

# ICT 2026 - 1 - Consultation on Revision of Fees for Aircraft Radio Licences

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**UTILITY REGULATION AND COMPETITION OFFICE  
CAYMAN ISLANDS**

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## A. Executive Summary

1. The Utility Regulation and Competition Office ('**URCO**' or '**the Office**') is the independent regulator established by Section 4 of the Utility Regulation and Competition Act (as revised) (the '**URC Act**') for the electricity, information and communications technology ('**ICT**'), water, wastewater and fuels sectors in the Cayman Islands. The Office also regulates the use of the electromagnetic spectrum and manages the .ky Internet domain.
2. Section 30 of the Information and Communications Technology Act (2026 Revision)<sup>1</sup> (the '**ICT Act**') states:

*"Licence fees*

*30. (1) An applicant for a licence or a licensee under this Act shall pay the licence fee for the licence as is prescribed.*

*(2) The licence fee referred to in subsection (1) shall be payable directly by an applicant or a licensee, as applicable, to the Office at such time or times as prescribed by regulations."*

3. Amongst the licence fees prescribed by URCO<sup>2</sup> are those relating to the use of radio and other wireless devices on board aircraft to assist with flight operations. The last update to the fees charged by URCO for these Aircraft Radio licences was in 2007. In the intervening time, there have been significant changes, necessitating a review of the fees for Aircraft Radio licences.
4. The purpose of this consultation is to seek the views of affected stakeholders, the general public, and other interested parties, regarding proposed changes to the fees for Aircraft Radio licences.
5. The revised fees being proposed by URCO would increase the Aircraft Radio licence fee from CI\$98.00 to CI\$300.00 per aircraft annually, regardless of aircraft size or seating capacity. This proposed increase aims to ensure that the Office's operational costs are fully covered.

## B. Background

6. This Consultation seeks input regarding the proposed Aircraft Radio licensing fees in the Cayman Islands. The aim is to ensure that fees reflect the cost of providing licensing services and are fair and reasonable. The revision takes into

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<sup>1</sup> See the Information and Communications Technology Act (2026 Revision): <https://www.ofreg.ky/viewPDF/documents/2026-03-02-20-26-11-Information-and-Communications-Technology-Act-2026-Revision-pdf>

<sup>2</sup> See the Information and Communications Technology (Licence Fee) Regulations, 2025: <https://www.ofreg.ky/viewPDF/documents/2026-01-13-08-41-52-Information-and-Communications-Technology-Licence-Fees-Regulations-2025-pdf>

consideration the local aviation sector's growth, the licensing requirements, and the sustainability of the Office's licensing operations.

7. Aircraft Radio licences are essential for ensuring that aircraft operating within the Cayman Islands' airspace comply with international and local communication standards, contributing to the safety and efficiency of air navigation. The current fee structure for aircraft radio licensing does not reflect the Office's costs associated with the management and issuance of aircraft radio licences.
8. The current fee has remained unchanged since 2007. During this period, there have been significant increases in the general cost of providing regulatory services, including staffing, technology, compliance requirements, and operational overheads. Consumer Price Index data confirms a substantial rise in the cost of goods and services over the same period which translate into increase cost of operations related to licensing. The proposed revision therefore reflects the need to ensure that fees more accurately align with the present-day cost of delivering licensing services.
9. The document sets out the current fee structure for aircraft radio licences issued by the Office and introduces the following key points:
  1. **Revision rationale and proposed new fee structure:** Whilst there is a proposed increase in the fee amount, it maintains a flat rate for aircraft radio licences, regardless of aircraft size, type (e.g., private, commercial, charter), or frequency of use. This approach promotes fairness, administrative simplicity, and consistency across licensees.
  2. **Jurisdictional Benchmarking:** A benchmarking analysis was conducted to compare the local fees with those of similar jurisdictions. This ensures that the proposed fee remains reasonable and aligned with regional and international fee structures.

## C. Proposed Fee Change

10. URCO has one type of Aircraft Radio licence, regardless of type, size or usage of the aircraft. It is defined in the table below.

