



SRI LANKAN UNIFIED LICENSING ROAD MAP

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1 Introduction.

The telecommunications sector in Sri Lanka is regulated under the Sri Lanka Telecommunications Act, No. 25 of 1991 as amended by Act, No. 27 of 1996 and Act, No. 39 of 2024. (“The Act”). The licensing of telecommunication system operators is governed by Sections 17 (2) of the Act, which enables the licensing framework for licensing of the network and the service provision. Section 17 prohibits any person from operating a telecommunication system without a licence granted by the Minister, on the recommendation of the Telecommunications Regulatory Commission of Sri Lanka (TRCSL). To date, 23 licences have been issued under a range of network and service categories reflecting a multiple service licensing /authorization regime.

As Sri Lanka transitions into a converged digital economy, traditional licensing categories are becoming increasingly blurred and outdated. This evolution demands a shift toward a holistic and sustainable licensing framework that supports innovation, technology convergence, and market flexibility. A simple, technological neutral and consolidation of services will minimize entry barriers to existing and new entrants to the market. TRCSL aims to align its regulatory practices with international best practices to foster fair competition, encourage service affordability, and expand availability across the country.

Recently introduced amendments to the Act, under Section 17B introduces three categories of provider licenses

1. Infrastructure facilities license
2. Telecommunication Services license
3. Cable Landing Station license

To achieve these objectives, the Commission plans to implement key reforms, including service consolidation, unified licencing, enabling operators to provide multiple services under a single licence which is a cornerstone of this transformation. By consolidating the existing 39 service categories into sufficiently generic classifications, TRCSL seeks to eliminate market constraints and unlock the full potential of technology convergence.

This unified approach will not only streamline the licensing process but also promote innovation, improve administrative efficiency, and ensure a level playing field for operators. The TRCSL’s initiative represents a critical step toward building a robust and

forward-looking regulatory framework capable of meeting the needs of both wholesale and retail customers in Sri Lanka's evolving digital landscape.

However, it is extremely important to ensure that required regulatory safeguards are in place before implementation of this road map to protect small players who are at a disadvantaged position in terms of spectrum assignments and infrastructure authorizations/ possession.

2 The Current Licensing Regime in Sri Lanka.

2.1 Legal framework.

The telecommunication sector in Sri Lanka is governed by the Sri Lanka Telecommunications Act No 25 of 1991 as amended by (Amendment) Act, No 27 of 1996 and (Amendment) Act No. 39 of 2024. The licensing of telecommunication system operators and providers are governed by Section 17 of the Act.

- Section 17 stipulates that no person shall operate a telecommunication system except under the authority of a licence that may be granted by the Minister, on the recommendation of the Commission.
- As per Section 18 of the Act, the Commission may recommend to the Minister the modification of any operator or provider licence.

2.2 Licences issued.

The current Licensing regime in Sri Lanka are classified as follows: -

- a) Facility based operators (FBO) - they are authorized to operate a telecommunication system (they are authorized to build the network and provide telecommunication services to the public.
- b) Service Based operators (SBO) - they are authorized to operate a telecommunication system, but Limited Resources are not assigned, and such resources shall be leased from FBO's.
- c) Infrastructure Operator – they are authorized to own network facilities, but Connectivity facilities can be provided only to operators and broadcasters.

2.2.1.Current Service Authorization Regime.

- Single Authorization (e.g. DTH)
- Multiple Authorization (most of the Licences)

A total of 23 licences have been issued to date under a variety of different network categories under multiple service authorization regime.:

- Fixed Telecommunication System Operators (“Fixed”) – 2 licences
- Mobile Telecommunication System Operators (“Mobile”) – 3 licences
- External Gateway Operators (“EGO”) – 4 licences
- Cable Distribution System Operators (“CDN”) – 3 licences
- Data Communications system Operators (“Data”) – 1 licences
- Non-facility-based Internet Service Providers (“ISP”) – 3 licences
- Direct-to-Home Satellite Broadcasting System Operators (“DTH”) – 3 licences
- Trunk Mobile Communication System Operators (“TMCS”) – 1 licence
- Infrastructure System Operators (“Infrastructure”) – 1 licence
- Satellite System Operators (“Satellite”) – 1 licence.
- Number Portability Operators – 1 licence

The table below details the licensees together with the scope, duration and expiry date of their licences. Full details of all the licences are available on the TRC website ([Licenced Operator List](#))

