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LEGAL NOTICE NO. 33 OF 2023

Lesotho Communications Authority (Licensing Classification and Fees) Rules, 2023

Pursuant to section 5(1)(c), 6(1) and 15(1)(a) of the Communications Act, 2012^{1} , I,

NIZAM GOOLAM

being the acting Chief Executive Officer of the Lesotho Communications Authority make 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 -
 - "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;
 - "class licence" means a licence granted by the Chief Executive Officer, where the terms and conditions for a particular category or class of service provider are standard;
 - "individual licence" means a licence where 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;

"initial licence 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 it refers to gross turnover in the communications business of the mobile network operators, inclusive of contracted amounts earned for roaming and interconnection after deducting contracted amounts incurred for roaming and interconnection. For network and infrastructure communications services NOI refers to gross turnover after deducting direct costs.

"numbering block" means a sequential block of one hundred thousand 8-digit numbers which are based on the national numbering plan;

"numbering resources" means numbers allocated by the Chief Executive Officer 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;

"permit" means an authorisation for an entity to set up facilities and provide services for a period not exceeding six months for testing or 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 or infrastructure, or in the case of private networks, to self-provide services 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 which 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 or verification fee" means fees charged, per trip or site visit by the Chief Executive Officer, for assisting an applicant to gather information on the technical aspects of a site or equipment inspection.

Calculation, payment, and licence classification details

- 3. (1) The licensing classification, fees and details are as set out in the First, Second and Third Schedules, respectively.
 - (2) The following are fees payable under these Rules:
 - (a) an application fee;
 - (b) an initial licence fee;
 - (c) an annual fee; and
 - (d) a renewal fee.
 - (3) A fee is payable within thirty days upon receipt of the invoice.
- (4) Notwithstanding the provisions of rule 3(3), fees may be paid in accordance with a payment plan agreed between the Chief Executive Officer and the licensee.

Penalties

- 4. (1) Where a licensee fails to pay the required licensing fees as set out in these Rules, the penalties set out in the Third Schedule shall apply.
- (2) Penalties envisaged in rule 4(1) shall be imposed where payment of the invoice has not been honoured after thirty days of the issuance of the invoice or a licensee has defaulted on the agreed payment plan.

Repeal

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

DATED: 30TH MARCH, 2023

NIZAM GOOLAM CHIEF EXECUTIVE OFFICER (a.i)

NOTE

- 1. Act No. 4 of 2012
- 2. L.N. No. 22 of 2018

FIRST SCHEDULE

Rule 3(1)

LICENCE CLASSIFICATION DETAILS

Broadcasting content

- 1. (1) The classification of broadcasting licences is as defined under regulation 3 of the Broadcasting Classification Regulations, 2007¹.
- (2) Broadcasting content authorization is for television and audio broadcast services which broadcast over terrestrial radio and satellite, or distributed through the internet.
- (3) A licence for terrestrial services is issued subject to the availability of frequencies to enable broadcasting over the air.
- (4) A licensee may self-provide infrastructure for transmission and distribution.

Internet broadcasting

- 2. (1) Internet broadcasting entails broadcasting audio or television content over the internet.
- (2) Internet radio and television provide listeners with a continuous stream of content that cannot be paused, replayed or downloaded.
- (3) Internet radio and television operate in the same way as traditional broadcasting station except that no spectrum is required for transmission of content.

Individual numbers

3. (1) Individual numbers are numbers allocated for value-added services such as toll-free services, premium rate messaging services, premium rate voice services, emergency services and USSD services.

(2) Individual numbers shall be allocated and used in accordance with Lesotho National Numbering Plan as outlined below.

Lesotho national numbering plans

- 4. The following are Lesotho national numbering plans:
 - (a) toll-free, which are numbers that are categorised as-
 - (i) 8-digit numbers in level 8 and start with the string 800xxxxx;
 - (ii) numbers used by commercial entity to provide paid services; and
 - (iii) numbers used by non-commercial entity providing free services to the general public, and an application for exemption of annual fees on a number shall be applied for by the non-commercial entity;
 - (b) premium rate message service (PRMS) which are fivedigit numbers in level 3 and start with the string 3xxxx and messages, including SMSs, are charged at a premium rate to the mobile subscriber;
 - (c) premium rate voice service (PRVS) are 8-digit numbers in level 8 and start with the string 860x xxxx and messages include voice services that are charged a premium rate to the mobile subscriber;
 - (d) unstructured supplementary service data (USSD). The USSD -
 - is a communication protocol that facilitates the opening of a connection in real time between the mobile network operator and the user;
 - (ii) connection or session makes it possible to send and receive data, most sessions involve money

transfers, mobile payments, or gambling;

- (iii) string is a 3-digit number and starts with * (asterisk or star) and ends with # (hash);and
- (iv) licence shall be required for numbers assigned to third parties and not for internal use by the mobile network operators.

