



Information & Communication Technologies Authority

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**GUIDELINES FOR SUBMISSION OF TARIFF APPLICATIONS FOR
INFORMATION AND COMMUNICATION SERVICES**

15 MAY 2012

Preamble

- 1) The new Section 31(1) of the ICT Act 2001 (as recently enacted¹) establishes the requirement for public operators to submit to the Authority a tariff for every information and communication service (ICS) it wishes to supply and every intended alteration to a tariff thereof;
- 2) The new Subsection 31(1) of the ICT Act 2001 further provides that such tariff applications shall be in a form and manner as may be determined by the Authority;
- 3) The new Subsections 31(1) & (7) of the ICT Act 2001 provide that such tariff applications shall be submitted to the Authority at least 15 days before the proposed implementation of the tariff or the alteration, as the case may be, for appropriate onward determination by the Authority;
- 4) The new Subsection 31(2) provides the information requirements for the submission of a tariff, or alteration, to the Authority, which shall be assessed in accordance with such guidelines as may be issued by the Authority;
- 5) Pursuant to the new Sections 17(3) & 31 on of the ICT Act 2001 (as amended), the Authority hereby issues the relevant set of guidelines (hereafter referred to as 'Tariff Guidelines'), which shall govern the submission of tariff applications to the Authority.

These guidelines have been designed to facilitate the applications for tariff made by a public operator, and ensure a more effective processing of same to allow for the appropriate determination by the Authority, within a specified timeframe of 15 days, should the application be deemed complete.

The Tariff Guidelines will in the first stage address the review of the processing framework for tariff applications on ICS during the transition to a full fledged ex-ante framework for market regulation, which shall be in accordance with sound competition and efficient market conduct, as applicable.

¹ Amendments brought to the ICT Act 2001 under Section 14 of the Economic & Financial Measures (Miscellaneous Provisions) (No.2) Act 2011

Introduction

1) The Authority is hereby issuing the present set of tariff guidelines, which shall be binding on all public operators, for the purpose of submitting tariff applications to the Authority for appropriate onward determination.

These guidelines shall be applicable to the proposed:

- a) implementation of new tariffs, and
- b) modification of existing tariffs,

for all the information & communication services (ICS) offered by public operators, under the scope of the relevant licence(s) held.

2) A tariff under the said guidelines shall include but not be limited to discounted tariffs and special considerations of a permanent nature in relation to approved tariffs.

3) The tariff guidelines shall apply to the entire processing of a tariff application submitted by a public operator, and more specifically to the:

- a) Procedure, timeline and completeness of a tariff application;
- b) Contents of a tariff application
- c) Determination on a tariff application
- d) Commercialisation of a tariff
- e) Confidentiality provisions

4) The tariff guidelines shall represent the first step of the review of the processing framework for tariff applications on information & communication services, following the recent amendments to the ICT Act 2001.

5) The tariff guidelines shall cater initially for the transition to a full fledged ex-ante framework for market regulation, which shall be in accordance with sound competition and efficient market conduct, as applicable, and shall be reviewed in the light of the eventual identification of relevant markets for ICS and designation of public operators with significant market power, as and when established.

6) The Authority shall also periodically review the set of guidelines for the submission of tariff applications by public operators, where such need arises, in line with other guidelines or directives incidental to its statutory duty of promoting effective competition and consumer interests.

Definition of Terms

“Act” means the Information and Communication Technologies Act 2001 (as amended);

“Authority” means the ICT Authority established under section 4 of the Act;

“Contract” means the contract signed between the Public Operator and the End-User and may include a Service Level Agreement hereinafter referred to as ‘SLA’;

“End-User” means a governmental, corporate, business or a residential subscriber of any Information and Communication Service in Mauritius;

“Tariff Guidelines” means the present guidelines for the submission of tariff applications for information and communication services;

“Information and Communication Service” means any service involving the use of information and communication technologies including telecommunication services;

“Public Operator” means a licensee who –

- (a) (i) owns or operates a public information and communication network, including a telecommunication network; or
- (ii) offers an information and communication service, including a telecommunication service to the public; or
- (b) owns or operates a network referred to in paragraph (a)(i), and offers a service referred to in paragraph (a)(ii);

“Significant Market Power”, in relation to a public operator, means the position of the operator who, either individually or jointly with any of its subsidiaries or others, enjoys a position equivalent to dominance in a specific market segment such that its position of economic strength affords it the power to behave to an appreciable extent independently of competitors, customers and ultimately consumers.

