies to enable broadcasting over the air. A licensee may self-provide infrastructure for transmission and distribution.

11 Individual Numbers

These are individual numbers allocated for value-added services such as toll-free services, premium rate messaging services, premium rate voice services, emergency services and USSD services.

(a) Toll-free

Toll-free numbers are categorised as commercial and non-commercial. The commercial is for entities that provide paid services and the non-commercial is for entities offering free services. Non-commercial entities which provide free services to the general public shall apply for exemption of annual fees on numbers. Toll-free numbers are 8-digit numbers in level 8 and start with the string 800x xxxx.

(b) Premium Rate Message Service (PRMS)

Messages, including SMSs, are charged at a premium rate to the mobile subscriber. PRMS are five-digit numbers in level 3 and start with the string 3xxxx

(c) Premium Rate Voice Service (PRVS)

Messages include voice services that are charged a premium rate to the mobile subscriber. PRVS are 8-digit numbers in level 8 and start with the string 860x xxxx

(d) Unstructured Supplementary Service Data (USSD)

USSD is a communication protocol that facilitates the opening of a connection in real time between the mobile network operator and the user. This connection or session makes it possible to send and receive data. Most sessions involve money transfers, mobile payments, or gambling. USSD string is a 3-digit number and starts with * (asterisk or star) and ends with # (hash).

12 Network Services

Service providers in this category are authorised to provide electronic communication services to end users. Licences in this category include Internet Service Providers (ISP) and Mobile Virtual Network Operators (MVNO).

(a) Mobile Virtual Network Operator (MVNO)

MVNO licence is granted only when there is a commercial agreement with a host Mobile Network Operator. MVNOs qualify for access to numbering resources and may own infrastructure. MVNO is not eligible to own a radio frequency spectrum.

(b) Internet Service Provider

ISP licensees may own infrastructure in accordance with licence conditions. They qualify for access to spectrum but do not qualify for numbering blocks. They may also use license-exempt bands (ISM bands) to build mesh networks in order to enable the expansion of services and create Wi-Fi hotspots. Quality of Service on the mesh networks cannot be guaranteed nor enforced as the bands are not protected like licensed bands. The licensees may arrange international interconnection with foreign parties.

13 Network Infrastructure (facilities)

This category focuses on wholesale leasing of transport and access infrastructure to service providers who do not wish to or are not licensed to set up their own facilities. Wholesale in this regard excludes the provision of service to the end-users. Examples of services a licensee in this category could provide are a service-neutral open access network and broadcasting signal distribution networks.

They may also interconnect with entities in foreign territories for the purpose of facilitating the exchange of traffic between third-party networks and those of foreign parties

14 Unified Licence

(a) This 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 which are voice, SMS and data

(b) The initial fee covers a licence for:

- (i) The provision of telecommunication services without limitations; and
- (ii) 30 blocks of numbering resources where a block is 100,000 contiguous numbers.

(3) Additional numbering resources shall be applied separately.

(4) The radio spectrum shall be applied separately.

15 Radio Frequency Spectrum

Radiofrequency spectrum licences are issued in accordance with the Lesotho National Frequency Allocation Plan. Landing rights are categorised under the radio frequency spectrum, even though no assignments are made.

(a) Land mobile services

This is an authorisation to provide mobile service between a base station and a land mobile station, or between land mobile stations. The number of a network of radios used for land mobile services shall be billed per band e.g. HF, VHF and UHF. Examples of land mobile services are:

- (i) Mobile two-way radio stations;
- (ii) Repeater/base stations;
- (iii) Alarm systems; and

- (iv) Paging systems
- (v) Telemetry/Tele-command

(b) Satellite Services

These are radiocommunication services between satellites and earth stations at given positions. Very Small Aperture Terminals (VSATs) are licensed under this category for private and commercial use. Each VSAT station must be licenced before it can be operated. A VSAT licence shall be issued only to a holder of an applicable primary licence.

- (i) Non-transmitting devices for non-commercial use are licence exempt but should be registered with the Authority to ensure protection in accordance with legislation governing the use of radio frequency spectrum. Satellite TV receivers are exempted from registration.
- (ii) Providers of satellite pay TV services are subject to landing rights. The service provider is required to obtain landing rights authorization from the Authority.

(c) Radiodetermination/Aeronautical Services

Usage of radiodetermination/aeronautical spectrum is subject to authorisation by the Authority.