Licensee	Licences issued	Period of validity	Date of expiry
Sri Lanka Telecom PLC	Fixed	10 years	09.02.2032
Dialog Broadband Networks (Pvt.) Ltd.	Fixed	10 years	10.11.2025
	ISP	5 years	04.12.2028
	Infrastructure	10 years	12.05.2025
Hutchison Telecommunications Lanka (Pvt.) Ltd.	Mobile	10 years	11.02.2032
	EGO	10 years	28.02.2025
Dialog Axiata PLC.	Mobile	10 years	28.09.2033
	EGO	10 years	28.02.2033
Mobitel (Pvt.) Ltd.	Mobile	10 years	10.02.2033
	EGO	10 years	07.03.2033
TATA Communications Lanka Ltd.	EGO	10 years	06.06.2033
	ISP	5 years	10.02.2025

Lanka Communication Services (Pvt) Ltd	Data	5 years	06.08.2026
Lanka Education and Research Network.	ISP	5 years	01.09.2026
Ask Cable Vision (Pvt.) Ltd.	CDN	5 years	01.03.2028
City Cables Links (Pvt.) Ltd	CDN	5 years	01.06.2029
Trymas Media Network (Pvt.) Ltd	CDN	5 years	02.11.2028
Dialog Television (Pvt.) Ltd.	DTH	5 years	01.02.2027
Free Sat Lanka (Pvt.) Ltd.	DTH	5 years	18.10.2026
Supreme Sat (Pvt.) Ltd	Satellite	5 years	10.05.2028
Lanka Number Portability Services (Guarantee) Limited	Data	10 Years	01.07.2034

Many different types of services have been defined in the licences issued by the Commission to date and are as follows:

- Leased line service
- Public Payphone Service
- Backhaul Services
- Data Communication Service
- Facsimile Service
- International Television Transmission
- Maritime Services
- Network Access Service
- Next Generation (NGN) Services
- Satellite Services including INMARSAT
- Voicemail service
- Voice Telephony Services
- Wireless Fidelity (Wi-Fi) Services
- Leasing of excess capacity on Microwave or Optical backbone to other licensed operators
- Data Service including circuit switch data SMS, USSD, WAP, MMS, GPRS, EDGE and future developments of cellular-related Data Services

- GSM based service including location-based services and any future developments of GSM based services
- Wireless Fidelity (Wi-Fi) based Data Communication Service for indoor application
- Television Transmission Service
- Virtual Private Network (VPN) Service
- Internet services
- Switched and non-switched data communication service
- Telex
- Electronic mail
- Data Processing services related to air transport industry
- SITAFAX-featuring multi addressing and multi-copy capabilities
- Cable TV
- Group calling
- Priority call over-ride
- Fleet / Dispatch call
- Closed User Group
- Leased Line Services (restricted)
- Capacities associated with space stations on board of a space object for domestic/foreign operator
- Control, monitor and test functions related to use, maintenance, operation and control of space objects
- International Transit service
- Telemetry, tracking and command (TT&C)
- Colocation (Hosting) Services
- Maritime connectivity.
- Number Portability Services

2.3 Services covered.

Under the above Licensing regimes, different services have been authorized varying from one licensee to another from time to time as and when required. Some licensees can provide multiple services under a single licence, whereas others can only do this with multiple licenses.

These differences in the service lists can be regarded as an impediment for a level playing field for similar operators to stimulate competition among them as some operators are in a

disadvantageous position compared to other players.

It would be preferable for all licensees within a particular licence category to have the same service provision opportunities under the same licence conditions.

2.4 Fees charged.

As per Section 17(6)a of the Act a licence under Section 17 of the Act shall be issued on payment by the Applicant of the licence fee. The current fee structure is given in the table below. As depicted, the Fee structure is based on multiple authorization Licence types and not based on individual service types authorized by the Licence.

For most licences the same fee is applied on renewal, however the renewal fee will be set at 3% of the average annual turnover of the past 3 years if that is higher than the stipulated fee.

Licensee category	Duration (years)	Licence fee (LKR m)
Fixed wireline/wireless	10	960
Fixed wireless	10	480
Mobile	10	600
EGO	10	120
CDN	5	6
Data	5	57.6
ISP	5	3.6
DTH	5	6
TMCS (Trunk Mobile Communication Service)	5	1.2
Infrastructure (Fibre Cable & microwave)	10	960
Satellite	5	12
Number Portability Services	10	0.12

3 Improving The Licensing Regime in Sri Lanka.

3.1 Regulatory principles.

As the country moves forward into a converged digital economy, and as traditional service categories reflected in the licensing framework become progressively outdated and irrelevant to operators and customers alike, there is need to adapt towards a more holistic and sustainable licensing framework. The challenge for the Commission is to manage that transition, so as to achieve the available economic and societal gains without creating substantial industry impact.

