

New Telecommunications Act on horizon

23 August 2019 | Contributed by **Shay & Partners**

The new Telecommunications Act will enter into force in June 2022. Among other things, the new act replaces the conventional Type I and II telecom licence categories (ie, facility-based and service-based operators, respectively) which were adopted in 1996 with a more liberal approach. Therefore, telecoms service providers will no longer be regulated unless their services include:

- the negotiation of interconnection among telecoms service providers;
- the assignment of specific radio spectrums;
- the assignment of public telecoms network IDs and point codes; or
- the assignment of telecom numbers to fixed and mobile-service providers.

These service providers will be required to register with the National Communications Commission (NCC). Further, the NCC will exercise its regulatory powers in view of registered market players' behaviour, rather than using traditional regulatory structures.

Chapter Three of the new Telecommunications Act empowers the NCC to take necessary action (eg, mandatory interconnection, anti-discrimination strategies and accounting separation) against service providers with significant market power.

Further, the new act gives the NCC considerably more scope with regard to spectrum management and licensing. Under its new administrative rules on network construction and spectrum management, the NCC will introduce licence-free spectrums, spectrum sharing, network slicing, network leasing and a secondary market for spectrum trading, thereby promoting market liquidity for further 5G services after 2020.

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