

Guidelines for fee-qualifying revenue

Below are guidelines regarding how PTS views some specific revenue items subject to notification obligation.

It is important to consider the character of revenue that is to be included in the fee-qualifying revenue. The following description can serve as a guideline when assessing which revenue items should be included in the fee-qualifying revenue.

Installation fees for FTTH (Fiber To The Home) fibre connections

These fees largely consist of construction work, such as excavation, done on the end client's grounds. Digging to install the fibre is in this case a precondition for providing the service and PTS considers installation fees for FTTH fibre connections to be part of the fee-qualifying revenue.

Inbound roaming

For inbound roaming, revenue is collected from foreign operators for wholesale selling of mobile phone capacity when their end customers are staying in Sweden and use a mobile phone. PTS considers this revenue to be part of the fee-qualifying revenue.

Outbound roaming

For outbound roaming, revenue is created from Swedish operators' end customers using mobile services in other countries. PTS considers revenue from outbound roaming to be part of the fee-qualifying revenue when the end customer uses a subscription with a Swedish operator. In this case the mobile service generates revenue for a Swedish operator.

Further charge of network fee

If the operator buys or rents network access from another operator, PTS believes that three factors should be taken into account when determining if the network fees should be included in the fee-qualifying revenue:

- There is no agreement between the network owner and end customer regarding network access.
- It is not clear in bills from the operator to the final client that this is a further charge of network fees on behalf of the network owner.
- The operator lists the network fees as proceeds (revenue) in their own operating statement.

Purchased or rented network access shall be considered as fee-qualifying revenue if the above criteria are met.

Billing fees

The fee that a company can choose to invoice in addition to the price of the purchased goods or service (product) is usually referred to as a billing fee or invoice fee. If this fee is not presented separately to the end customer, it is included in the price of the sold product.

PTS's assessment is that billing fees/invoice fees shall be included in the fee-qualifying revenue.

Hardware

Hardware is normally not a publicly available electronic communications service or public communications network provided for a fee. However, in some cases hardware may be part of the communications service or network subject to reporting duty, for example if the end customer buys a package offer which includes both a telephony or broadband service and a modem needed to use the service.

Hardware sold separately shall not be part of the fee-qualifying revenue. However, if the hardware is part of the electronic communications service or network, it shall be included in the fee-qualifying revenue.

Freight

When an operator sells a piece of hardware to an end customer, it is normally delivered by a transport company. The operator therefore purchases a transport service from an independent transport company and in that charges the end customer for the freight.

Freight shall not be part of the fee-qualifying revenue. However, if the hardware is part of the electronic communications service or network, freight shall be included in the fee-qualifying revenue.

Reminder fees and collection bonus

Reminder fees and collection bonuses shall be included in the fee-qualifying revenue as these are part of the seller's measures to make the buyer fulfil their obligation, i.e. paying for purchased goods or services.

Fee-qualifying revenue within the same company group

The choice of corporate form should not determine whether sales within the same company group should be included in the fee-qualifying revenue or not. This means that PTS believes that revenue which is created within the same company group should not be included in the fee-qualifying revenue data.

Wholesale sales which take place within the same operator, from one notified company to another in Sweden shall not be included in the fee-qualifying revenue. PTS believes that wholesale sales which are made to companies that do not have notification obligation in Sweden or abroad therefore shall be included in the fee-qualifying revenue even if they take place within the same operator.

Government grants

A government grant is normally not a revenue that arises due to the company billing the buyer for provided goods or services. Grants in such cases shall not be part of the fee-qualifying revenue.