

# **Republic of Lebanon**

**Telecommunications Regulatory Authority**

**Decision No: ...../2009**

## **Service Providers licensing Regulation**

The TRA, during its meeting held on 27/04/2009

Pursuant to law No 431 dated 22/07/2002 (Telecommunications Law), in particular Part IV,

Pursuant to Decree No 14264 dated 4/03/2005 (Financial and administrative management of the Telecommunications Regulatory Authority),

Pursuant to Decree N° 1 dated 08/02/2007 (Appointment of the TRA Board),

And upon the advice of the Council of State (Opinion No. .... dated .....),

Issued the following regulation:

# **Chapter 1 Purpose and Scope of the Regulation**

## **Article 1 Background**

- a. This Service Provider Licensing Regulation (the Regulation) is issued by the Telecommunications Regulatory Authority of the Republic of Lebanon (the Authority) following a consultation process. This Regulation is designed to provide potential and current stakeholders in the sector with clear and concise explanations of the Authority's actions relating to licensing Service Providers and treatment of their Licenses. The Authority addresses Radio Frequency licensing in a separate Spectrum Management and Licensing Regulation and it addresses the importation and use of Telecommunications Equipment in a separate Type Approval Regulation.
- b. This Regulation is a binding document that states the official policies and procedures of the Authority during its period of validity. It may be subject to review and amendment following consultation and pursuant to promulgation processes. Such review and amendment may be undertaken periodically and as deemed necessary by the Authority in light of the development of the Lebanese telecommunications markets, changes to Lebanese national laws affecting the telecommunications sector, or other factors.
- c. The Authority was established under the Telecommunications Law No. 431 dated 22 July 2002 (the Telecommunications Law) and Decree No. 14264 dated 4 March 2005.
- d. The Authority intends to establish a fair, effective, transparent and speedy procedure for the licensing of Service Providers to offer Telecommunications Services and in preparing this Regulation has had regard to international best practices for the regulation and management of Telecommunications Services, as well as the Lebanese Constitution, general principles of law and other applicable laws and regulations.

## **Article 2 Legal Basis**

### **1. Telecommunications Policy**

The Government of Lebanon, having determined to transform the telecommunications sector in Lebanon from a state-owned monopoly to a competitive market, open to private participation, promulgated the Telecommunications Law to achieve this aim.

### **2. The Authority's Mandate under the Telecommunications Law**

- a. Part IV of the Telecommunications Law sets out the broad parameters for licensing Service Providers and delegates considerable powers to the Authority. Article 18 requires Licenses to be awarded to all Service Providers meeting the conditions and requirements set out by the Authority, and forbids discrimination or restrictions on the provision of Telecommunications Services or the ownership or operation of infrastructure. Article 20(1) directs the Authority to establish licensing procedures and empowers it to adopt standards for selecting among competing applicants, consistent with the principles of transparency and competition, where it is impossible to accept all applications submitted.

The Telecommunications Law thus ensures that new Service Providers will be licensed to provide Telecommunications Services in order to bring about an open, competitive market.

- b. Article 5(1)(d) of the Telecommunications Law confers upon the Authority the responsibility “to organize concessions, issue Licenses, ensure compliance with License terms and conditions, monitor, amend, suspend and withdraw Licenses in accordance with the provisions of the present Law and its implementing decrees.”
- c. Subject to Article 45 in the case of Liban Telecom, Article 19(1) of the Telecommunications Law requires that Licenses be awarded by decree issued by the Council of Ministers, upon the proposal of the Minister, after conducting an international public auction, and according to specifications and conditions prepared by the Authority, to providers of the following Public Telecommunications Services:
  - Basic Telephony Services,
  - mobile telephone services,
  - international telephone services, and
  - new categories of Licenses for the provision of Public Telecommunications Services, including UMTS, at the national or international level.
- d. Article 19(2) of the Telecommunications Law requires the Authority to license providers of the following Telecommunications Services (without need for a separate decree):
  - Private Line Services,
  - public telecommunications offices and payphones,
  - leased line services,
  - national and international telex and telegraph services,
  - Internet services,
  - data services, and
  - any other Telecommunications Services for which the Authority deems a License is necessary.
- e. Part IV of the Telecommunications Law further provides:
  - measures to ensure that the licensing of Telecommunications Services will be transparent and non-discriminatory (Articles 18 and 20(1));
  - a framework for the Authority to approve and set standards for equipment (Articles 20(2), 22 and 23);
  - a framework for the Authority to set License terms and conditions, including fees, the provision of information to the Authority, the acceptance of inspection and conditions relating to termination and renewal (Article 20(3));
  - for the Authority to address the assignment of Licenses and to have the power to suspend, revoke or terminate Licenses (Article 24); and
  - for the treatment of value added services (Article 21).

f. The Telecommunications Law provides for the Authority to issue regulations, including under Articles 5(1)(a) and 5(1)(i), and (subject to Article 19 of the Telecommunications Law) to create a procedure under Article 20 for the application and processing of Licenses.

This Regulation is issued pursuant to the Authority's powers and responsibilities in the aforementioned provisions of the Telecommunications Law.

### **Article 3 Interpretation**

Individual clauses containing the word "will" are mandatory requirements and are binding on licensed providers of Telecommunications Services and applicants for such Licenses.

Individual clauses containing the word "may" are permissions or recommendations (depending on the context) to providers but are not mandatory.

Individual clauses containing the word "will", when applied to the Authority, refer to its current intention as to how it will approach the matter referred to.

### **Article 4 Purpose of the Regulation**

The principal purpose of this Regulation is to provide information and guidance to providers and applicants for Licenses with respect to the approach the Authority will take to licensing.

The Regulation describes processes designed to ensure that all providers and applicants for Licenses are treated fairly and in a non-discriminatory manner.

The Authority will concurrently grant a Service Provider License with an Importation License as specified in the Type Approval Regulation.

- g. This Regulation applies to all Service Providers in Lebanon.
- h. This Regulation will be posted on the Authority's website and will enter into effect on the date of its publication in the Official Gazette

### **Article 5 Scope of the Regulation**

This Regulation applies to all Service Providers in Lebanon. The attached annexes are deemed to be an integral part of this regulation.

## Chapter 2 Definitions

### Article 6 Definitions' Basis

Terms defined in the Telecommunications Law will have the same meaning when used in this Regulation. Unless otherwise defined and unless the context requires otherwise, any word, phrase or expression used in this Regulation will have the meaning given to it in the Telecommunications Law. In the event of conflict or ambiguity between the terms defined herein and the terms defined in a License or in the Telecommunications Law, the following order of precedence will apply:

- First, the Telecommunications Law,
- Second, this Regulation, and
- Third, the Service Provider License.

### Article 7 Definitions

In this Regulation, the following terms have the following meanings:

**Control** means the ability to effect legal or administrative control of the business and affairs of a Person or to direct or cause the direction of its management, whether by ownership, contract or otherwise, regardless of whether such Control is or is not in practice exercised, or of whether it may be exercised directly or indirectly through another Person;

**Decision** means any decision or measure taken by the Authority in exercising its functions, powers, duties or obligations pursuant to the provisions of the Telecommunications Law or any regulation thereunder;

**RFA** means a Request for Applications prepared and published by the Authority in connection with the offering of certain Individual Licenses (as defined and described in this Regulation) and setting forth the specifications and conditions that will apply, among other things, to (i) the qualifications required for applicants for the Individual Licenses and the Authority's evaluation of them, (ii) the competitive process to be conducted by the Authority to identify which of the qualified applicants will receive the Licenses, and (iii) the scope of services, rights, obligations and all other terms of the Licenses as determined by the Authority.