Type	Description	Application Fee	Annual Renewal	Comments or explanatory notes
K	Aircraft radio station	CI\$98.00 (US\$120.00)*	Same as the application fee	All aircraft radio licences authorised by URCO

11. The Office proposes the following fee structure for consultation and invites stakeholder feedback before any final decision is made:

Type	Description	Application Fee	Annual Renewal	Comments or explanatory notes
K	Aircraft radio station	CI\$300.00 (US\$366.00)*	Same as the application fee	All aircraft radio licences authorised by URCO

\* KYD/USD 1.22: 1 KYD = 1.22 USD(rounded up)

## D. Rationale

### D.1 Increase in costs

12. The fees for Aircraft Radio licences were last updated in 2007. Based on data from the Cayman Islands Economics and Statistics Office (the 'ESO'),<sup>3</sup> the Consumer Price Index (the 'CPI') increased between 2007 (CPI = 93.7) and 2024 (CPI = 136.3) by 45.50%. The CPI is projected to rise by an additional 7.8% during the three-year period from 2025 to 2027, with anticipated increases of 2.9% in 2025, 2.5% in 2026, and 2.2% in 2027. Consequently, it is expected that the prices of goods and services in 2027 will be 57% higher than those recorded in 2007. These escalating costs are also impacting the operating expenses of the Office.

### D.2 Increase in Licensing Activities

13. The number of Aircraft Radio licensing applications undertaken by the Office has grown substantially, from 9 in 2007 to over 280 in 2024 (a period of 17 Years), reflecting a 33-fold growth. While this growth introduces some potential for economies of scale, the administrative effort required per application has remained largely manual. An increase in the volume of applications being processed has led to an increased administrative burden on staff, particularly in managing errors, tracking payments, addressing queries and conducting compliance reviews.

Table 1.1 below shows the change in the number of licences processed from 2004 to 2024:

<sup>3</sup> See: <https://www.eso.ky/>

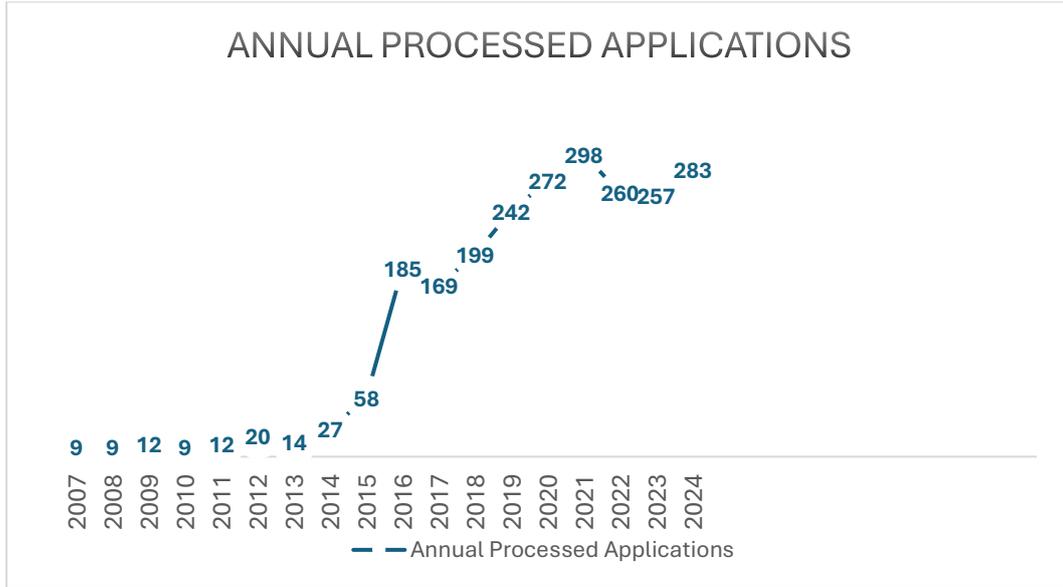


Table 1.1 *The number of aircraft radio licences processed by the Office has increased over time. While higher volumes can provide some efficiencies, each application continues to require individual review to ensure compliance with safety, technical, and regulatory requirements. The growth in activity therefore represents an overall expansion of regulatory workload rather than a reduction in effort per licence.*

14. The current fees do not fully cover the administrative costs that the Office incurs in delivering this service. The proposed fee structure is designed to more accurately recover the actual costs incurred in providing efficient and compliant licensing services.
  
