

# **JCRA RESPONSE TO CONSULTATION ON TELECOMMUNICATION LICENCE FEES 2002/3**

## **Introduction**

As part of the new Telecoms licensing regime, Telecommunications operators in Jersey will be charged licence fees by the JCRA.

Following extensive consultation, the JCRA have produced a viable model to assess licence fees. The aim is to provide a system that takes into account the relative size of telecommunications operators. Smaller companies should not bear the expense of their larger counterparts, and successful applicants should not subsidise unsuccessful ones.

The system should enable cost to be spread across all licensees in proportion to their activities.

## **Fee Structure**

The JCRA have devised a fee structure in accordance with its licensing structure.

The fee structure is based on a flat application fee, to cover the administrative costs of the application procedure, payable on submission of the licence application. A periodic licence fee will be set. The licence fee for Class I licensees will be set at a flat rate since such applicants are likely to generate minimal regulatory work. The fee will be calculated on the basis of turnover for Class II and Class III licensees.

## **Application Fee**

The application fee for a Class I licence will be £500.

The costs of applications fees levied on Class II and Class III licences will be in proportion to the considerable extra time spent on their assessment.

The application fee for a Class II licence will be £1000.

The application fee for a Class III licence will be £1500.

## **Licence Fee**

The licence fees will be fixed by reference to the costs of regulation.

The Class I licence fee will be a flat fee payable annually in advance.

Class II and Class III licence fees will be set by reference to turnover and will be payable in advance.

3 September 2002