

# GUIDELINES ON SUBMISSION OF APPLICATION FOR MARKET TRIAL LICENCE

## 1 INTRODUCTION

- 1.1 The Info-communications Development Authority of Singapore (“IDA”) has adopted two separate licensing frameworks for market trials and technical trials on telecommunication systems and services.
- 1.2 These guidelines describe IDA’s licensing framework for market trials and set out the submission requirements for any person intending to conduct a market trial on telecommunication systems and services in Singapore. IDA’s Market Trial (“MT”) licensing scheme aims to encourage and facilitate the development and expansion of the info-communications industry in Singapore through investment in infrastructure and deployment of new technologies.

## 2 SCOPE OF MARKET TRIALS

- 2.1 Market trials are trials in which telecommunication operators charge participants (who may be members of the public) for the use of the telecommunication systems and services on trial. Such trials may be conducted for the purpose of equipment testing, R&D or to assess the commercial potential of a new technology, service or product that is not commercially deployed or offered in Singapore. Persons who are required to obtain an MT Licence for their market trial include the following:
  - (a) A person who does not already hold a licence from IDA which would allow the provision of the telecommunication systems and/or services which are intended to be used or provided in the market trial;
  - (b) An existing licensee whose licence does not allow the provision of the specific telecommunication systems and/or services which are intended to be used or provided in the market trial; or



- (c) An existing licensee who does not have the required radio frequency for its market trial (including those who are intending to provide services during their trial which are beyond the scope of their existing spectrum right or licence).

2.2 Persons intending to conduct market trials should note that separate licences or authorisations may be required from other government agencies in relation to the deployment and/or provision of certain types of telecommunication systems or services in Singapore.<sup>1</sup>

### **3 GENERAL LICENSING AND REGULATORY FRAMEWORK**

#### **Licensing Framework**

3.1 Persons interested to apply for an MT Licence shall submit their application for a licence to IDA in accordance with the requirements and procedure outlined in sections 3 and 4 of these guidelines.

3.2 IDA will not pre-determine the number of MT Licences to be issued. There may however be frequency spectrum or other resource or physical constraints that can limit the number of licences available for certain systems or services. There are no foreign equity limits imposed on MT Licensees. However, each MT Licensee shall be a company incorporated or registered under the Companies Act (Cap 50).<sup>2</sup>

3.3 IDA will evaluate each application for an MT Licence based on its merits and will take into account the following in its evaluation:

- (a) aim and coverage of the trial;
- (b) the type of technology, service and product to be on trial; and
- (c) applicant's technical and service plans and technical capability to implement the plans.

3.4 IDA will also consider the benefits that may be brought by the applicant's market trial to local industry and consumers and to the Singapore economy as a whole; enhancement of the telecommunication infrastructure, capacity, capability and connectivity; and range and choice of products and services offerings, before granting an MT licence to the applicant.

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<sup>1</sup> For example, a Market Trial Licensee may need to comply with terms and conditions that may be imposed by the Media Development Authority if the Licensee intends to distribute any Internet content.

<sup>2</sup> For further information on incorporation or registration of companies, applicants may wish to refer to the website of the Accounting and Corporate Regulatory Authority of Singapore at [www.acra.gov.sg](http://www.acra.gov.sg).

- 3.5 Applicants shall submit their application for an MT Licence in the form stipulated by IDA (available on the IDA website at [www.ida.gov.sg](http://www.ida.gov.sg)<sup>3</sup>). Applicants should refer to the application form for the basic information which is to be provided in their application.
- 3.6 Applicants who intend to deploy wireless technology platforms during their trial must apply for the required radio frequency spectrum. The number of MT Licences available for wireless deployment will be largely dependent on the availability of radio frequency spectrum and IDA's bandwidth plan. Spectrum will only be assigned to MT Licensees for the duration of their trial. IDA reserves the right to re-claim or change such spectrum as it deems fit, by giving affected licensees the required notice specified in the Telecommunications (Radio-communication) Regulations. IDA does not guarantee that spectrum allocated during a market trial will be made available to MT Licensees for subsequent commercial use or deployment. Interested parties are invited to review the IDA's Radio Spectrum Master Plan (available on the IDA website) for further details concerning the planning and availability of radio frequency spectrum in Singapore.