**Working Day** means any day other than a Saturday, a Sunday, or a day which is an official public holiday for the Governmental sector in Lebanon.

## **Chapter 3 Types of Service Provider Licenses**

### **Article 8 Individual and Class Licenses**

#### **1. Individual Licenses**

- a. The Authority will generally classify Service Provider Licenses as Individual Licenses, Class License with Radio Frequencies or Class License without Radio Frequencies, each of which will be licensed pursuant to a different procedure under this Regulation according to the level of oversight required for the licensing, provision of the service and operation of facilities. The differences between the classifications are set forth below and summarized in Schedule A.
- b. Individual Licenses have all of the following characteristics (except that any Service Provider Licenses that have characteristics a, e and f, and are granted to (i) Liban Telecom pursuant to Article 45 of the Telecommunications Law or (ii) other existing Service Providers under the circumstances described in article 8.1 of this Regulation, will also be classified as Individual Licenses):
  - are limited in number;
  - are awarded to Persons (subject to section 0 of this Regulation) who (i) satisfy particular qualifications designed specifically in relation to the services being licensed, service obligations imposed on the Licensee and/or other relevant criteria and (ii) succeed in a competitive process;
  - are applied for by responding to a RFA after publication by the Authority;
  - are awarded only by Decisions of the Authority pursuant to applications for such Licenses in accordance with the licensing procedure set forth in section 0 of this Regulation (and, in the particular case of services referred to in Article 19(1) of the Telecommunications Law, pursuant to the process described in article 13 of this Regulation);
  - permit the installation and operation of any Telecommunications facilities used or useful to provide the types of services covered by the License, which may include the authorization to use licensed Radio Frequencies; and
  - bear terms and conditions specific to the licensed services, such as roll-out and coverage obligations.

#### **2. Class Licenses**

- a. Class Licenses with Radio Frequencies:
  - are unlimited in number within the limit of Spectrum availability;
  - are awarded to any Person (subject to section 0 of this Regulation) who satisfies general qualifications relating to the provision of Telecommunications Services, and not pursuant to a competitive process;

- may be applied for at any time by submitting a completed application form as set forth in Schedule C of this Regulation;
- are awarded only by Decisions of the Authority pursuant to applications for such Licenses;
- permit the installation and operation of Telecommunications facilities used or useful to provide the types of services covered by the License and include an express authorization to use specified licensed Radio Frequencies; and
- typically bear some terms and conditions relating to the services and facilities they permit, as well as generic terms and conditions applicable to all Licenses, but will typically not include roll-out and coverage obligations.

b. Class Licenses without Radio Frequencies:

- are unlimited in number;
- are awarded to any Person (subject to section 0 of this Regulation);
- may be applied for at any time by submitting a completed application form as set forth in Schedule D to this Regulation;
- are awarded only by Decisions of the Authority pursuant to applications for such Licenses except that if the Authority has not issued a Decision rejecting the application within a specified time period as set forth section 0 of this Regulation, the applicant will be deemed duly licensed to provide the services described in its application;
- permit the installation and operation of Telecommunications facilities used or useful to provide the types of services covered by the License but do not include any authorization to use licensed Radio Frequencies; and
- may bear some terms and conditions relating to the services they permit, as well as generic terms and conditions applicable to all Licenses, but will not include roll-out and coverage obligations.

## **Article 9 Use of License Categories**

1. The Authority will from time to time designate which Telecommunications Services will be licensed under each category of License.
2. Each Service Provider License, regardless of its category, will specify, among other things, the particular types of Telecommunications Services that the Licensee is authorized to offer and provide under such License. In some cases, the offering and provision of the same Telecommunications Services may be permitted under more than one License classification, but the classification may otherwise restrict the type of facilities that the Licensee may use. Schedule A to this Regulation sets forth the Authority's initial designation, and may be amended from time to time by Decision of the Authority.
3. The use of the categories set out in this Regulation does not prevent the Authority, in its discretion, from licensing a Telecommunications Service pursuant to any process it considers appropriate (compliant with the Telecommunications Law). The Authority reserves the right to classify a Service Provider License under a category different than that to which the factors outlined below would ordinarily be expected to lead, and, if it does so,

to follow a licensing process not set out in this Regulation (but compliant with the Telecommunications Law). The Authority will, if appropriate, conduct a public consultation process prior to doing so, and will in all cases explain its reasons at such time.

4. In order to ensure equal opportunity among Service Providers, if the Authority issues a Service Provider License to one Service Provider for a particular type of Telecommunications Service, then, subject to the limitation on the number of Individual Licenses, the Authority will afford all similarly situated Service Providers or prospective Service Providers the opportunity to obtain a comparable Service Provider License pursuant to the same or a substantially similar process.

## **5. Individual Licenses**

- a. Services will be licensed under an Individual License if and only if one or more of the following applies:
  - Article 19(1) of the Telecommunications Law requires the relevant License to be awarded after conducting an international public auction;
  - in the case of any exclusive License granted to Liban Telecom pursuant to Article 45(2) of the Telecommunications Law;
  - the Authority believes a limit on the number of relevant Licenses is required for the proper assignment and utilization of scarce Radio Frequency Spectrum;
  - the Authority believes a limit on the number of relevant Licenses is required for the proper assignment and utilization of other scarce public or private property; or
  - the Authority believes that approving an unlimited number of Licenses is not possible because it may result in the failure of the Licensees to comply with the specifications and conditions of the Licenses (such as roll-out and coverage obligations included pursuant to Article 25(2) of the Telecommunications Law and article 23 of this Regulation) or for another reason.
- b. Before determining to license a particular category of Telecommunications Services under an Individual License, the Authority will publish on its website a statement as to its proposals and reasons, and allow no less than 30 days for interested parties to respond.
- c. Following such consultation, the Authority may issue a Decision, RFA or other appropriate document setting out the number of Individual Licenses to be granted for the relevant services and the period during which the limitation will apply.
- d. In the case of all Individual Licenses, the Authority may:
  - Require, as it considers appropriate, additional information from applicants for such Licenses in light of the reasons for limiting the number of Licenses; and
  - Impose, as it considers appropriate, such additional specifications and conditions as part of the terms of the Licenses to be granted in light of the reasons for limiting the number of Licenses.
- e. The Service Provider License to be awarded to Liban Telecom under Article 45 of the Telecommunications Law will, if and to the extent Liban Telecom is



granted exclusivity under Article 45(2) of the Telecommunications Law or the Authority determines that the applicable Telecommunications Services should be covered by a Individual License pursuant to section 3.2.1 of this Regulation, be treated under this Regulation as an Individual License, and the method of its award will be carried out in accordance with Article 45 of the Telecommunications Law and section 3 of this Regulation.

- f. If the Authority determines to establish Individual Licenses for a category or categories of Telecommunications Services in which existing Service Providers have already invested in infrastructure to provide such Telecommunications Services, then the Authority may afford such Service Providers an opportunity to acquire one or more of the Individual Licenses, other than through the competitive process applicable to new entrants, so as to protect their investment in infrastructure, ensure an orderly transition to a competitive market and provide for overall fairness in the licensing process. Under such circumstances, the Service Provider License(s) to be awarded to the existing Service Providers will be treated under this Regulation as Individual Licenses, and the method of the award will be carried out in accordance with section 4.4.4 of this Regulation.

#### **6. Class License with Radio Frequencies**

Services not licensed under an Individual License will be licensed under a Class License with Radio Frequencies where the Service Provider will construct, own and/or operate telecommunications facilities requiring the use of licensed Radio Frequency Spectrum.

