

**TELECOMMUNICATIONS MARKET STRUCTURE UNDER THE UNIFIED LICENSING FRAMEWORK JUNE 2011**

Market Segments	License Period (Years)	Licence Application Fee	Initial Operating License Fee	Annual Operating Fee	Access Fee for Frequency Spectrum	Annual Spectrum Fee	
<b>1.</b>	<b>NETWORK FACILITIES PROVIDERS</b>						
<b>1. a)</b>	<b>TIER 1</b>	15 Years	KShs. 10,000	KShs. 15 Million	0.5% of Annual Gross Turnover or KShs. 5 million whichever is higher	Bid/Assessed Price for Specific Frequency Spectrum Exclusive utilisation - countrywide	Based on Bandwidth & Coverage
<b>1. b)</b>	<b>TIER 2</b>	15 Years	KShs. 10,000	KShs. 15 Million	0.5% of Annual Gross Turnover or KShs. 1 million whichever is higher	Bid/Assessed Price for Specific Frequency Spectrum Exclusive utilisation	Based on Bandwidth & Coverage
<b>1. c)</b>	<b>TIER 3</b>	15 Years	KShs. 10,000	KShs. 200,000	0.5% of Annual Gross Turnover or KShs. 200,000 whichever is higher	Bid/Assessed Price for Specific Frequency Spectrum Exclusive utilisation	Based on Bandwidth & Coverage
<b>2.</b>	<b>INTERNATIONAL NETWORK FACILITIES PROVIDERS</b>						
<b>2. a)</b>	<b>SUBMARINE CABLE LANDING LICENCE</b>	15 Years	KShs. 10,000	KShs. 15 Million	0.5% of Annual Gross Turnover or KShs. 5 million whichever is higher	N/A	N/A
<b>2. b)</b>	<b>INTERNATIONAL GATEWAY LICENCE</b>	15 Years	KShs. 10,000	KShs. 15 Million	0.5% of Annual Gross Turnover or KShs. 1 million whichever is higher	N/A	Based on Bandwidth

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<b>3. NON – INFRASTRUCTURE BASED SERVICE PROVIDERS</b>						
<b>3. a) APPLICATIONS SERVICE PROVIDERS</b>	15 Years	KShs. 10,000	KShs. 100,000	0.5% of Annual Gross Turnover or KShs. 100,000 whichever is Higher	N/A	N/A
<b>3. b) CONTENT SERVICE PROVIDERS</b>	15 Years	KShs. 10,000	KShs. 100,000	0.5% of Annual Gross Turnover or KShs. 100,000 whichever is Higher	N/A	N/A
<b>4. LAST MILE EQUIPMENT PROVIDERS</b>						
<b>4. a) TELECOMMUNICATIONS TERMINAL EQUIPMENT CONTRACTORS</b>	5 Years	KShs. 1,000	Kshs. 15,000	Kshs. 6, 000	N/A	N/A
<b>4. b) TELECOMMUNICATIONS TECHNICAL PERSONNEL</b>	5 Years	KShs. 500	KShs. 2,000	KShs. 500	N/A	N/A

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<b>5.</b>	<b>PRIVATE VERY SMALL APERTURE TERMINALS (VSAT)</b>						
<b>5. a)</b>	VSAT TERMINALS OPERATED THROUGH KENYAN HUB OPERATORS	5 years	KShs. 1,000	N/A	KShs. 6,000 per VSAT Terminal	N/A	N/A
<b>5. b)</b>	VSAT TERMINALS OPERATED THROUGH FOREIGN HUB OPERATORS	5 years	KShs. 1,000	N/A	KShs. 200,000 Per VSAT Terminal	N/A	Based on Bandwidth
<b>6.</b>	<b>GENERAL AUTHORISATION</b>						
<b>6. a)</b>	SATELLITE LANDING RIGHTS AUTHORIZATION	15 years	KShs. 10,000	US \$ 12,500	N/A	N/A	N/A
<b>6. b)</b>	BUSINESS PROCESSES OUTSOURCING	Open	KShs 10,000 (Registration Fees)		N/A	N/A	N/A
<b>6. c)</b>	ORDINARY TELECOMMUNICATIONS EQUIPMENT VENOR	1 year	N/A		N/A	N/A	N/A
<b>6. d)</b>	PUBLIC COMMUNICATIONS ACCESS CENTRES	1 year	N/A		N/A	N/A	N/A