

SECTION 4.3

LICENSING REGIMES AND FEES

The purpose of this section is twofold:

- to provide an overview of licensing regimes, identifying which type of licence/authorisation an operator needs (and has to pay for) in order to operate a public network and to provide public voice telephony.
- to provide data on Member States' administrative and numbering fees for public voice telephony and public network services licences.

European countries have different licensing structures, so that a straight comparison cannot be made. In order to allow a more meaningful comparison of levels of fees and types of licences, 4 individual cases are considered, according to the type of services offered (voice telephony only, network services only, both voice telephony and network services) and to whether the operators own and operate the underlying network:

1. Public fixed voice telephony (not including operation of the network)

Provision of national and international public voice telephony⁴, not including the installation, operation and control of the operator's own telecoms network (but including the operation and control of the leased capacity). Simple call-back and calling card services and operators dealing only with marketing, billing, etc., are not included.

2. Operation of public network and provision of network services (not including voice telephony)

The installation, control and operation of the operator's own public network⁵, including the right to offer national and international network services⁶ to the public (not including the provision of voice telephony).

3. Public voice telephony on a self-operated network (not including network services)

Provision of public fixed voice telephony over controlled and operated own network, excluding the provision of network services.

4. Public voice telephony and network services on a self-operated network

Provision of public fixed voice telephony and public fixed network services over controlled and operated own network.

Section 4.3.4 presents fees for the licensing of alternative fixed network, such as VSAT.

Portugal and Greece (whose markets are not yet fully liberalised) are not always considered in the following analysis.

⁴ Public fixed voice telephony is defined as a service available to the public for the direct transport on a commercial basis of real-time speech via the public switched network, that any user can use equipment connected to a network termination point at a fixed location to communicate with another user of equipment connected to another termination point.

⁵ Public network is defined as a telecommunications network used, in whole or in part, for the provision of publicly available telecommunications services.

⁶ Public fixed network service is defined as the conveyance of calls, messages and signals over a telecommunications network, including any necessary switching. They may be network interconnection services, which are provided to other network operators to enable calls and associated functions to be passed through interconnected networks, or basic retail network services, which are provided to other customers such as end-users or service providers.

4.3.1 - OVERVIEW OF LICENCING REGIMES

Table 5 shows the licensing regime for the 4 categories of fixed services (network and voice telephony) in the 15 Member States.

Depending on the national licence scheme, the operators have to apply (and pay) for a number of different licences or they have to pay for a more comprehensive licence (i.e. nation-wide) even if they do not use it in full.

Belgium, Denmark, Ireland, The Netherlands and Sweden do not distinguish between local and national licences and the local operators have to pay the same amount as the national operators.

Ireland and Austria do not distinguish between the provision of voice telephony and the provision of voice telephony over a self-operated network: service providers have to pay the same amount as the network operators.

Belgium and Germany require two different licences for providing voice telephony over a self-operated network (one for voice telephony and another for public network), but this also gives the licensees the right to offer network services.

Apart from Spain, France, Ireland, Luxembourg and the UK, all countries require two different licences for the provision of voice telephony and network services over a self-operated network: a network licence and voice telephony licence (voice telephony or voice telephony over a self-operated network).

Table 5. LICENSING REGIME FOR FIXED PUBLIC NETWORK AND VOICE TELEPHONY

	Public fixed voice telephony services (not including the operation of the network)	Operation of public network and provision of network services (not including voice telephony)	Public voice telephony over a self-operated network	Public voice telephony and network services over a self-operated network
B	VT	NET	NET + VT	
DK	Free	Free	Free	Free
D	VT (class 4) ⁷	NET (class 3)	NET + VT (class 4 + class 3)	
EL	Derogation	Not liberalised yet	Derogation	Derogation
E	VT (type A)	NET (type C1)	LL and VT on NET (type B1)	
F	VT (L34-1)	NET (L33-1)	LL and VT on NET (L34-1 and L33-1)	
IRL	VT and LL on NET (General Licence)	NET ⁸ (Basic Licence)	VT and LL on NET (General Licence)	
I	VT	NET	VT on NET	VT on NET + NET
L	VT (type C)	NET (type B)	LL and VT on NET (type A)	
NL	VT (registration)	NET ⁹ (registration)	VT on NET (registration)	VT on NET + NET (registration)
A ¹⁰	Notification	NET	VT on NET	VT on NET + NET
P	Not liberalised yet	NET	Not liberalised yet	Not liberalised yet
FIN	Registration (free)	Registration (free)	Registration (free)	Registration (free)
S	VT on NET (licence/registrar.)	NET (licence/registrar.)	VT on NET (Licence/registrar.)	VT on NET + NET (licence/registrar.)
UK ¹¹	VT (class licence)	LL and VT on NET		