### **Regulatory Framework**

- 3.7 All MT Licensees will be regulated in accordance with the licensing and regulatory frameworks established by IDA, which are formulated under the provisions of the Telecommunications Act (Cap 323). Interested parties may refer to the IDA website for copies of a generic MT Licence and other relevant guidelines, codes and regulations issued by IDA.

### **Licence Fees and Licence Duration**

- 3.8 Successful applicants for an MT Licence are required to pay S\$2,500 for the MT Licence. In addition, where there is use of spectrum during the trial, the applicant will be required to complete and submit the relevant radio-communication station/network licence application and pay the applicable fees. Such fees may include:
- (a) Station/Network fees;
  - (b) Application & Processing fees for use of frequency(s); and
  - (c) Frequency(s) fees (which are bandwidth dependant).

Details of the above fees are set out in **Annex 1**<sup>4</sup>. (The fees in **Annex 1** are yearly fees. For the purposes of an MT Licence, the required fees shall be pro-rated based on a six month period.)

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<sup>3</sup> The relevant information and documents may be found under the Policy and Regulation section of IDA's website.

<sup>4</sup> The authoritative table of fees is found in First Schedule of the Telecommunications (Radio-communication) Regulations (Cap 323, Rg 5).

- 3.9 Each MT Licence shall be valid for a period of 6 months from the date of issue. MT Licences are generally not renewable and licensees intending to provide the service on a commercial basis after the trial should obtain the relevant licence from IDA. However, should a licensee wish to extend its market trial, IDA may grant an extension of the validity of an MT Licence for a further period of 6 months based on the merits of the case. Applications for such an extension should be made not less than one (1) month before the expiry of an MT Licence failing which a licensee shall be required to cease its trial upon the expiry of its MT Licence and pending IDA's consideration of its request for an extension. If IDA grants an extension of an MT Licence, the licensee will be subject to fees specified in paragraph 3.8 for the extension period.

Note:

Licence fees paid shall not be refunded (whether on a pro-rated basis or any other basis) in the event that the licence is cancelled by IDA in the following circumstances:

- (i) where the licensee requests for variation or early termination of its licence, or
- (ii) where IDA cancels the licence under Section 8 of the Telecommunications Act (Cap 323).

### **Banker's Guarantee**

- 3.10 If an MT Licensee intends to collect monetary deposits or issue prepaid cards for collection of payments from their trial participants (other than credit cards), the licensee shall procure a banker's guarantee of S\$100,000 or an amount equivalent to the total face value of the prepaid cards it intends to issue or the total value of the monetary deposits it intends to collect, whichever is lower, to be provided to and made in favour of IDA. The banker's guarantee must be issued by a Monetary Authority of Singapore ("MAS") licensed bank in Singapore acceptable to IDA and shall be in such form and contain such terms and conditions as IDA may specify from time to time. A specimen copy of such a banker's guarantee is attached in **Annex 2**.
- 3.11 An MT Licensee shall seek prior written approval from IDA if it wishes to increase the total face value of the prepaid cards it intends to issue or monetary deposits it intends to collect during its market trial. If such approval is granted by IDA, IDA may require the licensee to increase the amount of its banker's guarantee or provide an additional banker's guarantee.

### **Others**

- 3.12 MT Licensees shall not impose any obligations on trial participants that would require them to subscribe to any public or commercial service that may be offered by the licensee in the future.
- 3.13 If an MT Licensee intends to launch its trial service on a commercial basis at the end of its market trial, it must obtain the appropriate licence from IDA, or expand an existing licence to include the new systems and/or services.
- 3.14 The grant of an MT Licence by IDA shall not be construed in any way as an approval or indication of future approval from IDA that any other licence or right shall be granted to an MT Licensee who wishes to offer its trial services on a commercial basis after the conclusion of its market trial.

#### **4 LICENCE APPLICATION PROCEDURE**

- 4.1 Each applicant for an MT Licence shall submit a duly completed application form with the information and documents stipulated in the application form. An applicant intending to use radio spectrum during its market trial shall also submit a duly completed radio-communication station/network application form (as prescribed by IDA). The completed forms are to be submitted to IDA together with the applicable application / processing fees at the following address:

Info-communications Development Authority of Singapore  
10 Pasir Panjang Road  
#10-01 Mapletree Business City  
Singapore 117438

Attention: Deputy Director-General (Telecoms & Post)