“Tariff” means the rate of any fee or charge which a public operator offers to claim for a service which it supplies;

A) Guidelines on the Procedure, Timeline and Completeness of a Tariff Application

- 1) Every tariff application shall be accompanied with the hereunder requirements so as to be complete and eligible for processing by the Authority, and shall include (but shall not be limited to) the submission of:
 - (a) A **duly signed** cover letter bearing the official letterhead and seal of the applicant;
 - (b) A **duly filled in and signed** tariff application form, as may be determined by the Authority, together with all required additional information, and
 - (c) Any **further clarifications** required by the ICT Authority depending on the relevant submissions made by the applicant
- 2) Every tariff application shall be processed for appropriate determination by the Authority in accordance with the established timeline of the Authority, specified at **Annex 1**.
- 3) Every tariff application shall be submitted to the Authority **at least 15 days before** the proposed implementation of the tariff or tariff alteration, and shall be duly acknowledged by the Authority upon receipt.
- 4) The completeness of a tariff application shall be established by the Authority, through an internal screening, **within 7 days** of the acknowledgement issued by the Authority, following which additional submissions and/ or clarifications may be sought from the applicant, as the case may be.
- 5) A tariff application shall only be determined by the Authority once the said application is complete. Every tariff application shall be deemed to be complete for the purpose of processing **within a timeframe of 15 days** by the Authority, only where the Authority is satisfied that all the required submissions and clarifications have been provided for by the public operator.
- 6) Where a tariff application is submitted to the Authority and after an initial screening the Authority is not satisfied that the said application is complete, the applicant shall have **15 days, from the time** he is officially informed by the Authority, to provide any required submissions and clarifications.
- 7) Where the applicant fails to provide any required submissions and clarifications in support his tariff application **within the delay of 15 days** as specified at section A(6) above, the Authority shall set aside the said application on the ground of incompleteness and the applicant shall be informed forthwith..
- 8) The Authority shall proceed to determine only those tariff applications, which are deemed complete as per the above requirements, either:
 - (a) Within 15 Days from issue of official acknowledgement by the Authority, or
 - (b) Within 15 Days of the date the application is deemed complete, as the case may be.

B) Guidelines on the Contents of a Tariff Application

- 1) Every tariff application shall be submitted to the Authority by filling in the relevant sections of the application form for tariff, as specified at **Annex 2**. Downloadable copies of the specified application form for tariffs may be obtained from the following link: <http://www.icta.mu/market/forms.htm>
- 2) Every tariff application shall specify the term during which the tariff or alteration shall apply as well as the proposed commencement date of the new tariff or altered tariff.
- 3) Every tariff application shall specify the information and communication service for which a tariff or alteration is being sought. The application shall include comprehensive details about all the available plans / offers / service lines / packages that shall be commercialised under the said information and communication service to any or all applicable target customers, whether to residential customers, business customers, corporate clients, to the Government or to the public in general.
- 4) Every tariff application shall contain relevant information in relation to the amount of all charges payable for each of the plan / offer / service line / package available under each information and communication service. Such charges shall include (but shall not be limited to):
 - (a) one-off charges such as registration charges, activation charges, installation charges, and others;
 - (b) recurrent charges such as monthly rental, per minute charges, per megabyte charges, per message charges and others.
- 5) Every tariff application shall:
 - (a) specify the amount of surcharges payable, if any, for each of the plan / offer / service line / package available under each information and communication service, in relation to non-payment of fees or charges by the end-user, and
 - (b) establish the principles for calculating these surcharges, together with the actual detailed cost related computation for these surcharges for each of the plan / offer / service line / package available under each information and communication service.
- 6) Every tariff application shall:
 - (a) include the detailed breakdown of cost of provision of the information and communication service, which shall be on a historic cost or current cost basis;
 - (b) establish the link between the computation of such costs and the proposed tariff(s), or tariff alteration(s), for each of the plan / offer / service line / package available under each information and communication service; and
 - (c) contain relevant information in relation to all the cost elements involved in the provision of the information and communication service, and shall include (but shall not be limited to) the:
 - i) Capital expenditures incurred for service provision
 - ii) Operational expenditures incurred for service provision
 - iii) Targeted mark-up to arrive at the proposed tariff

7) Every tariff application shall specify the quantity in which the service is supplied, and shall include (but shall not be limited to) all relevant information as to the proposed denominations to which the tariff would apply (for eg. per line, per megabyte, per minute, per message and so forth). Wherever proposed tariffs are expected to vary based on the quantity supplied, same shall be disclosed accordingly by the applicant as part of the tariff application.

