



GUIDELINES FOR SUBMISSION OF APPLICATION FOR POSTAL LICENCE

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1. Introduction

Purpose of the guidelines

- 1.1. The purpose of these guidelines is to describe the licensing framework of the Authority for Info-communications Technology Industry of Brunei Darussalam (the “Authority”) for the regulation of the postal sector in Brunei Darussalam. It sets out the categories of licences that the Authority will be issuing, the procedures for application and the fee structure.
- 1.2. This document is only intended as a guide for parties interested in applying for a licence from the Authority for the provision of postal services.
- 1.3. The Authority reserves the right to change its policies and to amend these guidelines from time to time as it sees fit and without prior notice. The Authority is not bound by the contents of these guidelines in relation to the handling of the applications or any terms of the licence to be issued. The contents of these guidelines have no legal standing and are not intended as a substitute for legal advice. Applicants should seek advice from their own legal counsel before submitting an application. In any event, the terms applicable to a particular licensee shall be those set out in the actual licence issued to that licensee.
- 1.4. The grant of any licence is at the sole discretion of the Authority pursuant to its powers under Section 8 of the Postal Services Act, Chapter 271. The Authority reserves the right to disclose information regarding the identity of the parties who have submitted applications for a licence.

2. Description of postal services and postal article

- 2.1. Postal services refers to any service for the conveyance of postal articles from one place to another by post, including incidental services of receiving, collecting, sorting, sending, dispatching and delivering such postal articles and any other services which relate to any of those services and is provided in conjunction with any of them.
- 2.2. Postal article refers any article or thing transmissible by post but does not include such article or thing as the Authority may prescribe to be not transmissible by post.

3. General licensing and regulatory framework

- 3.1. All postal service operators will require a postal licence granted by the Authority.
- 3.2. Parties interested in applying for a postal licence shall submit their application for a postal licence to the Authority in accordance with the licence application requirements outlined in the respective licence application form.
- 3.3. Once the postal licence is granted, postal licensees will be required to seek the Authority’s prior approval for any subsequent changes to their service offerings and their postal network, including expansion of scope of its licensed operations and services.

Licence types

3.4. The types of postal licences are as follows:

3.4.1. the Public Postal Licence.

3.4.2. the Courier, Express & Parcel (“CEP”) Licence, under which there are two (2) categories as follows:

- the Domestic CEP Licence; and
- the International CEP Licence.

Public Postal Licence

3.5. There will only be one (1) Public Postal Licensee (“PPL”), which will be the corporatised entity that was formerly known as the BPSD. The PPL has a universal service obligation for the provision of basic postal services throughout Brunei Darussalam according to standards specified by the Authority, such as to provide nationwide mail collection and delivery services to any person who may require such services. The PPL will be required to establish, maintain and ensure accessibility to postal services through a network of postal branches, posting boxes, PO Box facilities and delivery staff to a standard specified by the Authority.

3.6. The rights reserved¹ to the PPL under its universal service obligation include:

3.6.1. Provision of universal postal services throughout Brunei Darussalam for letter items not exceeding 2 kg (or kilograms) in weight and parcels not exceeding 20 kg in weight²;

3.6.2. Carriage of any postal articles up to 2 kg, subject to terms and conditions as set by the Authority;

3.6.3. Provision of a network of postal branches, posting boxes and Post office boxes (P.O. Boxes);

3.6.4. Commissioning, publishing and selling of philatelic products on behalf of Brunei Darussalam; and

3.6.5. Acting as the international operator providing inbound and outbound services within the framework of the Universal Postal Union.

Courier, Express and Parcel Licence

3.7. The CEP Licence is granted to companies incorporated in Brunei Darussalam providing value added services within the country (Domestic CEP Licence) and internationally (International CEP Licence).

¹ Reference to the *Postal Services Act*.

² All postal articles above twenty (20) kg are considered as cargo and are not subject to postal regulations.

- 3.8. The Authority reserves the right to impose certain basic service obligations on CEP Licensees, including requiring the CEP Licensees to provide universal services where necessary. Domestic CEP Licensees are permitted to provide courier and express services within Brunei Darussalam for postal articles up to 20 kg subject to any applicable minimum tariff.³ Domestic CEP Licensees are not permitted to undertake any international activity. However, International CEP Licensees will be able to provide such services domestically.
- 3.9. The two (2) classes of CEP Licence are subject to different licence fees.
- 3.10. The CEP Licence is valid for a period of one (1) year from the date it is granted by the Authority, unless otherwise earlier terminated, cancelled or suspended.