#### **7. Class License without Radio Frequencies**

Services not licensed under an Individual License or a Class License with Radio Frequencies will be licensed under a Class License without Radio Frequencies.

## **Chapter 4 Applications for Service Provider Licenses**

### **Article 10 Sample Licenses**

- i. The Authority will from time to time publish in the Official Gazette, and post on its website, a sample of each type of Class License, including all relevant terms and conditions. Pursuant to RFAs including the specifications and conditions of the Licenses, the Authority will request, from time to time, applications for Individual Licenses, as and when it deems necessary or appropriate, and will publish them in the Official Gazette and on its website.

### **Article 11 Date of Acceptance of License Applications**

Applications for Licenses may be submitted to the Authority:

- a. in the case of Individual Licenses, at such times as the Authority may specify in the applicable RFA; or
- b. in the case of Class Licenses, upon publication of the terms and conditions of the Licenses in the Official Gazette and the Authority's website.

### **Article 12 Applicants**

1. Subject to the following article of this Regulation and such eligibility and qualification requirements as may be set forth in the relevant RFA, any Person or consortium of Persons may apply for any Service Provider License. However, if the application is approved, then the applicant must form a legal entity duly registered in the Republic of Lebanon to hold the License, except in the case of a Class License without Radio Frequencies, which may be held by any natural person having his or her residency in the Republic of Lebanon.
2. Where a License authorizes the provision of a Telecommunications Service that is a public service, as such term is used in Article 78 of the Lebanese Code of Commerce, the applicant must comply with said Article 78 so long as it is in force (except in the case of Liban Telecom, which is exempt from said Article 78 pursuant to Article 44(1) of the Telecommunications Law). Article 78 of the Lebanese Code of Commerce currently requires that one-third of the share capital of any entity engaged in the provision of a public service in the Republic of Lebanon must be held by Lebanese nationals. Schedule B to this Regulation sets forth those categories of Telecommunications Services that the Authority considers to be "public services" under Article 78 and for which the Authority will require proof of compliance with Article 78 as a condition to issuing a Service Provider License. The Authority will not require applicants for any other Service Provider License to demonstrate compliance with Article 78.

### **Article 13 Individual Licenses**

#### **1. Application for an Individual License**

- a. Except in the case of Individual Licenses granted to Liban Telecom pursuant to Article 45 of the Telecommunications Law and Individual Licenses granted to certain existing Service Providers under the circumstances

described in article 8.1 of this regulation pursuant to the procedure set out in section 4.4.4, applications for Individual Licenses must be made pursuant to RFAs published by the Authority from time to time.

- b. Any Person wishing to apply for an Individual License must do so in writing by submitting the information and documents specified in the RFA.

The application must be delivered to the offices of the Authority in such form and number of copies as is specified in the RFA.

## **2. Procedure for Processing an Individual License Application**

- a. Individual Licenses will be awarded within the period specified in the RFA in accordance with the procedure set forth in the RFA and the provisions of the Telecommunications Law and this Regulation.
- b. Unless otherwise determined by the Authority or required by applicable law, all Individual Licenses will be awarded pursuant to the following procedure, and the Authority will ensure that the specifications and conditions of all RFAs are consistent with such procedure:
  - The Authority will prepare and publish the RFA;
  - Applications for Licenses offered under the RFA must be submitted to the Authority;
  - The Authority will review and assess applications submitted on a timely basis in a fair, objective and non-discriminatory manner;
  - The Authority will determine which applicants are qualified in accordance with the requirements of the RFA and publish on its website the names of such qualified applicants;
  - The Authority will conduct a competitive process to identify which of the qualified applicants are to receive the Licenses (the competitive process may be conducted on the basis of information and bids submitted either in the applications or after the identification of qualified applicants);
  - The Authority will publish on its website and in the Official Gazette the names of the applicants who succeed in the competitive process; and
  - All Individual Licenses must be signed by the Authority before becoming effective.
- c. Where an Individual License includes the right to provide services referred to in Article 19(1) of the Telecommunications Law (Basic Telephony, mobile telephone services, international telephone services and new categories of Licenses for the provision of Public Telecommunications Services, including UMTS, at the national or international level), the following requirements will apply in addition to the procedure set forth in this paragraph, and the Authority will ensure that the RFA is consistent with this paragraph:
  - The competitive process to identify which of the qualified applicants are to receive the Licenses must be an international public auction;
  - The Authority will, a reasonable period in advance of the auction, prepare and publish on its website (whether in the RFA or not) the specifications and conditions for the conduct of the auction;
  - The Authority will conduct the auction in a reasonably organized and transparent manner;

- The Authority will forward to the Minister, and publish on its website, the names, bid amounts and other relevant information about the successful applicants who won the auction, for the Minister to propose to the Council of Ministers in accordance with the specifications and conditions in the RFA;
- The RFA will provide that the Minister will send a written recommendation to the Council of Ministers within a certain period of days after receipt of the notice described in this paragraph .□with respect to the approval or rejection of the successful applicants to receive the Licenses;
- The RFA will provide that the Council of Ministers will either (i) reject the award or (ii) issue a decree approving the award of Licenses to the successful applicants in accordance with the RFA, after which the decree will be published on the Authority’s website and in the Official Gazette; and
- Within three days after the publication of the decree of the Council of Ministers in the Official Gazette, if such decision is favorable, the Authority will send a confirmation letter to the successful applicants, and will thereafter sign the Licenses in favor of the successful applicants.

### **3. Award of Liban Telecom’s License**

If and to the extent Liban Telecom will be issued an Individual License, then instead of the procedures set forth in section 2 of this Regulation, and in case of any other Service Provider License to be granted to Liban Telecom pursuant to Article 45 of the Telecommunications Law, the Authority will apply the following procedure in the award of Liban Telecom’s License in accordance with Article 45 of the Telecommunications Law and Council of Ministers Decree No. 13944 of 4 January 2005, published in the Official Gazette on 13 January 2005:

- a. The Authority will consult with the Minister to determine the timing of the decree incorporating Liban Telecom pursuant to Article 44 of the Telecommunications Law and the transfer of the relevant assets, obligations and operations from the Ministry of Telecommunications to Liban Telecom.
- b. Based on the anticipated date of the decree establishing Liban Telecom, the Authority will, in conjunction with a public consultation process, prepare in advance the specifications and conditions for Liban Telecom’s License, which will include rights to provide the services listed in Article 45(1) of the Telecommunications Law, and may include, if deemed appropriate by the Authority, exclusivity for up to five years for any or all of the services listed in Article 45(1)(a), (b) or (c) of the Telecommunications Law as contemplated in Article 45(2) of the Telecommunications Law;
- c. Upon issuance of the decree establishing Liban Telecom, and concurrently with the transfer of the fixed line network and the related assets, contracts, personnel and operations from the Ministry of Telecommunications to Liban Telecom, the Authority will sign and deliver to Liban Telecom its License and publish the signed License in the Official Gazette and on its website.

### **4. Award of Individual Licenses to Other Existing Service Providers**

Instead of the procedures set forth in section 2 of this Regulation, the Authority will apply the following procedure in the award of Individual Licenses to existing Service Providers other than Liban Telecom pursuant to article 8 of this Regulation:

- a. The Authority will only award Individual Licenses for a particular category or type of Telecommunications Services if and to the extent the circumstances satisfy the criteria set out in article 8.1 of this Regulation;

- b. Prior to issuing the Individual License to the existing Service Provider(s), the Authority will conduct a public consultation setting out the proposed terms of the Individual License, including a discussion of whether any measures are necessary or appropriate to ensure transparency in the process and fair competition between such existing Service Providers and any new entrants who also obtain the same Individual License through a competitive process;
- c. Subject to this paragraph, each Individual License granted to an existing Service Provider pursuant to this section 4.4.4 will comply with the principles set out in article 8 of this Regulation.