8) Every tariff application proposing discounted tariffs and other special considerations of a permanent and/or long term nature with regards to approved tariffs, such as waiving of one-off charges and the likes, shall be accompanied with:

(a) all the relevant detailed information to establish eligibility to such discounted tariffs or special considerations with regards to approved tariffs.

(b) the duration or term of such tariffs, together the detailed breakdown of cost of provision of the information and communication service, as established in guideline B(6) above.

9) Every tariff application shall contain technical information on the network configurations including the network elements to be utilised for the provision of the information and communication service, and shall also include (but shall not be limited to) the transmission capacity required for the provision of the said service.

10) Every tariff application shall contain relevant information in relation to the performance characteristics of the information and communication service supplied, and this shall be made available in the form of a Service Level Agreement (SLA) and/or contract that would apply between the public operator and the end-user. The SLA and/or contract shall include (but shall not be limited to) the:

(a) details regarding the provision of support services, billing, commitments to a guaranteed quality of service, and

(b) specific provisions for penalties and compensatory mechanisms, if any, to be imposed for breach of the SLA and/or contract by either party.

11) A public operator wishing to withdraw or cease the commercialisation of an approved tariff shall formally inform the Authority and shall also furnish the reason(s) for the tariff withdrawal and the arrangements to be put in place especially with regards to the public operator's obligations towards existing subscribers to the related ICS.

C) Guidelines on the Determination by the Authority on a Tariff Application

- 1) Every tariff application, once deemed complete by the Authority, shall be processed **within 15 days**, and the Authority shall determine whether to:
 - (a) allow, or amend the said tariff, or tariff alteration, and impose such terms and conditions as may be determined;
 - (b) disallow the said tariff, or tariff alteration.
- 2) The Authority shall inform the public operator of its determination accordingly, **within 15 days** from the time the application has been deemed complete; and
- 3) Where a tariff has been disallowed or amended, the Authority shall also communicate the reasons for its decision to the public operator.

D) Guidelines on the Commercialisation of Tariffs

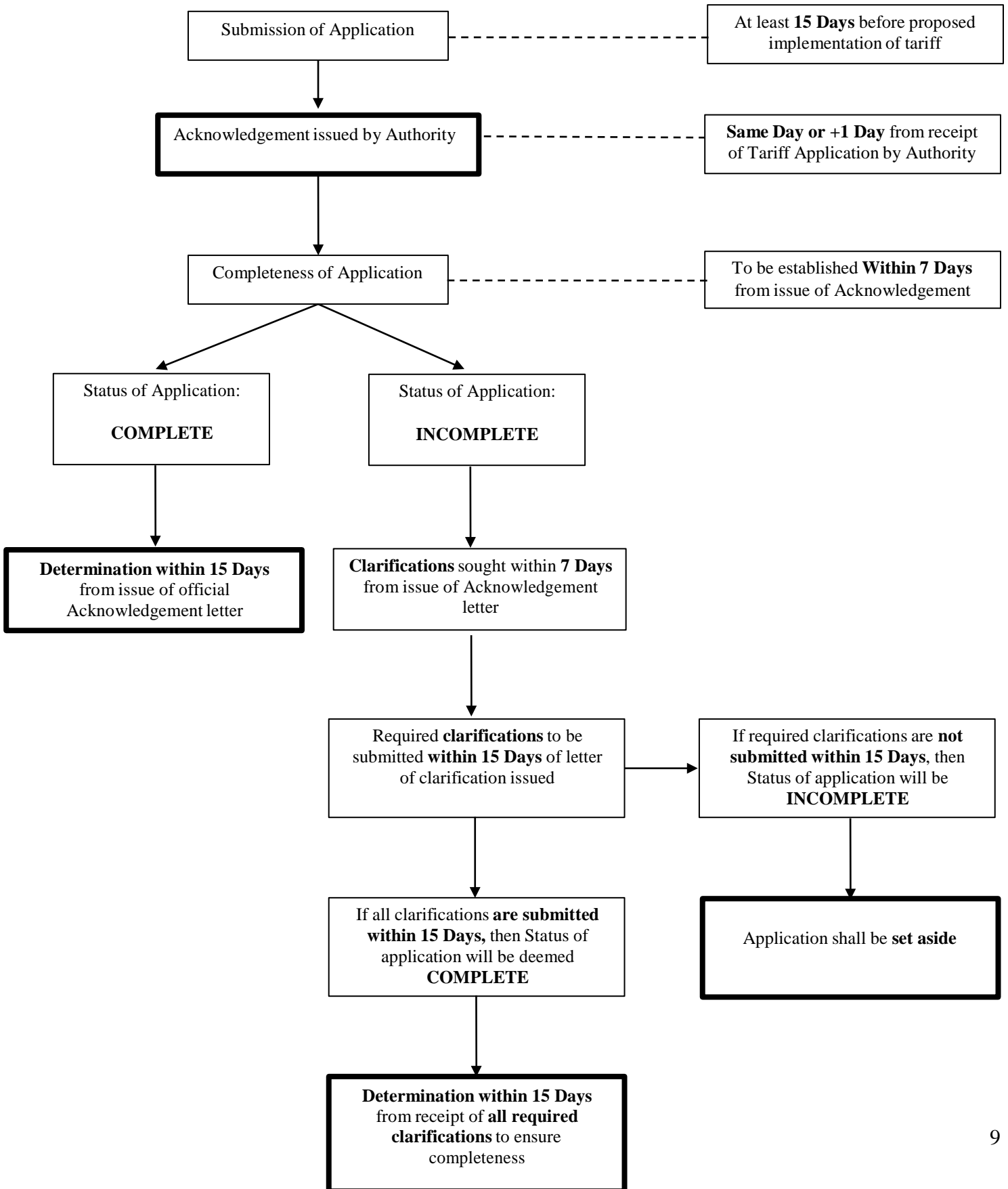
- 1) The public operator shall **forthwith** give public notification of a tariff which the Authority has allowed or amended, in 2 daily newspapers for **3 consecutive days**.
- 2) The public operator shall clearly give adequate notice of its tariffs by displaying the tariffs for all its information and communication services that it offers in a conspicuous place at every point of sale of such services, including on its website, and take the necessary steps to ensure the accuracy of the tariff information at the time and place of display.
- 3) No public operator shall demand or receive from any person payment of any tariff which:
 - (a) has not been submitted to the Authority,
 - (b) is different from the tariff determined by the Authority or
 - (c) has been disallowed by the Authority,