(d) Fixed Links

These are radio licences for fixed terrestrial applications. The services involve the transmission of radio signals between fixed points. They are point-to-point links that may also be used for broadband access. Spectrum for broadband access is aimed at providing high-capacity links for trunking speed similar to those provided by fibre networks.

(e) Access Spectrum

Access spectrum is licensed to deliver communication services in the last mile. It is categorised into a mobile spectrum and broadband fixed wireless spectrum.

(f) Broadcasting Services

Radio spectrum for broadcasting services is available to holders of individual licences designated for Content service provision. Licensees have to apply separately for radio frequencies, as these are not included in the primary licences.

16 Amateur Radio

A licence to operate amateur radio equipment.

17 Numbering Resources

These are numbers allocated according to the national numbering plan. Internet number resources and domain names are excluded, as the responsibility for their allocation lies with other bodies.

Numbers are categorised as “number blocks” and “individual numbers”. Number blocks are for use by network operators for allocation to subscribers, while the individual numbers are for short codes, emergency services and toll-free services.

18 Private Network

This is authorization for an entity to set up and operates a network for its own exclusive use. It is subject to the prohibition against the resale of services or lease of infrastructure to third parties. A private network licence is precluded from numbering blocks. Spectrum may be allocated for the establishment of radio links.

19 Permits (for short-term activities)

Permits are short-term authorizations for activities that require a licence for a period not exceeding 6 months. Permits are not renewable.

20 Public Postal Services

These are universal postal services such as letter post items of up to 2 kilograms and parcels of up to 20 kilograms. Public postal services are within the exclusive rights of the Lesotho Post. The Lesotho Post has a universal service obligation to provide basic and ordinary mail services nationwide at uniform and affordable prices for all citizens. The mail services are delivered to post office mailboxes (P.O. Boxes) of the addressee.

21 Courier Postal Services (Tier 1)

Licensees under this category provide value-added mail services on a commercial basis with specific conditions such as time-bound delivery, track and trace, insurance etc. Commercial mail services are also limited to 2 kilograms for letters/documents and not more than 30 kilograms for parcels. The mail services are delivered to the specific location of the addressee. Services under this category are offered by the Commercial Postal Operators, which are courier, express and parcel operators.

22 Courier Postal Services (Tier 2)

Licensees under this category do not have the sophisticated infrastructure for the provision of courier service. Service providers under this lower category can still participate on a smaller scale in this market. Although licensees under this category provide value-added mail services on a commercial basis their specific conditions include time-bound delivery, they do not own track and trace equipment however, they are free to interconnect with Tier 1 licensees to conduct their business, insurance etc. Commercial mail services at Tier 2 are also limited to 2 kilograms for letters/documents and not more than 30 kilograms for parcels. The mail services are delivered to the specific location of the addressee. Services under this category are offered by the Commercial Postal Operators, which are courier, express and parcel operators.

23 Country Code Top-level Domain (ccTLD)

Is an internet top-level domain used or reserved for a country, sovereign state or dependent territory. ccTLD identifiers are two letters long, for example, Lesotho ccTLD is .LS. Licensees under this category are allocated .LS domains at wholesale prices and they provide the public with the domains.

24 Universal Service Obligation

Licensees in the following categories are required to pay a universal service charge in line with the Communications Act, 2012:

(a) Network Services;

- (b) Network Infrastructure;
- (c) Unified Licence;
- (d) Public Postal Services.

25 Resale Internet Service Providers (ISPs)

Resellers of internet access services referred to here as ISPs that have been deregulated/delisted are required to register with the Authority on an annual basis.

- (a) They are authorised to provide the last-mile access network;
 - (b) They are not allowed to set up their own public infrastructure in the form of international and backhaul links to provide services to their own clients;
- However, they may set up their own infrastructure to service customers, with the exception of where:
- (i) They require a radio spectrum that is subject to licensing;
 - (ii) They require rights of way to cross public lands to reach customers;
 - (iii) They require numbering resources to serve customers.

26 Requirement for a Licence

The listing of licence categories provided in these rules is not exhaustive. Any service which may require a licence will be assessed by the Authority to determine the appropriate licence category or authorisation.

27 Penalties

The penalties stipulated under Table 8 of the Second Schedule will apply in cases where a licensee fails to pay license fees after 30 days of the issuance of the invoice or fails to successfully pay in accordance with the agreed payment schedule.