- 4.2 Unless requested by the applicant, IDA may disclose the identities, including the composition of the applicants. A list of MT licensed by IDA will be posted on the IDA website. IDA also reserves the right to disclose any information submitted by applicants where IDA deems necessary for purposes of clarifying the licences awarded. All other information will be treated in confidence.
- 4.3 When processing an application, IDA may seek clarification and additional information from the applicant arising from the application. Successful applicants will generally be granted their licences within three (3) weeks of application submission, provided that the applicant has submitted all the necessary information requested by IDA for evaluation purposes and IDA has completed all necessary clarifications with the applicant.
- 4.4 Applicants must ensure that the information and representations submitted in their applications are accurate in all aspects. Any change in the information

contained in the application form, and subsequent information provided to IDA, must be immediately notified to IDA.

- 4.5 MT Licensees are required to seek the prior approval of IDA for any changes to the scope of its licensed operations and services. IDA will update the licence accordingly.

## **5 CORRESPONDENCE / ENQUIRIES**

- 5.1 Any enquiries concerning these guidelines are welcome. Please submit your enquiries in writing, and indicate clearly on the cover “**Enquiries on Market Trial Licensing.**” Enquiries should be addressed to:

Info-communications Development Authority of Singapore  
10 Pasir Panjang Road  
#10-01 Mapletree Business City  
Singapore 117438

Attention: Deputy Director-General (Telecoms & Post)

- 5.2 IDA reserves the right to publish queries submitted in relation to the MT licensing framework or these guidelines and IDA’s corresponding replies on the IDA website, unless information submitted with such queries is deemed to be commercially sensitive by the inquiring party and justified accordingly to IDA.

### **Notes:**

- 1 **This document has no legal standing and is not intended as a substitute for legal advice. While every effort has been made to provide an accurate and authoritative account of the licensing regime, the licence(s) to be granted to successful applicants will be the complete authoritative text.**
- 2 **The information contained in this document is intended to assist interested parties in applying for the relevant licences. It does not bind IDA to any particular course of action in relation to the handling of any application, or to the terms of any licence to be granted, or to grant any licence to any party. IDA reserves the right to change its policies and/or to amend this document without prior notice.**

- 3 The grant of a licence is at the sole discretion of IDA. IDA reserves the right not to accept any application submitted. IDA will undertake to explain to the applicant concerned, on the applicant's request, why the applicant is unsuccessful in its application for a licence.**
- 4 IDA reserves the right to disclose the identities of parties who have submitted applications. All other information received will be treated in confidence.**

## APPLICATION &amp; PROCESSING FEES FOR USE OF RADIO FREQUENCY

<i>First column</i>  <i>Category</i>	<i>Second column</i>  <i>Fee payable per frequency</i>
1. Commonly Assigned Frequencies (for temporary or occasional use)	\$100
2. All Other Frequencies –  (a) bandwidth of 25 kHz or less  (b) bandwidth of more than 25 kHz but less than 500 kHz  (c) bandwidth of 500 kHz or more but less than 1 MHz  (d) bandwidth of 1 MHz or more but less than 20 MHz  (e) bandwidth of 20 MHz or more	\$290  \$450  \$1,350  \$2,700  \$4,650
3. Satellite Downlink Frequencies	\$750 per band.

**ANNUAL FEES FOR USE OF RADIO FREQUENCY**

<i>First column</i> <b>Radio Frequency Spectrum</b>	<i>Second column</i> <i>Fee payable per frequency per annum</i>	
1. Frequencies for Networks and Systems – (a) exclusive use – (i) bandwidth of less than 1 MHz  (ii) bandwidth of 1 MHz or more  (b) shared use – (i) bandwidth of less than 300 kHz  (ii) bandwidth of 300 kHz or more but less than 20 MHz  (iii) bandwidth of 20 MHz or more	\$300 per 25 kHz of occupied bandwidth or part thereof  \$12,000 for the first MHz of occupied bandwidth, and \$300 per subsequent MHz of occupied bandwidth or part thereof  \$300 per 25 kHz of occupied bandwidth or part thereof  \$3,500  \$6,200	
2. Satellite Downlink Frequencies	\$600 per band	
3. Common Frequencies for In-building or On-site Wireless Systems –	<u>ISM Band</u>	<u>Non ISM Band</u>
(a) bandwidth of 20 MHz or less	\$50	\$100
(b) bandwidth of more than 20 MHz but not exceeding 50 MHz	\$100	\$200
(c) bandwidth of more than 50 MHz	\$150	\$300
4. Block of Assigned Frequencies for Multi-channel Radio Communication Networks and Systems	\$15.	