15. Despite the general increase in licensing applications, there was a noticeable decline in aircraft radio licences in 2020 due to the global impacts of the COVID-19 pandemic on the aviation sector, which resulted in reduced air traffic and aircraft operations. The figures have shown a recovery since the onset of the pandemic and are projected to continue their upward trajectory in the forthcoming years.
  
16. In response to the increasing volume of licensing applications, the Office is currently in the process of developing an electronic application system for aircraft licences. This initiative necessitates additional time and resources beyond the standard workload associated with aircraft licensing operations. While it is anticipated that this system may alleviate some of the workload in the medium term, there are expectations of a substantial increase in Aircraft Radio registrations in the forthcoming years.
  
17. The table below sets out the estimated costs associated with issuing an Aircraft Radio licence:

Cost Component	Description	Cost Contribution (CIS)
<b>Administrative Costs</b>	Processing, compliance checks, correspondence, overhead and technology costs.	\$150.00
<b>Value of Licence</b>	This component reflects the broader regulatory responsibilities associated with aircraft radio licensing, including spectrum management, ongoing oversight to ensure compliance with international aviation communication standards, maintenance of licensing records, and the Office's role in safeguarding the integrity and safety of aeronautical communications. These responsibilities extend beyond the point of licence issuance and require sustained regulatory resources.	\$150.00
<b>Total</b>		<b>\$300.00</b>

#### 18. Explanation:

- a) Value of Licence - this reflects the use of scarce national spectrum resources, the regulatory importance of maintaining safety and compliance oversight for the issuance of Aircraft Radio licences compliant with the international obligations of the aviation sector, and alignment with international pricing models. The inclusion of this component is consistent with practices in other regulated sectors where licence values incorporate more than direct processing costs.
- b) Administrative Costs – these have been determined using a proportional allocation of shared operational expenses, inclusive of personnel time, IT systems, and support functions, based on the total number of licensing transactions processed annually. This includes new applications, renewals and modifications (e.g. ownership and radio equipment changes). Renewals are handled using the same process as new applications to ensure safety and compliance protocols are adhered to.

## E. Benchmarking

19. The following tables set out the fees charged for the equivalent Aircraft Radio licence types in a number of other jurisdictions. These jurisdictions have been chosen on the basis that they are either:

- a) **Jurisdiction Type 1** - are in the same geographic region as the Cayman Islands (Bahamas, Barbados, St. Lucia, Guyana and Jamaica), or
- b) **Jurisdiction Type 2** - are large aviation flag-carrying states (Bermuda, Ireland, Malta), and

c) **Jurisdiction Type 3** - are countries which, according to data from Cirium<sup>4</sup>, have some of the largest aviation fleets (USA, Canada, UK).

20. These fees were converted from local currencies to USD where applicable, with exchange rates correct as of February 2026. Prices have been rounded to the nearest dollar.

21. Where the fees are higher in the country under consideration than those currently in the Cayman Islands, this has been indicated by shading the cell **orange**. Where the fees are lower in the country under consideration than in the Cayman Islands, the cell is shaded **green** to indicate this.

## E.1. Jurisdiction Overview

### a) Jurisdiction Type 1

Country	Licence Type (per annum)
	Aircraft Station
Bahamas <sup>5</sup>	US\$200.00 – US\$25,500.00
Renewal	Same

Country	Licence Type (per annum)
	Aircraft Station
Barbados <sup>6</sup>	BB\$400.00 ~ US\$199.00
Renewal	Same

Country	Application fee	Licence Type (per Annum)
		Aircraft Station
St Lucia <sup>7</sup>	XC\$200.00 ~ US\$74.00	XC\$500.00 ~ US\$183.00
Renewal	Same	Same

Country	Licence Type (per annum)		
	Aircraft station (less than 12 seats)	Aircraft station (12 - 24 seats)	Aircraft station (more than 24 seats)
Guyana <sup>8</sup>	GY\$24,000.00 ~ US\$115.00	GY\$36,000.00 ~ US\$173.00	GY\$48,000.00 ~ US\$230.00
Renewal	Same	Same	Same