Network Services

5. Service providers in this category are authorised to provide electronic communication services to end users. Licences in this category include Internet Service Providers (ISP), Mobile Virtual Network Operators (MVNO) and Rural Community Networks as described below.

Mobile Virtual Network Operator (MVNO) Internet Service Provider (ISP) and rural community networks

- 6. (1) MVNO -
 - (a) licence is granted only when there is a commercial agreement with a host Mobile Network Operator;
 - (b) qualify for access to numbering resources and may own infrastructure and is not eligible to own a radio frequency spectrum.
 - (2) An ISP licensee -
 - (a) may own infrastructure in accordance with licence conditions;
 - (b) qualifies for access to spectrum but do not qualify for numbering blocks;
 - (c) may also use license-exempt bands (ISM bands) such as Industrial, Scientific, and Medical (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; and
- (d) the licensees may arrange international interconnection with foreign parties.

(3) Rural Community Network -

- (a) is a small-scale, rural/village-level Internet Service Providers (ISPs) that can be owned by the communities or non-governmental organisations and the rationale behind this category is the need to provide connectivity in rural and underserved areas; and
- (b) may own infrastructure and qualify for access to spectrum, but do not qualify for numbering blocks.

Network Infrastructure (facilities)

- 7. (1) 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.
- (2) An example of a service which a licensee in this category may provide, is a service-neutral open access network and broadcasting signal distribution networks and 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.

Unified Licence

- 8. (1) This is a full-service licence that consists of fixed and mobile services.
- (2) The licence authorizes the holder to provide all forms of electronic communications networks and services which are voice, SMS and data.
 - (3) The initial fee covers a licence for -

- (a) the provision of telecommunication services without limitations; and
- (b) 30 blocks of numbering resources where a block is 100,000 contiguous numbers.
- (4) Additional numbering resources shall be applied separately.
- (5) The radio spectrum shall be applied separately.

Radio Frequency Spectrum

- 9. (1) Radio frequency spectrum licence is issued in accordance with the Lesotho National Frequency Allocation Plan developed and published by the Chief Executive Officer in the Authority's website.
- (2) Landing rights are categorised under the radio frequency spectrum, even though no assignments are made.
- (3) Radio frequency spectrum may be assigned to the following services:
 - (a) land mobile services which is an authorisation to provide mobile service between a base station and a land mobile station, or between land mobile stations and the number of a network of radios used for land mobile services shall be billed per the following bands: HF, VHF and UHF.

Examples of land mobile services are -

- (i) mobile two-way radio stations;
- (ii) repeater or base stations;
- (iii) alarm systems;
- (iv) paging systems; and
- (v) telemetry or Tele-command;

- (b) satellite services, which are -
 - (i) radio communication services between satellites and earth stations (fixed and mobile);
 - (ii) very Small Aperture Terminals (VSATs) are licensed under this category for private and commercial use, and VSAT stations shall be licenced before they can be operated;
 - (iii) the number of a network of earth stations or VSATs shall be billed per network of stations, and VSAT licence shall be issued only to a holder of an applicable primary licence;
 - (iv) 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; and
 - (v) provided by satellite pay TV service providers are subject to landing rights. The service provider is required to obtain landing rights authorization from the Authority;
- (c) radio determination /aeronautical Services, which are usage of radio determination/ aeronautical spectrum is subject to authorisation by the Authority.
- (d) fixed links, which are radio licences for fixed terrestrial applications whose services -
 - (i) involve the transmission of radio signals between fixed points;
 - (ii) are point-to-point links that may also be used for broadband access and spectrum for broadband access is aimed at providing high-capacity links

for trunking speed similar to those provided by fibre networks;

- (e) access spectrum which is licensed to deliver communication services in the last mile and is categorised into a mobile spectrum and broadband fixed wireless spectrum; and
- (f) broadcasting services, which is radio spectrum for broadcasting services available to holders of individual licences designated for content service provision and the licensee has to apply separately for radio frequencies, as these are not included in the primary licences.

Amateur radio licence

10. Amateur radio licence is required for a person to operate an amateur radio equipment.

Numbering Resources

- 11. (1) These are numbers allocated according to the national numbering plan, and internet number resources and domain names are excluded, as the responsibility for their allocation lies with other bodies.
- (2) Numbers are categorised as "number blocks" and "individual numbers".
- (3) 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.

Private Network

- 12. (1) Private network is authorization for an entity to set up and operate a network for its own exclusive use and is subject to the prohibition against the resale of services or lease of infrastructure to third parties.
 - (2) A private network licence is precluded from numbering blocks.

(3) Spectrum may be allocated for the establishment of radio links.

Permit (for short-term activities)

- 13. (1) Permit is short-term authorizations for activities that require a licence for a period not exceeding 6 months.
 - (2) A Permit is not renewable.