## **Article 14 Class License with Radio Frequencies**

### **1. Application for a Class License with Radio Frequencies**

- a. Any Person wishing to apply for a Class License with Radio Frequencies must do so in writing by submitting the information and documents specified in Schedule C of this Regulation.
- b. The application must be delivered to the offices of the Authority in one (1) original and one (1) copy, together with proof of payment of the application processing fees, in an envelope marked “Class License with Radio Frequencies Application – For the attention of the Chairman of the Authority.” See section 10.2 of this Regulation regarding public disclosures and confidentiality with respect to applications for Licenses.

### **2. Procedure for Processing a Class License with Radio Frequencies Application**

- a. The Authority will grant a Class License with Radio Frequencies in accordance with the Telecommunications Law, this Regulation and the criteria published by the Authority for the applicable License within sixty (60) days after a complete application has been filed in accordance with this Regulation if there is no known reason for rejecting the application.
- b. The application must specify in detail the services intended to be offered, the geographical areas to be served, and the organizational, financial and technical information relating to the provision of the intended services. The Authority will, within thirty (30) days after the date of the submission of the application, confirm that the application includes all the relevant documents and information required by Schedule C to this Regulation, or specify any missing document or information, which it will request in writing from the applicant.
- c. Any Person applying for a Class License with Radio Frequencies must file all missing documents identified by the Authority within fifteen (15) days after the notification date. The Authority may reject an application if the applicant does not submit the documents or information on time, unless the applicant provides to the Authority evidence that such documents or information are not available within such time period. In such cases, the Authority may determine to defer the application for up to ten (10) days or otherwise reject the application, in which case the applicant can reapply when the requisite documents become available.

The Authority will, within fifteen (15) days after the filing of a complete application, ask for any necessary clarification regarding the application.

- d. In all cases where the Authority decides to reject an application, the Authority will notify the applicant within the same 60-day period of its intention to deny the License and, if appropriate, afford the applicant an opportunity to address the objection. Rejection of an application will not prevent a Person from applying again at another time, but the applicant will be required to resubmit its application and pay the applicable processing fee again at the time of re-applying.

## **Article 15 Class License without Radio Frequencies**

### **1. Application for a Class License without Radio Frequencies**

- a. Any Person wishing to apply for a Class License without Radio Frequencies must do so in writing by submitting the information specified in Schedule D of this Regulation.
- b. The application must be delivered to the offices of the Authority in one (1) original and one (1) copy, together with proof of payment of the application processing fees, in an envelope marked "Class License without Radio Frequencies Application – For the attention of the Chairman of the Authority." See section 10.2 of this Regulation regarding public disclosures and confidentiality with respect to applications for Licenses.

### **2. Procedure for Processing a Class License without Radio Frequencies Application**

- a. The Authority will grant a Class License without Radio Frequencies in accordance with the Telecommunications Law, this Regulation and the criteria published by the Authority for the applicable License within forty five (45) days after a complete application has been filed in accordance with this Regulation if there is no known reason for rejecting the application.
- b. The applicant must supply all information and supporting documents required on the application form prescribed by the Authority. The Authority will, within fifteen (15) days after the date of the submission of the application, confirm that the application is correctly completed, or specify any missing document or information that it may require and request these in writing from the applicant.

The applicant must file the missing documents or information with the Authority within seven (7) days after the notification date. The Authority may reject an application if the applicant does not submit the documents or information in time. In such cases, the Authority may determine to defer the application for up to ten (10) days or otherwise reject the application, in which case the applicant can reapply when the requisite documents become available.

- c. If, within forty five (45) days after an application has been filed, the Authority does not issue a Decision rejecting the application or provide notice to the applicant that its application is incomplete or incorrect, the applicant will be deemed duly licensed to provide the specified Telecommunications Services described in its application and may commence to offer those services.

- d. Rejection of an application will not prevent a Person from applying again.

## **Article 16 Grounds for Rejecting any License Application**

1. The Authority may reject an application for any Service Provider License for any of the following reasons:
  - a. Where the applicant does not provide the required information and/or documents to the Authority according to the RFA (in the case of an Individual License) or the forms in Schedules C and D to this Regulation (in the case of a Class License with Radio Frequencies or a Class License without Radio Frequencies);
  - b. Where it appears to the Authority that the granting of a License to the applicant is likely to prevent, restrict or distort competition in a telecommunications market; or
  - c. Where the applicant or application infringes, or the Service Provider License if awarded would cause the applicant to infringe, the Telecommunications Law or any regulation issued thereunder, or any other law or regulation of the Republic of Lebanon.
2. The Authority may reject an application for an Individual or Class License with Radio Frequencies for any of the following reasons (in addition to the above mentioned reasons):
  - a. Where it appears to the Authority that the applicant does not possess the reliability, the minimum required capital or the financial competence for the proposed investment, or the experience and the relevant know-how to conduct the business in accordance with the License, the Telecommunications Law and regulations issued thereunder;
  - b. Where it appears to the Authority that public order, safety or health may be endangered by the award of the License to the applicant or that the environment would be significantly adversely affected;
  - c. Where the applicant proposes to provide a service that requires a Service Provider License but is not provided for in the Service Provider License applied for; or
  - d. Where the Radio Frequencies required to provide the requested services are not available.
3. The Authority will provide reasons in writing to an applicant for rejecting its application.

## **Chapter 5 Provisions Applicable to Service Provider Licenses**

### **Article 17 Validity Period**

All Licenses will be granted for a period of up to twenty (20) years or such shorter period as the Authority provides in the terms of the relevant License, e.g., 1, 5 or 10 years.

### **Article 18 Renewal of Licenses**

#### **1. Public Telecommunications Service Providers**

In accordance with Article 25(1) of the Telecommunications Law, a Public Telecommunications Services Provider wishing to renew its License will be subject to the following procedure:

- a. The Licensee must notify the Authority at least two (2) years prior to the expiration of the License of its desire to renew its License;
- b. The Authority will consider the request and will submit the request and the Authority's recommendation (which may include any proposed amendments to the terms of the License if it recommends renewal) and reasons for such recommendation to the Council of Ministers by filing it with the Secretariat of the Council of Ministers;
- c. The Council of Ministers will issue a decision within six months after the date on which the Authority filed the request with the Secretariat of the Council of Ministers;
- d. If the Council of Ministers issues a decree authorizing renewal of the License, the Authority will sign and deliver to the Licensee a notice of renewal (or such amended terms as may have been approved by the Council of Ministers); and
- e. The absence of a decree authorizing the renewal of the License within the aforementioned six (6) month period will be deemed an implicit refusal to renew the License.