Country	Processing Fee	Licence Type (per annum)
		Aircraft Station
Jamaica <sup>9</sup>	JM\$2,500.00 ~ US\$16.00	JM\$25,000.00 ~ US\$161.00
Renewal	Same	Same

<sup>4</sup> <https://www.cirium.com/>

<sup>5</sup> See: <https://www.urbahamas.bs/wp-content/uploads/2023/02/Fee-Schedule-2023.pdf>

<sup>6</sup> See: <https://www.telecoms.gov.bb/Documents/Regulations/2003/si78.pdf>

<sup>7</sup> See: <https://www.ectel.int/wp-content/uploads/2015/12/SLU-sro-60-2014-fees.pdf>

<sup>8</sup> See: <https://telecoms.gov.qy/feestructures>

<sup>9</sup> See: <https://sma.gov.jm/aeronautical/>

## b) Jurisdiction Type 2

Country	Licence Type (per annum)
	Private & Commercial Aircraft
Bermuda <sup>10</sup>	BM/US\$400.00
Renewal	Same

Country	Aircraft Station
Ireland <sup>11</sup>	EUR100.00 ~ US\$118.00
Renewal	EUR109.00 ~ US\$128.00

Country	Licence Type (per Annum)		
	Aircraft station (less than 3200kg)	Aircraft station (more than 3200Kg and less than 14000Kg)	Aircraft station (more than 14000Kg)
Malta <sup>12</sup>	EUR46.50 ~ US\$59.19	EUR300.00 ~ US\$349.63	EUR580.00 ~ US\$675.95
Renewal	Same	Same	Same

## c) Jurisdiction Type 3

Country	Aircraft Station
USA <sup>13</sup>	US\$110
Renewal	Same

Country	Aircraft Station	Ground To Air (per Station)
Canada <sup>14</sup>	US\$32	US\$35
Renewal	Same	Same

Country	Licence Type (per Annum)		
	Aircraft station (less than 200kg)	Aircraft station (more than 3200Kg and less than 14000Kg)	Aircraft station (more than 14000Kg)
United Kingdom <sup>15</sup>	UK£20.00 ~ US\$26.83	UK£150.00 ~ US\$201.22	UK£350.00 ~ US\$69.51
Renewal	Same	Same	Same

<sup>10</sup> See: <https://www.ra.bm/licences/electronic-communications-licences/radio-licences#class-6>

<sup>11</sup> See: <https://www.comreg.ie/industry/radio-spectrum/licensing/search-licence-type/aircraft-radio/>

<sup>12</sup> See:

<https://www.mca.org.mt/sites/default/files/pageattachments/Aircraft%20radio%20station%20licence%20application.pdf>

<sup>13</sup> See: <https://wireless.fcc.gov/feesforms/feeguide/services/aircraft.pdf>

<sup>14</sup> See: <https://ised-isde.canada.ca/site/spectrum-management-telecommunications/en/licences-and-certificates/radiocom-information-circulars-ric/ric-42-guide-calculating-radio-licence-fees>

<sup>15</sup> See: <https://www.ofcom.org.uk/manage-your-licence/radiocommunication-licences/aeronautical-licensing/licence-fees-calculator>

## E.2 Summary overview of Fees Across Jurisdictions (US\$ Equivalent)

22. The table below presents confirmed aircraft radio licence fees in US\$ for various jurisdictions, compared against the Cayman Islands' proposed fee of CI\$300.00 (US\$366.00).

Country	Fee (US\$)	% of Cayman Proposed Fee	Notes
<b>Cayman Islands (Proposed)</b>	\$366.00	100%	Proposed flat rate for all aircraft types, based on a cost recovery analysis including staff, overhead, and IT costs and value of the licence.
<b>St. Lucia</b>	\$183.00	50%	Flat rate. No differentiation by aircraft size
<b>Barbados</b>	\$200.00	55%	Flat rate. No differentiation by aircraft size
<b>Guyana</b>	\$115.00 - \$230.00	32% - 62.9%	Fees based on aircraft weight class
<b>Jamaica</b>	\$160.00	44%	Flat rate. Single-tier structure
<b>Canada</b>	\$32.00	8.7%	Flat rate. Large scale with automation
<b>UK</b>	\$26.83 - \$469.51	7.3% - 128.3%	Fees based on aircraft weight class
<b>Ireland</b>	\$118.00	32%	Flat rate. Single-tier structure
<b>Malta</b>	\$59.19 - \$675.95	16.2% - 185%	Fees based on aircraft weight class
<b>Bahamas</b>	\$200.00	55%	Tiered structure. Lowest tier used.
<b>Bermuda</b>	\$400.00	109%	Flat rate. No differentiation by aircraft size
<b>USA</b>	\$110.00	30.1%	Flat rate. No differentiation by aircraft size