in accordance with the provisions under the Act and the present Guidelines.

E) Confidentiality Provisions

- 1) Every tariff application, together with any required clarification or information provided by the applicant thereon, shall be treated under the strict cover of confidentiality at all times.

ANNEX 1: Processing of Tariff Applications by the ICTA



TARIFF APPLICATION FORM

INSTRUCTIONS

- Every Tariff Application shall be submitted together with all the relevant information required in Sections 1 to 9 and shall include the following submissions in **hardcopy and electronic copy**.
 - a **duly signed** cover letter bearing the official letterhead and seal of the applicant
 - a **duly filled in and signed** tariff application form together with all required additional information
 - any further clarifications** required by the ICT Authority based on the relevant submissions made by the applicant.
- A Tariff application for ILD voice services shall be **further** accompanied by the relevant 'ILD Tariff costing' template, which allows for the costing of ILD calls on a per destination basis. The forms are available at <http://www.icta.mu/market/forms.htm>
- Hardcopies of applications are to be submitted **ONLY** to the Registry Unit of the Authority and shall be officially acknowledged by a receipt issued by the Authority, as per Section 11 below.
- Electronic copies of applications to be submitted **ONLY** to tariffapplications@imail.icta.mu and shall be officially acknowledged by a receipt issued by the Authority, as per Section 11 below.

IMPORTANT NOTICE

Failure to comply with this section may result in the setting aside of the application on grounds of INCOMPLETENESS

SECTION 1: DETAILS OF APPLICANT

Company Name:

Registered Business Address:

Tel/Fax:

Contact Person:

Email:

SECTION 2: PURPOSE OF TARIFF APPLICATION

Submission of New Tariffs Revision of Existing Tariffs Discounted Tariffs & Special considerations

SERVICE for which Tariff Application is being submitted:

LICENCE under which Tariff Application is being submitted:

SECTION 3: SERVICE DESCRIPTION

DESCRIPTION of Service for which Tariff application is being submitted:

TERM during which proposed tariff shall apply:

QUANTITY in which service shall be supplied:

SECTION 4: CHARGES PAYABLE

ONE-OFF Charges (if applicable):	Please specify amount & basis (Exclusive of Taxes):
<input type="checkbox"/> Installation	
<input type="checkbox"/> Registration	
<input type="checkbox"/> Activation	
<input type="checkbox"/> Other:	
RECURRENT Charges by Service / Package:	Please specify amount & basis (Exclusive of Taxes):
SURCHARGES:	Please specify amount & basis (Exclusive of Taxes):
<input type="checkbox"/> Non Payment	
<input type="checkbox"/> Other:	