## ANNUAL FEES FOR STATION LICENCE AND NETWORK LICENCE

<i>First column</i>	<i>Second column</i>
<b>Type of licences</b>	<i>Fee payable per annum</i>
1. Ship Station	\$50
2. Aircraft Station	\$50
3. Amateur Station – (a) General Class (b) Restricted Class	\$50 \$25
4. Experimental Station	\$50
5. Localised Radio-communication Station- (a) Remote Control Devices (aircraft models and cranes)  (b) Local Area Paging Devices Base Station  (c) Wireless Microphones  (d) Transceivers (CB Walkie Talkies)  (e) Telemetry or Alarm Systems or both  (f) Wireless Data or Voice Systems	(i) \$25 (Personal use) (ii) \$50 (Business use)  \$50  (i) \$25 (Personal use) (ii) \$50 (Business use)  (i) \$25 (Personal use) (ii) \$50 (Business use)  \$50  (i) \$50 for 50 stations or less (ii) \$100 for more than 50 stations

6.	General Radio-communication Station-	
	(a) Base or Fixed Station	\$100
	(b) Mobile Station	\$50
	(c) Fixed Link or Relay Station	\$100
	(d) Radiodetermination Station	\$50
	(e) Coast Station	\$100
	(f) Aeronautical Station	\$100
7.	Satellite Communication Station-	
	(a) Very Small Aperture Terminal (VSAT)	\$100
	(b) Tracking, Telemetry and Command (TT&C) Earth Station	\$100
	(c) Earth Station	\$50
	(d) Portable Satellite Communication Terminal	
8.	Localised Private Network	
	(a) Portable or Mobile Station	\$100 per network
	(b) Base or Repeater Station	\$100
9.	Wide-area Private Network	
	(a) Portable or Mobile Station	\$500 per group of 50 stations or part thereof
	(b) Base or Repeater Station	\$100
10.	Public Mobile Network	
	(a) 300 Base Stations or less	\$100 per station
	(b) 301-500 Base Stations	\$80 per station for all stations
	(c) 501-700 Base Stations	\$60 per station for all stations
	(d) 701 Base Stations or more	\$40 per station for all stations
11.	Fixed Wireless Network	\$500 per group of 50 stations or part thereof
12.	Special Purpose Station	\$50

**SPECIMEN COPY OF BANKER'S GUARANTEE**

**[LETTERHEAD OF INSURANCE COMPANY/BANK]**

**[Date]**

To:

Info-communications Development Authority of Singapore  
10 Pasir Panjang Road, #10-01 Mapletree Business City,  
Singapore 117438

Attn: Assistant Director, Infrastructure Regulation

**WHEREAS**

(A) Pursuant to an application dated **[date of submission of application for licence]** (the "Application") made by **[name of licensee]** (the "Licensee") of **[registered address of licensee]** to the Info-communications Development Authority of Singapore ("IDA") to be a licensed to conduct a market trial in Singapore under Section 5 of the Telecommunications Act (Cap 323) ("the Act"), IDA has granted a Market Trial Licence (the "Licence") to the Licensee on **[date of grant of licence]**.

(B) The Licence conditions require the Licensee to provide a guarantee in favour of IDA if it intends to collect money deposits or use prepaid cards for the collection of payments from its customers.

(C) We, **[name of approved insurance company/bank]** (the "Guarantor"), agree to provide this unconditional guarantee (the "Guarantee") to IDA pursuant to the Licence conditions subject to the terms and conditions herein.

**NOW IT IS HEREBY AGREED AS FOLLOWS:**

1. In consideration of IDA's approval for the Licensee to collect money deposits or use prepaid cards for the collection of payments from its customers pursuant to the Licence, the Guarantor agrees to provide this unconditional Guarantee to secure the due performance of the Licensee's commitments as stated in the Application in accordance with the terms and conditions herein.

2. The Guarantor irrevocably undertakes and covenants to pay in full upon written demand by IDA, any sum or sums that may, from time to time, be demanded by IDA up to a maximum aggregate sum of **[One Hundred Thousand Singapore Dollars (\$100,000.00) or an amount equivalent to the total face value of the cards it intends to issue or the total value of the monetary deposits it intends to collect, whichever is lower]** (the "Guaranteed Sum") if in IDA's sole and absolute opinion, which shall be conclusive for this purpose, the Licensee fails to perform the commitments indicated in the Application.