## E.3. Benchmark Summary

23. Having reviewed Aircraft Radio licence fees across eleven jurisdictions, the analysis reveals considerable variation in fee structures and pricing approaches. The following presents the key findings in relation to the Cayman Islands' proposed revised fee:

1. The Office's proposed fee of CI\$300.00 is reasonably priced within the Caribbean.
2. Countries with significantly lower fees (e.g., Canada, Ireland, Malta, UK) typically benefit from:
  - a. Higher volume of applications and aircraft licensed.
  - b. Centralised digital platforms.

3. Countries like the UK and Malta have tiered pricing based on aircraft weight, making larger aircraft significantly more expensive.
4. Some countries apply broader or tiered structures; however, URCO's proposed new fees are within the lower ranges of their fees.

#### E.4. Factors that may contribute to fee variations

24. The benchmarking exercise revealed various underlying factors that explain the substantial differences in fee structures observed across different jurisdictions. Although Aircraft Radio licensing fulfils a comparable regulatory function, the fees imposed vary significantly. These discrepancies are indicative of the distinct fee structures employed by regulatory authorities to finance their operations and to effectively leverage technology in delivering licensing services. The primary factors contributing to these fee differences are:

- Scale of Operations: Larger economies (e.g., UK, Canada) distribute costs across a greater number of licences.
- Digital Efficiencies: Automated systems reduce admin overhead in countries like Canada.
- Tiered Models: Countries such as the UK and Malta tailor fees based on aircraft size or usage category.
- Government Subsidies: Some countries may offset regulatory costs with government support.

#### E.5. Conclusion

25. The Office recognises that any fee increase may have an impact on licensees. However, aircraft ownership and operation involve a range of costs, and the proposed annual fee represents a relatively small component of overall operating expenses. The Office considers the revision necessary to ensure the sustainability of licensing services while remaining proportionate and administratively straightforward.

26. Benchmarking indicates that aircraft radio licence fees vary considerably across jurisdictions due to differences in market size, regulatory scope, cost structures, and levels of automation. The proposed fee for the Cayman Islands falls within the range observed internationally and remains proportionate given the scale of the local market and the Office's responsibilities.

27. The analysis supports the view that the proposed revision is reasonable and consistent with international regulatory practice.

## F. Consultation Questions

28. The Office invites all interested parties to submit their comments, with supporting evidence, on the following question:

Q1: Do you have any comments regarding the proposed changes to aircraft radio licence fees?

## G. How to Respond to this Consultation

29. This consultation is conducted in accordance with the Consultation Procedure Guidelines (Revision 2022).<sup>16</sup>
30. All submissions on this consultation should be made in writing, and must be received by the Office by **5 p.m. on 10 April 2026** at the latest. If you wish to file any information in confidence with the Office, you should, at the time of submitting your response, also file redacted versions for the public record along with the reasons for each confidentiality claim and the other requirements for confidentiality claims as specified in section 107 of the URC Act.
31. Submissions may be filed as follows:

By e-mail to:  
[consultations@ofreg.ky](mailto:consultations@ofreg.ky)

Or by post to:  
Utility Regulation and Competition Office  
P.O. Box 10189  
Grand Cayman KY1- 1002  
CAYMAN ISLANDS

Or by courier to:  
Utility Regulation and Competition Office  
3rd Floor, Monaco Towers II  
11 Dr Roy's Drive  
George Town  
Grand Cayman  
CAYMAN ISLANDS

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<sup>16</sup> See the OF 2022-G1-Guidelines 'Consultation Procedure Guidelines (Revision 2022)' at: <https://www.ofreg.ky/viewPDF/documents/consultations/2022-07-04-05-36-02-OF-2022---G1---Consultation-Procedure-Guidelines.pdf>