#### **2. Providers Other Than Public Telecommunications Service Providers**

The Authority may renew Service Provider Licenses of Licensees that are not Public Telecommunications Services Providers for a similar or different period of time by way of a Decision upon the written application of a Licensee at least ninety (90) days prior to expiration of the term of its License. The Authority will render its Decision, or request further information, within thirty (30) days after receiving the application, and the Licensee must respond to any such request for information within fifteen (15) days. The Authority will endeavor to provide its Decision within fifteen (15) days after receiving complete information. Reasons for which the Authority may decline to renew a License include, but are not limited to, the following:

- a. The necessary spectrum required for the provision of the relevant services is no longer available;
- b. The Licensee has failed to provide the Authority with the information necessary to satisfy the Authority that it is appropriate to renew the License;



- c. It appears to the Authority that the Licensee no longer has the necessary funds, credibility, staff or expertise to comply with its License obligations, the Telecommunications Law or regulations issued thereunder;
- d. It appears to the Authority that the renewal would be against public order or would endanger public health or the environment; or
- e. The Licensee has seriously failed to comply with the terms of its License, the Telecommunications Law, regulations issued thereunder or any Decision of the Authority, or has habitually committed less serious breaches and has failed to take steps to ensure that such breaches would not be repeated.

## **Article 19 Amendment of Licenses**

1. Pursuant to Article 5(1)(d) of the Telecommunications Law, the Authority may amend the terms of any Service Provider License by way of a Decision, in accordance with the principle of proportionality (i.e. that the extent of the amendment should not exceed that which is necessary to achieve the objective), and on condition that the result of the amendment does not introduce any unjustified or unlawful discrimination among Service Providers.
2. Provisions in Service Provider Licenses may be amended by the Authority:
  - a. If the Licensee consents in writing to such amendment; or
  - b. Without the consent of the Licensee:
    - i. If the laws or regulations of the Republic of Lebanon are amended in such a form or manner as to require the amendment of a License;
    - ii. If the Licensee is in breach of the Telecommunications Law, regulations issued thereunder, any Decision of the Authority or the terms of its License, and where the amendment is intended to cure the breach and ensure compliance therewith;
    - iii. To protect fair competition or impose conditions on Public Telecommunications Service Providers in accordance with Article 30(4) of the Telecommunications Law; or
    - iv. To conform the License to any other regulations issued under the Telecommunications Law.
3. Before amending a License pursuant to this article, the Authority will provide written notice (an Amendment Notice):
  - a. In the case of an Individual License or Class License with Radio Frequencies, to the Licensee; and
  - b. In the case of a Class License without Radio Frequencies, by publishing the Amendment Notice on its website, in at least two national daily newspapers and in the Official Gazette.
4. Each Amendment Notice must:
  - a. State that the Authority proposes to amend the relevant License;
  - b. Set out the text and effect of the amendment and specify the reasons for the amendment (or provide a reference to the Authority's website where the text and reasons may be found); and

- c. State the time (being not less than thirty (30) days after the date of provision of the Amendment Notice) during which representations or objections may be made with respect to the proposed amendment.
5. Before making any amendment referred to in an Amendment Notice, the Authority will consider any representations or objections which are submitted in response to the Amendment Notice.

If the Authority considers that the justification for an amendment applies to all similar Licenses held by other Licensees, then it will amend all such Licenses in like or similar manner on a non-discriminatory basis.

6. Amendments to a License will allow the Licensee a reasonable time period within which to make any changes to its facilities, operations, services or otherwise as necessary to comply with the amendment.

Variation of the right to use Radio Frequencies which is authorized in a single combined Service Provider and Radio Frequency License (as contemplated in Article 16(1) of the Telecommunications Law) is subject to the provisions of the Authority's Spectrum Management and Licensing Regulation as it applies to variation of Radio Frequencies.

## **Article 20 Revocation and Suspension of Licenses**

1. In accordance with Articles 5(1)(d), 24(2) and 41(2) of the Telecommunications Law, the Authority may suspend or revoke any Service Provider License, following notice and opportunity to cure, if appropriate under the circumstances, in the event of:
  - a. The License having been obtained by fraud or misrepresentation;
  - b. Repeated failure of the Licensee to comply with a binding order, including an order of the Authority under the Telecommunications Law or any regulation issued thereunder;
  - c. Willful and repeated breach of licensing conditions, the provisions of the Telecommunications Law or regulations issued thereunder;
  - d. Death of an individual Licensee where none of his legitimate heirs meets the requirements of the License;
  - e. Bankruptcy or liquidation of the Licensee; or
  - f. The commission, as evaluated by the Authority, of a serious violation of the Telecommunications Law, regulations issued thereunder, any Decision of the Authority or a License.
2. When revoking or suspending a License, the Authority will provide written notice to the Licensee which must:
  - a. State that the Authority intends to revoke or suspend the License and the time at which such revocation or suspension will take effect;
  - b. Specify its reasons for doing so; and
  - c. State the period of time during which representations or objections in response to the notice may be submitted.

The Authority will consider any representations or objections which are submitted in response to the notice.

3. The period of time referred to in this article must be reasonably proportional to the seriousness of the situation in the reasonable opinion of the Authority. In cases causing or threatening harmful Radio Frequency interference, personal safety or other harm, the Authority may, at any time, immediately suspend the License without any notice.

## **Article 21 Conditions in Licenses**

Service Provider Licenses may be granted subject to conditions. Any condition must be in accordance with the Telecommunications Law, especially with regard to the promotion of competition and protection of Customers, Users and the general public. Conditions must be subject to the principle of proportionality.

### **1. Provisions in All Licenses**

All Service Provider Licenses may include, where relevant to the services licensed:

- a. Terms intended to ensure compliance with the essential requirements of the License;
- b. Terms with regard to the provision of information that is reasonably required by the Authority in carrying out its duties;
- c. Conditions regarding the protection of Users or Customers, such as the provision of detailed and accurate information, especially about the quality of services, and the provision of a procedure for complaints and disputes, publication and adequate notice of any change in access conditions, including tariffs, quality and availability of services;
- d. Requirements for the Licensee to make contributions to a universal service fund in accordance with the Telecommunications Law and any regulations issued thereunder;
- e. Requirements for the Licensee to provide Customer information necessary for the provision of directory services;
- f. Provisions relating to equipment to be used;
- g. Requirements that the Licensee comply with specific conditions relating to Interconnection;
- h. Requirements that the Licensee comply with specific conditions which may be imposed on Service Providers with Significant Market Power; and
- i. Any other provision that, according to the Telecommunications Law or regulations issued thereunder, the Authority reasonably concludes should be included in the License.

### **2. Provisions in Individual Licenses and Class Licenses with Radio Frequencies**

In addition to the provisions listed in section 1, Individual Licenses and Class Licenses with Radio Frequencies may include, where relevant to the services licensed:

- a. Where the right to use Radio Frequencies is authorized in a single combined Service Provider and Radio Frequency License (as contemplated in Article 16(1) of the Telecommunications Law), specific provisions concerning the effective use and the adequate management of Radio Frequency Spectrum;

- b. Requirements relating to the quality, availability and performance of the Telecommunications Services or Network;
- c. Provisions intended to prevent anti-competitive behavior in telecommunications markets, including measures relating to tariffs;
- d. Provisions relating to the effective and adequate use of numbering;
- e. Provisions relating to emergency services;
- f. Specific environmental, town-planning and country-planning requirements, including provisions concerning access to public or private property; and
- g. Provisions relating to Interconnection with, access to and sharing of the Licensee's facilities and services by other Service Providers.

### **3. Provisions in Individual Licenses**

In addition to the provisions listed in sections 1 and 2, Individual Licenses may include, where relevant to the services licensed, the following (which will be set out in the RFA where the License is to be awarded in a competitive process):

- a. Requirements relating to the geographical roll-out and coverage of the Telecommunications Services or Network;
- b. Requirements relating to the financial, administrative and technical competence of the applicant;
- c. Conditions setting a minimum period of operation including, where appropriate, the mandatory provision of Telecommunications Services, universal service or lifeline services;
- d. Provisions for the continuity of service upon termination of the License or cessation of business by the Licensee;
- e. Provisions relating to public order and assistance in case of national emergencies;
- f. Special arrangements for disabled people; and
- g. Provisions relating to the deposit of a guarantee letter by the operator in order to ensure fulfillment of its obligations under the License.