Condition of licences

- 3.11. Applicants should note the following conditions that apply to the PPL and the CEP Licensees (Domestic and International) are as shown below:

	Public Postal Licensee (PPL)	Courier, Express & Parcel Licensee (CEP) (Domestic, and International)
Products and Services	Provision of service for the conveyance of postal article: <ul style="list-style-type: none"> Letters, postcards and printed papers up to 2 kg. Small packets up to 2 kg. Parcel-post items up to 20 kg. 	Provision of service for the conveyance of postal article: <ul style="list-style-type: none"> Parcel-post items up to 20 kg.
Licence Fees	Annual fee of BND 2,200 for both Domestic and International Courier services. The Public Postal Licence is renewable for a further period as the Authority deems appropriate.	Annual fee as listed below: <ul style="list-style-type: none"> Domestic CEP Licence - BND 550; International CEP Licence - BND 1,650; or Domestic and International CEP Licence - BND 2,200 CEP Licence is valid for a duration of one (1) year. The CEP Licence is renewable for a further period as the Authority thinks fit.
Price Controls	The PPL can determine postage rates, subject to the Authority's approval through an annual review. The Authority reserves the right to establish price control arrangements for the universal services.	Subject to minimum tariff of three (3) times the prevailing local postage chargeable by the PPL for an ordinary (non-express) letter in the first weight-step of 20 g, whichever is lower.

³ CEP Licensees intending to provide services for postal articles up to 2 kg will need to charge a minimum of three (3) times the base tariff set by the PPL.

	Public Postal Licensee (PPL)	Courier, Express & Parcel Licensee (CEP) (Domestic, and International)
		CEP Licensees must submit pricing to the Authority within a set period prior to their implementation and publish such information to the public.
Quality of Service Standards ("QoS")	<p>QoS standards will be in line with standards defined by the Authority. The information must be made reasonably available to the public.</p> <p>The Authority stipulates that PPL is to implement proper measurement and monitoring systems to ensure compliance with QoS targets.</p>	<p>CEP Licensees must submit quality standards for various services to the Authority and make such information reasonably available to the public.</p> <p>The Authority may undertake quality checks on the CEP Licensees as may be necessary from time to time, such as where there is significant customer discontent.</p>
Market Monitoring	<p>The PPL must submit a monthly and annual report that contains market information such as postal articles volumes.</p> <p>Monthly reports, to be submitted every quarter, will contain market information such as postal articles volumes.</p> <p>Annual report will contain financial and operational information.</p> <p>Report templates will be provided by the Authority.</p>	<p>CEP Licensees must submit a monthly and annual report that contains market information such as postal articles volumes.</p> <p>Monthly reports, to be submitted every quarter, will contain market information such as postal articles volumes.</p> <p>Annual report will contain financial and operational information.</p> <p>Report templates will be provided by the Authority.</p>
Customer Focus	<p>The PPL must establish a set of complaints handling procedures, which should be documented and published.</p> <p>The Authority will conduct an investigation for significant matters only when the former channel has been exhausted.</p>	<p>CEP Licensees must establish a set of complaints handling procedures, which should be documented and published.</p> <p>The Authority will conduct an investigation for significant matters only when the former channel has been exhausted.</p>

3.12. Further information of the licence conditions can be found in the respective licence templates at www.aiti.gov.bn.

Postal network

- **Setting up a postal network**

3.13. Licensees can set up their own postal network of branches to accept and facilitate delivery of postal articles. Such branches can be provided in partnership with existing retail facilities. The PPL must set up a network of branches sufficient to meet its defined universal service obligations. The PPL must also set up a network of posting boxes and PO Boxes to facilitate provision of universal service. Locations, approvals and permits for the setup of postal networks must be obtained from the relevant authorities.

- **Network sharing**

3.14. Network sharing between operators is permissible. All partnerships shall be formally registered with the Authority. Any partnership made by the PPL with other operators shall be non-discriminatory, and in accordance with the Postal Competition Code. The Authority reserves the right to review and evaluate partnerships that are suspected to be anti-competitive.

Postal identifier marks

- **Purpose of identifier marks**

3.15. A postal identifier mark includes any logo or design that uniquely identifies the postal licensee. For the PPL, the postal identifier mark further indicates that the item has been accepted by the PPL for conveyance by post. The PPL is required to affix a postal "identifier mark" on all postal articles it receives from its posting customers.

3.16. All postal licensees must register their identifier marks with the Authority and their design should be such that all customers (senders and recipients) can clearly identify the postal licensee responsible for the carriage of their item. The Authority reserves the right to publish the identifier mark on the Authority's website for public information.

- **Design consideration**

3.17. The design of the identifier marks shall comply with any other relevant laws in Brunei Darussalam.

Safeguarding mail integrity

3.18. All postal licensees shall establish, maintain and adhere to appropriate measures to ensure that the risk of loss, interference with, theft of, and damage to postal articles occurring during conveyance is minimised, in accordance with the "Code of Practice for Mail Integrity in the Postal Sector".

3.19. Postal licensees are encouraged to share best practices to uplift standards of services within the Brunei Darussalam postal sector.