3. Any sum or sums so demanded by IDA under this Guarantee pursuant to the terms and conditions hereof shall be paid forthwith by the Guarantor:
  - a. Within five (5) business days after the date of receipt of the written demand by IDA, failing which the Guarantor shall pay interest to IDA at the prevailing prime rate of the Guarantor;
  - b. Unconditionally;
  - c. Without any deductions whatsoever;
  - d. Without any enquiry, reference or notice whatsoever to the Licensee or any other party;
  - e. Without requiring any proof whatsoever that IDA is entitled to such sum or sums, or that the Licensee has otherwise failed to meet its commitments indicated in the Application; and
  - f. Notwithstanding the existence of any differences or disputes between IDA and the Licensee pending before any court, tribunal arbitrator, or any other authority.
  
4. Each demand by IDA shall be by way of a certificate signed by an authorised officer of IDA substantially in the form as set out in the Schedule. The authorised officer shall be any person who is appointed as such by IDA and shall be subject to such change as may be deemed necessary by IDA. IDA may not make a demand in any other manner except as expressly provided in this Guarantee.
  
5. All payments by the Guarantor to IDA shall be by way of a Singapore dollar crossed cheque, drawn on a bank in Singapore and made in favour of the "Info-communications Development Authority of Singapore".
  
6. Any written demand or notice by IDA under this Guarantee shall be sent to the Guarantor by hand delivery, courier service or postage prepaid registered mail and shall be deemed received by the Guarantor one (1) business day after the date of such written demand.
  
7. For the avoidance of doubt, IDA may make more than one (1) demand under this Guarantee so long as the total sums demanded do not exceed Guaranteed Sum. Any payments under this Guarantee by the Guarantor shall reduce the Guarantor's liability under this Guarantee for such amounts accordingly.
  
8. The Guarantor shall not be discharged or released from this Guarantee by any arrangement made between IDA and the Licensee with or without the Guarantor's consent including but not limited to:
  - a. any alteration in the obligations or commitments undertaken by the Licensee; or
  - b. any forbearance on the part of IDA whether as to amount, time, performance, or any other obligation or commitment undertaken by the Licensee.

9. For the purpose of this Guarantee, the Guarantor expressly waives any right it may have under law to require that IDA proceeds against the Licensee or any other party or to take any procedures or steps other than as specified herein prior to proceedings against the Guarantor under this Guarantee.

10. This Guarantee shall take effect as of the date of the grant of the Licence **[date of grant of the licence]** and shall remain in force up to and including **[expiry date of the licence]** (the "Guarantee Validity Period").

11. Any demand under this Guarantee shall be made before the expiry of three (3) calendar months from the end of Guarantee Validity Period. Thereafter, save to the extent that IDA shall have previously made any demand under this Guarantee and the sum so demanded by IDA remains outstanding and owing to IDA by the Guarantor, all liability under this Guarantee shall cease and this Guarantee shall become null and void notwithstanding that it is not returned to the Guarantor for cancellation.

12. The Guarantor agrees that it shall not revoke this Guarantee during its currency without IDA's prior written consent.

13. A person who is not a party to this Guarantee has no right under the Contracts (Rights of Third Parties) Act (Cap 53B) to enforce any term of this Guarantee.

14. This Guarantee shall be governed by and construed in accordance with the laws of Singapore and the Guarantor hereby submits to the exclusive jurisdiction of the courts of Singapore.

For and on behalf of **[name of aforementioned insurance company/bank]:**

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Signature of authorised officer

Name:

NRIC No:

Designation:

**SCHEDULE**  
**CERTIFICATE OF DEFAULT**

**[date]**

To: **[name of Guarantor]**

**[address of Guarantor]**

Dear Sirs

**GUARANTEE ON COMMITMENTS OF [name of Licensee]**

We refer to the Guarantee dated **[date of Guarantee]**. Terms defined in the Guarantee shall, unless otherwise defined herein, have the same meaning in this certificate of default.

We hereby certify that **[name of Licensee]** has failed to perform the commitments made to IDA as indicated in the Application.

Pursuant to the Guarantee, we now make a demand for the sum of S\$**[\*\*]**.

**[Insert name of authorised officer of IDA]**

For and on behalf of

Info-communications Development Authority of Singapore