SECTION 5: COSTING FOR SERVICE CATEGORY / SERVICE LINE / PACKAGE / OFFER / PLAN	
Capital Expenditures: (CAPEX)	Total (Rs)
Investment in Network infrastructure	
Investment in Equipment	
Investment in Other Assets (Please specify):	
TOTAL CAPEX	
Total Number of Units of Usage or Subscriptions (Minutes, Megabytes, MIU.KM. lines, etc...)	
CAPEX PER UNIT OF USAGE OR SUBSCRIPTION	

Prescribed Contributions:	USF	Fraud Tracking	Total (Rs)
USF / Fraud Tracking			
Operational Expenditures: (OPEX)			Total (Rs)
Access charges (Leased circuits, wholesale connection, etc)			
Interconnection			
Network Operational & Maintenance Costs			
Depreciation of Network Infrastructure			
Depreciation of Equipment			
Depreciation (Others)			
Amortization (Including initial licence fee)			
Administrative expenses (Including licences, billing, etc...)			
Marketing & Distribution			
Finance Charges			
Others:			
TOTAL OPEX			
Total Number of Units of Usage or Subscriptions (Minutes, Megabytes, MIU.KM. lines, etc...)			
OPEX PER UNIT OF USAGE OR SUBSCRIPTION			

Note 1: Sections 5 & 6 establish the indicative historic or current cost breakdown for typical information and communication services, by identifying a list of cost elements that shall be required for due processing by the Authority.

Note 2: The applicant may submit separate customized costing schedules. In case a service line / plan / package is being introduced or modified, the costing schedules shall cover but not be limited to the entire service category in operation, together with a breakdown of cost as allocated to all service lines / plans / packages etc, falling under the said service category.

Note 3: The customized costing schedules shall cover but not be limited to the cost elements in Sections 5 & 6

SECTION 6: : EXPECTED MARK-UP FOR SERVICE CATEGORY / SERVICE LINE / PACKAGE / OFFER / PLAN			
Service / Package / Offer	Proposed Tariff (Exclusive of Taxes)	Cost of Service Provision (Exclusive of Taxes)	Mark-up (%)

SECTION 7: SUBSCRIBER BASE	
	Total
Number of Subscribers to Existing Service / Package / Plan as at date of application	
Monthly Forecast [New Connections / Disconnections] to Existing or New Service / Package / Plan	
Yearly Forecast [New Connections / Disconnections] to Existing or New Service / Package / Plan	

SECTION 8: PERFORMANCE CHARACTERISTICS / TECHNICAL DIAGRAM / TERMS & CONDITIONS
To be submitted at the time of an INITIAL tariff application under the new framework for submission of tariff applications and subsequently, for the LAUNCH of a new service category / service line / package / offer / plan, OR for any ALTERATION thereto
The PERFORMANCE CHARACTERISTICS of the service, as being applied by the operator, and in the form of an applicable Service Level Agreement or contract, to be submitted as a separate ANNEXURE
The TECHNICAL information on the network configuration including the transmission capacity and network elements to be utilised for the provision of the service, to be submitted as a separate ANNEXURE
Any other general or specific TERMS & CONDITIONS as applicable for service provision between the public operator and the end user to be submitted as a separate ANNEXURE

SECTION 9: DECLARATION						
I certify that the information I have given is true and correct to the best of my knowledge. I agree to comply with any terms, conditions or restrictions which the Information and Communication Technologies Authority may impose, in pursuance to its statutory duties and powers, and to be bound by the laws and regulations in force.						
<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">Applicant's Signature:</td> <td style="width: 40%;">Applicant's Seal:</td> </tr> <tr> <td>Signatory's Name:</td> <td> </td> </tr> <tr> <td>Date:</td> <td> </td> </tr> </table>	Applicant's Signature:	Applicant's Seal:	Signatory's Name:		Date:	
Applicant's Signature:	Applicant's Seal:					
Signatory's Name:						
Date:						

SECTION 10: FOR OFFICE USE ONLY	
Received by:	Date:
Signature:	ICTA's Seal:
Reference:	

SECTION 11: ACKNOWLEDGEMENT OF SUBMISSION OF TARIFF APPLICATION

Received by:

Date:

Signature:

ICTA's Seal:

Reference:

CONDITIONS OF ACKNOWLEDGEMENT:

- 1) This acknowledgement constitutes the **OFFICIAL RECEIPT** following the submission of your tariff application to the **REGISTRY UNIT** of the **ICT Authority**.
- 2) The submission of a tariff application to the **REGISTRY UNIT** of the **ICT Authority**, after its normal working hours, shall be duly acknowledged by the next working day.
- 3) This acknowledgement **DOES NOT** by any means imply that your tariff application is deemed to be **COMPLETE**.