Public Postal Services

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

Courier postal services (Tier 1)

- 15. (1) A licensee under this category provides value-added mail services on a commercial basis with specific conditions which may include time-bound delivery, track and trace, insurance etc.
- (2) Commercial mail service is also limited to 2 kilograms for letters/documents and not more than 30 kilograms for parcels.
- (3) The mail services are delivered to the specific location of the addressee.
- (4) Services under this category are offered by the Commercial Postal Operators, which are courier, express and parcel operators.
 - (5) These operators are not restricted to provide services outside the

stipulated weight bands.

Courier postal services (Tier 2)

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

Country Code Top-level Domain (ccTLD)

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

Universal Service Obligation

- 18. A licensee in the following categories is 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.

Resale Internet Service Providers (RISPs)

- 19. (1) Resellers of internet access services referred to here as ISPs that have been deregulated or delisted are required to register with the Authority on an annual basis.
 - (2) RISPs are -
 - (a) authorised to provide the last-mile access network; and
 - (b) not allowed to set up their own public infrastructure in the form of international and backhaul links to provide services to their own clients:
 - (3) Notwithstanding item 19(2)(b), RISPs may set up their own in frastructure to service customers, where they require:
 - (a) a radio spectrum that is subject to licensing;
 - (b) right of way to cross public lands to reach customers; and
 - (c) numbering resources to serve customers.

Requirement for a Licence

- 20. (1) The listing of licence categories provided in these Rules is not exhaustive.
- (2) Any other service which may require a licence will be assessed by the Chief Executive Officer to determine the appropriate licence category or authorisation.

Penalties

21. The penalties stipulated in Table 8 of the Third Schedule shall apply in cases where a licensee fails to pay license fees after thirty days of the issuance of the invoice or fails to successfully pay in accordance with the agreed payment plan.

SECOND SCHEDULE: LICENCE CLASSIFICATION

Rule 3(1)

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

THIRD SCHEDULE: REGULATORY FEES

Rule 3(1)

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TABLE 2: INDIVIDUAL 1
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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	S				
2.1.2.1 Internet Service Provider	20 years	70,000	146,300	146,300	4% of NOI
2.1.2.2.1 Community Network	5 years	10,000	15,000	15,000	10,000
2.1.2.2 MVNO	20 years	70,000	146,300	146,300	4% NOI
2.1.3 Network Infrastructure	20 years	70,000	146,300	146,300	4% of NOI

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2.1 Commercial	15 years	13,500	20,900	20,900	12,000
2.2.2 Community	15 years	005.6	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
2.3 Content (Television)	sion)				
2.3.1 Commercial	15 years	17,000	34,000	34,000	25,000
2.3.2 Community	15 years	008,6	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	0	200,000
2.4 Internet Broadcasting	3 years	250	1,500	1,500	1,500
2.5 Postal services					
2.5.1 Public Postal	20 years	13,500	20,900	20,900	25,000

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

Services

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	Mobile Two-way Radio Stations (National Control of the Control of	onal)	
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	Mobile Two-way Radio Stations (Cros	s Border)	
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

3.1.6	Emergency services as per ITU recommendations & national requirements	-	Exempted
3.1.7	Vehicle tracking	2,600	5,200
3.2	Satellite Services		
3.2.1	Earth station/VSAT		
3.2.1.1	Private	2,200	8,800
3.2.1.2	Commercial		
	Network of 1 – 5	2,200	4,400
	Network of 6 – 10	2,200	8,800
	Network of 11 – 50	2,200	25,000
	Network of above 50	2,200	50,000
3.2.1.3	Amateur	2,200	1,600
3.2.2	Terminal for radio determination services	2,200	1,600
3.2.3	Landing Rights		
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		
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 C	Channel)	
3.6.1	MF-AM	1,200	1,100
3.6.2	HF-AM	1,200	1,100
3.6.3	VHF-FM operating with an effective isotropic radiated power (e.i.r.p) of:		
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 (Personal Services (Persona) Services (Personal Service	er MHz)	
3.7.1	VHF	1,400	1,100
3.7.2	UHF operating with an effective isotropic radiated power (e.i.r.p) of:		

	1 Up to 1kW 2 Above 1kW	1,200	4,400
3.1.2.2	2 ADOVE IKW	1,200	4,400
3.8	Amateur Radio (terrestrial)	400	-
2.0	Private Networks	15,000	5,700,000
3.9		10,000	- , ,

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 Fee (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	Js Premium Domains (Second Level	1)			
5.3.1	Domains	500	450		
TABLE 6: SHORT-TERM ACTIVITIES (PERMITS) UP TO 6 MONTHS					
		Pern	nit Fees (Maloti)		
6.1	Content (includes spectrum where required)		11,000		
6.2	Individual numbers		1,400		
TABLE 7: UNIVERSAL SERVICE OBLIGATION					
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

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

Notes to Table 8:

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)	

^{*} Automatic revocation will only apply to class licenses.

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	-
9.49.5	Registration of transmitting equipment Type-approval (per item)	3,800

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.

NOTE

1. L.N. No. 19 of 2007