The provisions listed in this section 5.5.3 may be added to a License even after it has been granted, subject to compliance with the procedures for amending the License set forth in this Regulation and in the License itself.

## Chapter 6 TEST AND DEVELOPMENT LICENSES

### Article 22 Granting Test and Development Licenses

1. The Authority may grant Test and Development Licenses for testing purposes under the following conditions, all of which must be met:

- a. The Test and Development License is required for testing purposes, namely:
- Where the technical framework for the provision of specific services is not yet fully developed, or
  - Where the experimental application of new technical methods is required for the provision of specific Telecommunications Services, or
  - For field exhibition and testing of new telecommunications equipment or Network architectures,

and

- b. The Test and Development License may be used to provide Telecommunications Services to volunteering Customers and Users on a limited basis to the extent necessary to carry out the testing and development, but is not to be used for the offering or provision of Telecommunications Services to the public generally,

and

- c. The applicant for a Test and Development License does not already possess a Service Provider License within the framework of which the aforementioned activities can be carried out.
- The Authority will grant a Test and Development License by way of a Decision for the time period required to carry out the testing and development, which may be no more than twelve (12) months.
  - The Authority may extend the duration of a Test and Development License for up to six (6) months upon request of the Licensee, which will be submitted at least one (1) month prior to the expiry date of the initially defined duration of the Test and Development License.
  - Applicants for a Test and Development License or an extension must submit to the Authority all the necessary documents which, according to the provisions of this section 6, justify the award of the Test and Development License or its extension.

## **Chapter 7 TRANSFERS OF SERVICE PROVIDER LICENSES AND CHANGES OF OWNERSHIP OF LICENSEES**

### **Article 23 Generally Applicable Restrictions**

#### **1. Transfers of Licenses**

- a. Without the prior written approval of the Authority, a Licensee may not assign, pledge or otherwise transfer its Service Provider License or any rights under it to any other Person.
- b. A change of name of a Licensee does not, by itself, constitute a transfer of its License.
- c. The above mentioned provisions will not prevent a Licensee from:
  - Sharing use of its, or commonly owned, telecommunications facilities with other Licensees for the provision of Telecommunications Services; or
  - Exercising its rights to provide Telecommunications Services and to install and operate telecommunications facilities by subcontracting parts of such activities to other Persons.
- d. Notwithstanding any arrangement for sharing of facilities or subcontracting:
  - The Licensee will remain subject to, and retain full responsibility and liability for the fulfillment of, all obligations set forth in its License, the Telecommunications Law, regulations issued thereunder and Decisions of the Authority; and
  - The Authority may provide notice to a Licensee concerning any activities that it considers to be inappropriate for facilities sharing or subcontracting together with the grounds for its view, in which case the Licensee will not enter into any new facilities sharing or subcontracting arrangement for such activities or continue any existing such arrangement beyond a reasonable period required to terminate it.
- e. The transfer of a Service Provider License, together with all or substantially all of the assets of the Licensee and all or substantially all of its contracts with its Customers, to another Person under the same (direct or indirect) share ownership as the original holder, will not constitute a transfer of such License requiring consent of the Authority under the Telecommunications Law or this Regulation.

#### **2. Notifications of Ownership**

- a. All Individual Licenses and Class Licenses with Radio Frequencies must notify the Authority of:
  - The name, address and contact information of:
    - i. any Person holding directly or indirectly five per cent (5%) or more of the voting or economic interest in the Licensee;
    - ii. any Person being party to a management or similar agreement with the Licensee; and

- iii. any Person having ultimate Control over any such Persons; and
- Any change in the names or ownership levels of any Persons mentioned in paragraph 1 of this article within five (5) working days after such change.
- b. Licensees must adopt reasonably effective procedures to monitor the information to be notified to the Authority under paragraph 1 of this article regardless of whether the information concerns Persons having direct or indirect interests in the Licensee.
- c. At the written request of the Authority, which may be made at any time and from time to time, a Licensee under a Class License without Radio Frequencies must notify the Authority of the information described in paragraph 1 of this article with respect to such Class License without Radio Frequencies.

### **3. Approvals of Changes of Control**

- a. Without the prior written approval of the Authority, a Licensee under an Individual License or a Class License with Radio Frequencies may not engage in, provide support for or suffer any transaction that results in or causes a change in the ultimate parent entity of the Licensee (meaning the Person with Control over the Licensee that is not itself under the Control of any other Person) (a Change of Control).
- b. Requests for approval of a Change of Control should be submitted at least thirty (30) days prior to the planned effective date of the transaction. In such requests, Licensees should provide information about the transaction, the parties, their services and the market in such services, together with any supporting documents that would assist the Authority in assessing the effect of the transaction on the competitiveness of the market.
- c. Upon the occurrence of any Change of Control of a Licensee under an Individual License or a Class License with Radio Frequencies without the Authority's approval, the Authority may:
  - Temporarily suspend the License until it is able to determine whether the Change of Control meets the criteria for approval set forth in paragraph d3 of this article; or
  - Apply any other remedy under the Telecommunications Law or regulations issued thereunder, including fines, penalties, revocation or amendment of the License or imposition of fines.
- d. The Authority will not withhold its approval of a Change of Control except on the following grounds:
  - The Change of Control will result in a Licensee having or increasing Significant Market Power and, in the Authority's view, such change is likely to have an adverse impact on competition;
  - The existence of common ownership interests in competing Licensees is reasonably likely to substantially lessen competition in any telecommunications market;
  - National security or compliance with national security laws or any other laws or regulations of the Republic of Lebanon; or
  - The Change of Control would be inconsistent with the Telecommunications Law, regulations issued thereunder, the terms of the

License, any Decision of the Authority or the specifications and conditions pursuant to which the License was awarded.

- e. The approval of the Authority will not be required for any transfers of shares of a Licensee that do not result in a Change of Control.
- f. Any Person may request that the Authority confirm how these provisions will be applied to a particular situation.

## **Article 24 Changes of Ownership in Individual Licensees**

1. In addition to the requirements set forth in section 0, no direct or indirect sale, pledge or other transfer of shares in the holder of an Individual License (or any of its direct or indirect shareholders) will be made without the prior written approval of the Authority if the sale, pledge or other transfer would increase the percentage holding of a shareholder already holding, or who as a result of such sale or transfer would hold (directly or indirectly), ten percent (10%) or more of the shares then in issue having voting or economic rights in the Licensee.
2. Each Licensee under an Individual License must notify the Authority of the material terms of any such transaction, as well as of the identity of the proposed transferee and of any other information that may be reasonably requested by the Authority, prior to consummating the same. The Authority will approve, reject or place conditions upon any such transaction within ten (10) working days after being so notified, or may request further information before doing so (but will not withhold its approval except on the grounds listed in article 23.1 of this regulation). Any such sale, pledge or other transfer of shares without the prior written approval of the Authority will be deemed an unlawful transfer and breach of the Individual License.
3. Holders of Individual Licenses must notify the Authority at least thirty (30) days before selling any of their shares on any stock exchange in the Republic of Lebanon or elsewhere.
4. The Authority may provide additional restrictions on transfers of Individual Licenses in such Licenses.