Legend:

VT: individual licence/authorisation to provide national and international public fixed voice telephony (not including network operation)

NET: individual licence/authorisation to operate public network and provide national and international network services (not including voice telephony)

VT on NET: individual licence/authorisation to provide national and international public voice telephony services

VT and LL on NET: individual licence/authorisation to provide national and international voice telephony and network services over a self-operated network

⁷ The class 4 licence refers to “voice telephony on a self-operated network”, but should not be confused with the definition of self-operated network used in the document (i.e. owned self-controlled and self-operated network). In Germany non-self-operated network is restricted to services offered by resellers who have no de-facto control of a self-operated network.

⁸ The operation of a public network (and the provision of network services) is permitted with the General Licence, but the Basic Licence is sufficient.

⁹ In The Netherlands, the licence to provide a public network service does not give operators public network status, but gives them the right to install and manage their own network. The public network licence is linked to voice telephony services (VT on NET).

¹⁰ Austria does not have a specific licence category for voice telephony service providers, but a licence for the operation of transmission capacity for public voice telephony. For all types of operator, an annual fee (depending on the turnover and market share) is payable to contribute to the overall cost of the regulator.

¹¹ Under the new licensing scheme in the UK, all former International Facilities Licences (that allowed the licensees to install a cross-border network and to offer international calls) and the former PTO licences (that allowed licensees to install a national network and to offer domestic services) have been replaced by new standard PTO licences, allowing the licensees to offer both domestic and international services. By the same token, operators with a local licence now have the right to offer international services.

4.3.2 - OVERVIEW OF FEES FOR THE PROVISION OF PUBLIC VOICE TELEPHONY AND/OR PUBLIC NETWORK SERVICES

This section provides data on Member States' administrative fees for public voice telephony and public network services licences. The data is taken from the report "Fees for Licensing Telecommunications Services and Networks", prepared by the European Telecommunications Office (ETO) on behalf of ECTRA for the European Commission.

Administrative fees are fees charged to cover the costs of examining an application for a licence, granting the relevant authorisation and verifying compliance with the terms and conditions set once the service or network is operational.

The categorisation of administrative fees is closely linked to the general licensing framework applicable in the individual countries. The categories of administrative fees will depend on whether or not market entry is subject to an individual licence or a notification under a general authorisation scheme.

Table 6 sets out the administrative fees charged for each Member State.

Numbering fees are fees applied by many Member States in view of the relative scarcity of numbering resources.

Table 7 sets out for each Member State the different kinds of fees charged for the main categories of numbers needed by each operator to provide public voice telephony services: standard telephone numbers E.164 (for the subscribers directly connected to the operator), carrier selection code (to select the operator) and signalling point codes¹² (for interconnection with other networks at national (NSPC) and international (ISPC) level).

Ireland, Austria, Sweden and United Kingdom do not directly charge for those numbers, although often the right to use numbers is implicitly included in the licensing fee. Portugal and Greece are not considered here because liberalisation is not yet completed.

See section 4.8 for details on exchange rates to euro used in this analysis.

¹² Signalling Point Codes (SPCs) are used in public telephone networks using Signalling System no. 7 (SS#7). SPCs are the addresses of the signalling points. Two types of SPCs are usually individually assigned to network operators: International SPC and National SPCs. ISPCs are used in international transit networks, to address, for instance, networks, which connect the different networks in a specific country, to identify for instance the national gateways of the different networks.