The aim is to establish a robust regulatory framework that implements international best practices in a manner that is consistent with the Act, creates a level playing field and enables licensees to develop affordable and widely available services to meet the needs of corporate customers and consumers throughout Sri Lanka.

TRCSL intends to issue:

- Service and network consolidation
- Fewer licence categories
- Greater use of unified licences (a single licence for multiple services and Technologies)
- Simplified and more efficient administration.

The first step to implementing these principles is for the current individual operator licences to be consolidated in a consistent manner in terms of service categories and network categories. The second step is to introduce converged or unified licences.

3.2 Consolidation of existing licences.

3.2.1 Service consolidation.

As depicted above, there are 39 service categories defined in 23 system Licences issued by the Commission. Most of the services are sub-categories of a generic service type. These detailed service specific Licences stifle the market innovation and capabilities as benefits of technology convergence cannot be harnessed. It is therefore proposed to consolidate services to sufficiently generic categories, as indicated below, that they do not exclude or constrain new service developments by the operator. This will enable innovation while also ensuring fair and effective competition among licensees.

Furthermore, this would develop consistency across all licences with regard to the services that each category of licence permits the licensee to offer.

- Voice Telephony Services

- Data Services
- Content Services (TV, VoD, Audio, Information etc)
- Value Added Services.

However, for regulatory purposes the Commission may define sub-categories and request operators to maintain separate accounts for such sub-categories which are required for market evaluation.

3.2.2 Consolidation of System Types

A particular service can be provided by using multiple technologies and, with development in the industry, most of the technologies are converging towards a common platform.

Therefore, binding services to legacy system types will stifle market innovation and enhancements. Therefore, in future licences in the following system categories will be issued.

- Terrestrial System which may be restricted by the availability of limited resources such as spectrum and numbering.
- Gateway System providing international connectivity between one or more points in Sri Lanka and one or more points in another country. This category is defined due to Half Circuit Nature and also to keep track of international activities.
- Satellite System, providing connectivity via satellite capacity that may be owned or leased by the licensee. This also includes standalone satellite-based systems such as DTH, VSAT etc.

In addition, two further network categories may be needed for specific communications purposes:

- Maritime System which facilitates communication between two or more points in the sea.
- Aeronautical System which facilitates communication between aircraft stations and/or between an aircraft station and land.

Although most of systems are converged into the terrestrial category, the development of facilities-based systems is restricted by the availability of limited resources such as Frequency Spectrum, Rights of Way, Numbering etc. The Commission intends to promote sharing of network components such as Local Loop Unbundling, Full or Shared Access, Bitstream Access, RAN sharing, Backhaul Ring sharing, Roaming, Core network component sharing among operators where necessary.

To maximise competition and service availability, all operators should be authorized to deliver their services to the public via their primary system and also on any number of secondary systems built using other networks shared by other Facility Based Operators. (e.g. content service over Data network, Trunking over Data, Use of mobile networks to provide Fixed services etc). Further all operators should be authorized to provide wholesale or retail services to any person. These initiatives will promote industry innovation, flexibility, network optimization, and avoid duplicated networks. _

3.2.3 Migration path.

As described above, the first step to unified licences is to consolidate existing licences by network and by service. In the new regime there would be five network categories (Terrestrial, International Gateway, Satellite, Maritime, Aeronautical) and five service categories (Voice, Trunk, Data, Content, VAS).

The table below represents a mapping between the different services that are mentioned in existing licences to the new service and network categories that might be included in future consolidated licences.

Licence	Existing Services	New Services				
		Voice	Data	Content	VAS	System Type
Fixed	Voice Telephony Service, Data Communications Services, Backhaul Services, Network Access Services, Leased Line Services , Public Payphone Service, Maritime Service, International Television Transmission, Satellite Service including Inmarsat . Voice Mail services, WIFI service, Facsimile Service	Yes (Fixed)	Yes (Fixed)	Yes (Fixed)	Yes (Fixed)	Terrestrial
Mobile	Voice Telephony Service, Voice Mail Services,	Yes (Mobile)	Yes (Mobile)	Yes (Mobile)	Yes (Mobile)	Terrestrial