## chapter 8 RADIO FREQUENCY LICENSES

### Article 25 Granting License to use Radio Frequency Spectrum

1. An application for a License to use Radio Frequency Spectrum should where possible, be filed at the same time as the application for a Service Provider License to provide the services or install and operate facilities that will use such Radio Frequency Spectrum, and must specify the Service Provider License to which it relates. The Authority will consider an application for a Radio Frequency License in accordance with the Telecommunications Law, the Spectrum Management and Licensing Regulation and other applicable regulations.
2. Service Provider License applications relying for the provision of their services on the use of Radio Frequency Spectrum specified by the Authority as not requiring an Individual License must specify in their application:
  - a. The specific ranges of Radio Frequencies that they will be using;
  - b. Information and commitments meeting any legal and financial requirements set by the Authority;
  - c. The full Radio Frequency characteristics of the Network proposed to be used so that the Authority can be satisfied that it fully complies with any emission standards and technical specifications or requirements that the Authority has imposed for the use of the Radio Frequency Spectrum; and
  - d. Such other information and commitments as may be specified by the Authority, including the matters referred to in the Spectrum Management and Licensing Regulation.
3. Subject to this article, and where the provision of a Telecommunications Service necessitates the use of Radio Frequency Spectrum, the Authority will issue a single combined Service Provider and Radio Frequency License covering both the provision of the relevant Telecommunications Services and the use of the required Radio Frequency Spectrum as contemplated in Article 16(1) of the Telecommunications Law.
4. The Authority may decide that it is not possible to issue a single License covering both the provision of Telecommunications Services and the use of Radio Frequency Spectrum in circumstances:
  - a. Where the Authority plans to make Radio Frequency Spectrum bands available to existing holders of Service Provider Licenses;
  - b. Where the Authority plans to make Radio Frequency Spectrum bands available to holders of Service Provider Licenses that permit the Licensees to provide their services using wireline and/or wireless facilities at their discretion; and
  - c. Where the Authority considers that the efficient utilization of the Radio Frequency Spectrum would be better served if it is not included in a single, combined Service Provider and Radio Frequency License.

## **Chapter 9 FEES**

### **Article 26 Determination of the fees**

Fees will be chargeable in relation to applications for and issuance of Service Provider Licenses, as well as annual administration fees, and such other fees as may be determined from time to time in the applicable regulation or Decision issued by the Authority.

### **Article 27 Other fees**

The fees described in article 26 of this Regulation are in addition to, and not in lieu of, all other obligations, fees, taxes, charges and levies payable by Licensees to the Authority or any other Person from time to time under applicable law, including, without limitation, bid amounts payable under any auction for a Service Provider or Radio Frequency License, Spectrum Right To Use Fees, revenue sharing obligations, excise taxes, value added taxes, sales taxes, use taxes, universal service fund contributions, property and ad valorem taxes, franchise taxes and fees and expenses for the use of public or private property.

## **Chapter 10 GENERAL PROVISIONS**

### **Article 28 Register of Licenses**

1. The Authority will maintain a register of Licenses at its principal office containing:
  - a. Each Service Provider License, each Test and Development License, each Radio Frequency License held by a Service Provider and all frequency and numbering assignments; and
  - b. The names, registered office and or principal place of business of each Licensee.
2. The License register will be open to public inspection, without charge, at the offices of the Authority and, as determined by the Authority, made available electronically through the Internet by posting it on the Authority's website.
3. Upon request, allowing a reasonable time for processing, the Authority will make copies of entries in the License register available to members of the public on payment of a fee reflecting the approximate cost of providing such copies to be determined by Decision of the Authority.
4. Interested parties may at any time petition the Authority to add or remove Licensee names to or from the License register, including Persons deemed to have been granted Class Licenses without Radio Frequencies pursuant to article 15.2 of this Regulation. Any such petition must set out in full the facts and circumstances and legal basis on which the petitioner seeks to have a Licensee name added or removed. In cases of clear clerical error, the Authority may add or remove the subject Licensee name in order to correct its records. In all other cases, the Authority will treat such petitions for addition or removal of a Licensee name as complaints seeking the issuance or revocation of a License and will resolve such complaints in accordance with its standard procedures for addressing such complaints.

### **Article 29 Confidentiality**

1. In furtherance of the open records requirements of Article 12 of the Telecommunications Law and the requirement under Article 20(1) of the Telecommunications Law that applications for Service Provider Licenses be made available for public review, and this and any other regulations issued thereunder, the Authority will treat all information received as part of an application for a Service Provider License as public except for such categories of information or specific items of information as the Authority may from time to time designate by Decision or regulations as meriting treatment as "confidential" because public disclosure of the same jeopardizes commercial confidentiality or the principle of competition to a degree that outweighs the benefits of public disclosure.
2. Any applicant for a Service Provider License or other interested party may petition the Authority for a Decision on whether a particular category or item of information should be treated as public or confidential, and the Authority will render a Decision on the matter following a consultation process in accordance with its regulations.
3. If an applicant wishes to request that any part of an application for a Service Provider License be treated as confidential pursuant to the Decisions or regulations of the Authority or otherwise, then the applicant must enclose those materials for which it seeks confidentiality in a separate envelope, to be included inside the

envelope containing its application and marked “confidential,” and must submit with its application (outside the envelope containing the confidential materials) an explanation of the nature of the information for which it seeks confidentiality and the grounds for why it believes it is entitled thereto. If the Authority determines that the materials enclosed in the envelope marked “confidential” do not qualify for confidential treatment, then the Authority will notify the applicant before opening that envelope and afford the applicant an opportunity either to withdraw such materials from its application or to include them on a non-confidential basis. Applicants are cautioned that withdrawing materials that are required to be included in an application may result in rejection of the application by the Authority.

### **Article 30 Right of Review**

Any Decision taken by the Authority concerning an application for a Service Provider License may be challenged in accordance with the provisions of any law or regulation pertaining to the review of decisions of the Authority.

### **Article 31**

This Regulation will be published and entered into force upon its publication in the Official Gazette

Beirut, 27 April 2009

Signed: Kamal S. Shehadi,

Chairman and CEO

For and by authority of the Telecommunications Regulatory Authority

## SCHEDULE A: TYPES OF SERVICE PROVIDER LICENSES

### FEATURES OF INDIVIDUAL AND CLASS LICENSES

	<b>Individual Licenses</b>	<b>Class Licenses with Radio Frequencies</b>	<b>Class Licenses without Radio Frequencies</b>
<b>Number</b>	Limited	Limited only by limitations on available frequencies	Unlimited
<b>Qualifications</b>	Legal entity registered in Lebanon and satisfying specific qualifications	Legal entity registered in Lebanon and satisfying minimum eligibility criteria	Lebanese resident or legal entity registered in Lebanon
<b>Applications</b>	Pursuant to RFA prepared and published by the Authority	Applications at any time	
<b>Competitive process</b>	Yes	No	
<b>Authority approval</b>	Yes (and if Article 19(1) applies, proposal of the Minister and decree of the Council of Ministers)	Yes	License is deemed issued if application is not rejected within 30 days
<b>Roll-out and coverage obligations</b>	May be included	Not included	

This table may be reviewed and amended, periodically and as deemed necessary, by the Authority

The table below sets out the types of Service Provider Licenses that will be issued by the TRA in accordance with this Regulation. Various activities that rely upon the use of Radio Frequencies but do not involve the provision of Telecommunications Services will require a License under the Spectrum Management and Licensing Regulation. This table may be amended as deemed appropriate by the Authority.