Regulatory framework

- 3.20. All postal licensees will be regulated in accordance with the licensing and regulatory frameworks established by the Authority.
- 3.21. Postal licensees are also required to comply with the Postal Competition Code, which aims to ensure the development and growth of a fair and competitive postal environment in Brunei Darussalam.
- 3.22. Postal licensees are also required to comply with other codes of practice and regulatory guidelines, which may be created or amended by the Authority from time to time.
- 3.23. Interested parties may refer to (www.aiti.gov.bn) for copies of the generic PPL and CEP Licence templates, the Postal Competition Code, Code of Practice for Mail Integrity in the Postal Sector, and other relevant guidelines issued by the Authority.
- 3.24. As the market develops, the Authority will continually review and refine the postal framework and codes of practice to ensure their relevance to the local and international landscape.

Annual Licence Fees

PPL	Holder of a Domestic CEP Licence only	Holder of an International CEP Licence only	Holder of International CEP Licence and Domestic CEP Licence
BND 2,200 (per year)	BND 550 (per year)	BND 1,650 (per year)	BND 2,200 (per year)

Licence Duration

PPL	Holder of a Domestic CEP Licence only	Holder of an International CEP Licence only	Holder of International CEP Licence and Domestic CEP Licence
15 years	3 years	3 years	3 years

4. Licence application procedure

Application submission

- 4.1. Interested parties who wish to apply to the Authority for a postal licence must submit their application to the Authority (postal@aiti.gov.bn). Each applicant must submit one (1) hardcopy and one (1) editable softcopy of its application under a confidential cover with the title clearly marked “**APPLICATION FOR POSTAL LICENCE**”.

- 4.2. All applicants must include all the information requested in the application forms. Applicants will be bound by all terms, commitments, offers, presentations, proposals, plans and obligations stated in their applications. All information and representations made in the application shall be deemed to be accurate. Any change in the information contained in the application form or subsequent information provided to the Authority must be immediately notified to the Authority within five (5) working days.

Application processing fee and time

- 4.3. All applicants will be required to pay an administrative fee for each of their respective applications. The Authority will acknowledge each application.
- 4.4. Where the Authority is satisfied that the applicant has submitted all the information necessary for evaluation, the Authority will acknowledge receipt of such information within seven (7) working days from the date of submission. Where the applicant fails to submit to the Authority all the information necessary for evaluation, the Authority will inform the applicant of such failure within seven (7) working days from the date of submission and may provide the applicant up to another seven (7) working days to submit the necessary information. The application will be unsuccessful if the applicant fails to submit all the necessary information within this extended timeframe.

	PPL	CEP (Domestic)	CEP (International)	CEP (Domestic and International)
Application fee	BND 200	BND 100	BND 100	BND 200
Estimated time required for the Authority to decide⁴	Up to sixty (60) days	Up to thirty (30) days	Up to thirty (30) days	Up to thirty (30) days

Evaluation

- 4.5. The Authority will evaluate a postal licence application based on its merits, and will take into account the following in its evaluation:
- 4.5.1. vision of the applicant and how the applicant will contribute towards the public and the economy of Brunei Darussalam;
 - 4.5.2. organisational structure of the applicant;
 - 4.5.3. applicant's business plans and capability to implement the plans, including ability in ensuring security and integrity of postal articles; and
 - 4.5.4. any other relevant information provided by the applicant.
 - 4.5.5. The grant of a licence is at the sole discretion of the Authority. The Authority may, but is not bound to, explain why the application is unsuccessful.

⁴ The Authority reserves the right to require more time if necessary.

Clarifications

- 4.6. Interested parties with queries can write to (postal@aiti.gov.bn) for clarifications. Any clarification in relation to these application guidelines and the Authority's corresponding replies may be published on the Authority's website, unless the information is deemed to be commercially sensitive by the inquiring party and justified accordingly to the Authority.
- 4.7. The Authority may seek clarification and additional information from the applicant arising from the licence application.

Application approval

- 4.8. After the applicant has been notified of the approval, the Authority will provide the successful applicant with a regulation pack containing the relevant licence documents.
- 4.9. Successful applicants will be required to launch the commercial services proposed in their applications within a specified period of time as notified by the Authority. After commencing business, the postal licensee must provide the following information using templates provided by the Authority:
 - 4.9.1. Monthly reports of volume information; and
 - 4.9.2. Annual reports with revenue, staffing and infrastructure information.
- 4.10. The Authority may publish a list of the postal licensees on the Authority's website.
- 4.11. The Authority reserves the right to disclose any information submitted by applicants where the Authority deems necessary for purposes of clarifying the licences awarded. All other commercially sensitive information will be treated in confidence.

5. Enquiries

- 5.1. Any enquiries on the application process for licences to the Authority should be made in writing, with the subject "**Enquiries on Postal Licence Application**" and addressed to: (postal@aiti.gov.bn).

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