	Leasing of Excess Capacity to other operators, Data Service including circuit switch data, SMS, USSD, WAP MMS, GPRS, GSM base service including Location base services, Wi-Fi services.					
Gateway	Voice telephony Services Data Communications Services Leased Line Services Television Transmission Services	Yes	Yes	Yes	Yes	Gateway
Data	Data, VPN, Internet, Switch and Non-Switch Data Service, Telex, Sita Fax, Data Processing Service		Yes		Yes	Terrestrial
ISP (Non-Facility)	Internet Service		Yes		Yes	Terrestrial
Cable	TV, data service including Internet.		Yes	Yes	Yes	Terrestrial
DTH	TV Broadcasting and Sound Broadcasting Services.			Yes	Yes	Satellite
Trunking	Group calling, Priority call override, Fleet /Dispatch call, Closed user group.	Yes (Trunk Mobile)			Yes	Terrestrial
Infrastructure	Leased Circuit to the Other licensed operators of telecommunications systems sound broadcasting and television system Including the provision of last mile connectivity including fibre.		Yes		Yes	Terrestrial

Satellite	Capacity Associate with the space station, Control, Monitor, and test functions related to the use, Maintenance, operation and control of space objects, International Transit Service, Telemetry tracking and command services, colocation services and maritime connectivity.	Yes	Yes		Yes	Satellite
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The advantage of this approach is that it will create a level-playing field from which the move to technology-neutral licences can proceed.

3.3 Converged licences.

Following the consolidation of existing licences into streamlined network and service categories, the next step is to implement converged licences in which authorisation is broadly based and granted on equal terms to a wide range of licensees (unified).

3.3.1 Unified licences.

A Unified License is a regulatory framework that allows telecommunication service providers to offer a wide range of services under a single license, instead of requiring separate licenses for different types of services. This approach is designed to simplify licensing processes, promote innovation, and encourage convergence of services such as voice, data, video, and value-added services.

3.3.2 Impact of unified licence and give following as solution.

Implementing the unified licensing framework in Sri Lanka faces challenges such as managing the transition from existing licences, ensuring fair competition, addressing spectrum and infrastructure sharing issues, and maintaining service continuity.

- **Transition Management:** Consolidating 23 different licences with varying service authorizations into a single unified framework requires detailed analysis and extensive stakeholder engagement to minimize disruption.
- **Ensuring Fair Competition:** Unified licences could benefit dominant operators, potentially disadvantaging smaller players. Robust safeguards against anti-competitive practices will be necessary.
- **Spectrum Allocation Issues:** Equitable distribution and re-farming of spectrum to

support unified licences pose significant challenges, especially for legacy spectrum usage.

- **Infrastructure Sharing Challenges:** Operators may resist sharing their infrastructure due to competitive concerns, leading to negotiation difficulties, cost allocation disputes, and interoperability issues.

However, TRCSL has already taken steps to introduce the legislative reforms to embrace the Sri Lanka's digital economy targets and introduced the required regulations to minimize the possible industry impacts caused by introducing the consolidated and unified licences such as competition and infrastructure sharing regulations etc.

3.3.3 Licence fees

Licensee category	Network Type	Duration (years)	Licence fee LKR (Million)
Unified License (Fixed and Mobile)	Terrestrial	10	1600
EGO	Gateway	10	120
CDN	Terrestrial	5	6
Data	Terrestrial	5	57.6
ISP	Terrestrial	5	3.6
DTH	Satellite	5	6
TMCS	Terrestrial	5	1.2
Infrastructure (Fibre Cable & microwave)	Terrestrial	10	960
Satellite	Satellite	5	12
Number Portability Services	Terrestrial	10	0.12

4 The Way Forward

As Sri Lanka transitions into a converged digital economy, adapting the current licensing regime

to a more holistic and sustainable framework is essential to unlock the full potential of telecommunications and digital services. The Telecommunications Regulatory Commission of Sri Lanka (TRCSL) must carefully manage this transition to maximize economic and societal gains while minimizing disruption to the industry. As outlined above, future licences will have consolidated services in the following categories.

- Voice Services
- Data Services
- Content Services (TV, VoD, Audio, Information etc)
- Value Added Services.
- Trunking Service

And following consolidated system categories.

- Terrestrial
- Gateway
- Satellite
- Maritime
- Aeronautical

The proposed way forward includes three steps:

Steps	Descriptions	Period	Priority
Step 1:	Option will be made available to fixed and mobile operators to apply for unified licences.	Initiate 2025 Q4	High
Step 2:	Option will be made available for existing operators to request for service consolidation or TRCSL will issue service consolidated license at the time of renewal.	Initiate 2026 Q2	Medium
Step 3:	Conduct feasibility study for transition of selected categories of existing licensees to the new unified licensing regime.	Initiate 2026 Q4	Low