

LTA Order: 0016-02-25-19

Establishing Price Floors for On-Net Voice and Data Services and a Regulatory Fee on Telecommunications Goods & Services

February 25, 2019

TABLE OF CONTENTS

		Page
PART I:	PRELIMINARY	3
PART II:	DECISION ON PRICE FLOORS	3
PART III:	DECISION ON REGULATORY FEE	4
PART IV:	DECISION ON REGULATORY SURCHARGES	5
PART V:	MONITORING	5
PART VI:	COMPLIANCE	5

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Page | 2 A MA

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PART 1: PRELIMINARY

- 1.1 This Order is made by the Liberia Telecommunications Authority (the "LTA") pursuant to Parts III, VII and IX of the Telecommunications Act, 2007, of the Republic of Liberia (the "Act").
- The purpose of this Order is to establish the minimum price to be set by licensees for the 1.2 provision of mobile voice calls and data services on the networks of individual licensees, and a regulatory fee on domestic telecommunications goods and services.
- This Order applies to all licensees that provide mobile voice call services and mobile data and internet access services.
- 1.4 The terms used in this Order shall have the same meaning as given to them in the Act.

PART II: DECISION ON PRICE FLOORS

Price Floor for Mobile Voice Call Services

- 2.1 For the reasons set out in the Annex to this Order, the LTA has determined that licensees subject to this Order shall not price Mobile Voice Call services, whether as a stand-alone service or as part of a bundle of services, below a level of US\$0.0156 per minute.
- The price level established in Article 2.1 above is based on the Long Run Incremental Cost 2.2 (LRIC+) rate determined by the LTA Cost Model (2016).

Price Floor for Mobile Data and Internet Access Services

- 2.3 For the reasons set out in the Annex to this Order, the LTA has determined that licensees subject to this Order shall not price Mobile Data and Internet Access services, whether as a standalone service or as part of a bundle of services, below a level of US\$0.00218 per megabyte.
- The price level established in Article 2.3 above is based on the Long Run Incremental Cost (LRIC+) rate determined by the LTA Cost Model (2016).

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PART III: DECISION ON REGULATORY FEE

- 3.1 For the reasons set out in the Annex to this Order, all licensees subject to this Order shall pay a Regulatory Fee of 5% (Five Per Cent) of the total sale of domestic telecommunications services sold in the reporting period.
- 3.2 For the purpose of this Order, domestic telecommunications goods and services for Regulatory Fee shall be calculated using the telecommunications services listed in the Revenue Code.

PART IV: DECISION ON REGULATORY SURCHARGES

- 4.1 On the sixth monthly anniversary of this Order, being October 15, 2019, there shall be automatically imposed a surcharge on on-net voice in the amount of US \$ 0.008 for each minute of call.
- 4.2 On the sixth monthly anniversary of this Order, being October 15, 2019, there shall be automatically imposed a surcharge on mobile data in the amount of US \$ 0.0065 for each megabyte of data.
- 4.3 The surcharges subject to this Subpart shall go into immediate effect on the specified date with no additional notice or Order required, subject only to any determination arising from a review and analysis of market indicators that may be pursuant to Sections 5.1 and 5.2, in the sole discretion of the LTA.

PART V: MONITORING

5.1 The LTA shall, in furtherance of its obligations under the Act, and specifically for the purpose of ensuring the achievement of the value restoration and market stabilization objectives of this Order, conduct continuous monitoring and analysis of the implementation of the price floors and regulatory fee in collaboration with the licensees subject to this Orden.

5.2 Monitoring and analysis shall continue for an initial period of six (6) months at which time the LTA shall make a determination of whether the regulatory measures imposed by this Order are achieving their objectives.

PART VI: COMPLIANCE

6.1 Non-compliance by licensees subject to this Order with any provisions of this Order, or false, inaccurate and incomplete declarations with respect to Part III of this Order, shall subject the licensee to the relevant fines, penalties or other sanctions as provided for in the Act, the LTA's Regulations for the Treatment of Confidentiality, Dispute Resolution, Compliance and Enforcement, 2009 (LTA-REG-0002), and any other applicable LTA Rule, Order or Regulation.

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THIS ORDER SHALL TAKE EFFECT AS AT April 15, 2019. UPON PUBLICATION, IT SHALL HAVE THE SAME LEGAL FORCE AS A REGULATION OF THE LTA AND SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL OTHERWISE ORDERED BY THE LTA OR PURSUANT TO LEGAL PROCESSES.

ISSUED THIS 25TH DAY OF TRESULTING A.D. 2019 IN THE CITY OF PAYNESVILLE, REPUBLIC OF LIBERIA.

Signed:

Edwina Crump Zackpah

Commissioner

D. Zotawon Titus

Commissioner

Israel A. Akinsanya

Commissioner

Maria G. Harrison

Commissioner

Ivan G. Brown

Chairman