**TYPES OF LICENSES USED FOR VARIOUS TELECOMMUNICATIONS SERVICES**

	SIGNIFICANT QUALIFICATIONS	NO QUALIFICATIONS
<b>Limited NUMBER</b>	<p><b><u>Individual Licenses</u></b></p> <ul style="list-style-type: none"> <li>a. National Broadband Carrier Licenses</li> <li>b. National Broadband Licenses with spectrum</li> <li>c. Mobile Telephone Licenses</li> <li>d. Any other Service Provider License including an Article 19(1) service (i.e. Basic Telephony Services, international telephone or mobile telephone and new categories of Licenses for Public Telecommunications Services, including UMTS)</li> <li>e. Any other Service Provider License bundled with scarce Radio Frequency spectrum</li> <li>f. Satellite Earth station (Tx/Rx)</li> </ul>	<p>None at this time</p>
<b>Unlimited NUMBER</b>	<p><b><u>Class Licenses with Radio Frequencies</u></b></p> <ul style="list-style-type: none"> <li>1. Pager services</li> <li>2. VSAT services</li> </ul>	<p><b><u>Class Licenses without Radio Frequencies</u></b></p> <ul style="list-style-type: none"> <li>1. National Broadband Licenses without spectrum</li> <li>2. ISP</li> <li>3. Public Telecommunications Office</li> </ul>

This table may be reviewed and amended, periodically and as deemed necessary, by the Authority.

## **SCHEDULE B: PUBLIC SERVICES**

The Authority views the following to be public services within the meaning of Article 78 of the Lebanese Code of Commerce due to their nationwide provision and availability and dependence on them by the population upon the individual Licensees:

1. Basic telephony, international telephone and mobile telephone services provided by Liban Telecom under its License, when issued (note that in accordance with Article 44(1) of the Telecommunications Law, Liban Telecom is exempt from Article 78 of the Code of Commerce); and
2. Mobile telephone services provided across the two existing national mobile networks and any other mobile telephone services provided across the national network of the Service Provider.

## **SCHEDULE C: APPLICATION FOR CLASS LICENSE WITH SPECTRUM**

### **Contents of an application and documents to be attached**

#### **I. License applied for**

1. Name of the License applied for.

#### **II. The Applicant**

1. Name of the applicant.
2. Legal form of the applicant.
3. Nomination of the authorized representative of the applicant in Lebanon (including telephone and fax numbers and e-mail).
4. Commercial circular or, in case the applicant is a branch of a non-Lebanese company, the Power of Attorney or decision appointing the authorized representative
- 5- Applicant's full address (including telephone and fax numbers and e-mail).
4. An official copy of the company registration document.
5. Applicant's Tax Registration Certificate.

#### **III. Ownership documents**

1. The name, address and contact information of any person or entity holding five per cent (5%) or more of the voting or economic interest in or management or similar agreements with the applicant, as well as any person or entity having ultimate Control over such person or entity.
2. Current official certificate from the Commercial Registry showing the current shareholders/partners.
3. Details of shareholdings in other companies that provide Telecommunications Services in Lebanon or overseas.

#### **IV. Description of Technical characteristics**

1. Description of the services the applicant intends to provide.
2. Description of the facilities that will be deployed.
3. Characteristics of the services to be offered.
4. Availability of the network and services that will be followed.



5. Any requirements for Radio Frequency Spectrum.
6. Any requirements for numbering.
7. Timetable for the implementation of the services and an expected date of commencement of public operation.

## **V. Evidence of Competence, Efficiency and Reliability**

### 1. Evidence of financial efficiency:

- (a) Evidence of the requested and submitted share-capital of the company.
- (b) Balance sheets or equivalent documents of the last one (1) year. In case of a newly established company, the equivalent documents of the shareholders are sufficient.
- (c) the plan for financing the company as well as a written statement from a bank regarding the creditworthiness of the applicant or, if it is a newly established company, its shareholders.
- (d) Other equivalent means that prove, according to the applicant's judgment, its financial ability.

### 2. Evidence of technical competence:

- (a) Reference to the know-how, experience and abilities of the staff assigned to the administration of the service provision.
- (b) References or certificates with regard to the establishment and operation of similar projects.

### 3. Evidence of reliability:

- (a) A notarized certificate signed by the applicant itself certifying that during the past three (3) years none of the following facts has occurred against the applicant or against a company under his control, or against an individual who is to be appointed as a director of the company:
  - (i) Revocation or suspension of a telecommunications license in any country;
  - (ii) Imposition of penalties or other sanctions because of a contravention of obligations arising from a telecommunications license or from telecommunications related legislation in any country;or

(iii) Bankruptcy, settlement or forced management.

## VI. Declaration

All Applicants will complete this declaration<sup>1</sup>:

Name of Applicant

Full name of Signatory

Position held in Applicant Organisation

On behalf of the Applicant, I declare that:

(a) This application is made in accordance with the Telecommunications Law and the Regulations issued thereunder and the conditions in the applicable License;

(b) The information provided in respect of this application is true, accurate and complete in all respects and is not misleading;

(c) All information that may be relevant to this application has been fully and properly disclosed to the Authority; and

(d) I am authorised to make this declaration on behalf of the Applicant named above.

**Signed:**

**Date:**

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<sup>1</sup> This must be signed by

(i) in the case of an individual, by the person in whose name the application is made;

(ii) in the case of a partnership, by each of the partners;

(iii) in the case of a company or other body corporate, by the authorized representative.

## **SCHEDULE D: APPLICATION FOR CLASS LICENSE WITHOUT SPECTRUM**

### **Contents of an application and documents to be attached**

#### **I. License applied for**

1. Name of the License applied for.

#### **II. The Applicant**

1. Name of the applicant.
2. Legal form of the applicant.
3. Nomination of the authorized representative of the applicant in Lebanon (including telephone and fax numbers and e-mail).
4. Commercial circular or, in case the applicant is a branch of a non-Lebanese company, the Power of Attorney or decision appointing the authorized representative
5. Applicant's full address (including telephone and fax numbers and e-mail).
4. An official copy of the company registration document.
5. Applicant's Tax Registration Certificate.

#### **III. Ownership documents**

1. Current official certificate from the Commercial Registry showing the current shareholders/partners.
2. Details of shareholdings in other companies that provide Telecommunication Services in Lebanon or overseas.

#### **IV. Geographic Coverage**

1. Do you plan to provide services across all of Lebanon? If not please specify areas.

#### **V. Infrastructure**

1. Do you own your own infrastructure? If not, please specify the network provider that you plan to rely upon to offer your services.

#### **VI. Services**

1. Please state the services you plan to offer.
2. Please specify the planned date of commencement of commercial operation.

**VI. Any Other comments you wish to make**

1. Please provide any other information relevant or useful and in accordance with the Licensing Regulation of the Authority.

**IV. Declaration**

All Applicants must complete this declaration<sup>2</sup>:

Name of Applicant

Full name of Signatory

Position held in Applicant Organisation

On behalf of the Applicant, I declare that:

- (a) This application is made in accordance with the Telecommunications Law and the Regulations issued thereunder and the conditions in the applicable License;
- (b) the information provided in respect of this application is true, accurate and complete in all respects and is not misleading;
- (c) All information that may be relevant to this application has been fully and properly disclosed to the Authority; and
- (d) I am authorised to make this declaration on behalf of the Applicant named above.

**Signed:**

**Date:**

---

<sup>2</sup>This must be signed by

- (i) in the case of an individual, by the person in whose name the application is made;
- (ii) in the case of a partnership, by each of the partners;
- (iii) in the case of a company or other body corporate, by the authorized representative.

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