# THE UNITED REPUBLIC OF TANZANIA TANZANIA COMMUNICATIONS REGULATORY AUTHORITY



## GUIDELINES AND PROCEDURES FOR LICENSING ELECTRONIC AND POSTAL COMMUNICATIONS IN TANZANIA

# MADE UNDER THE TANZANIA COMMUNICATIONS REGULATORY AUTHORITY ACT NO. 12 OF 2003

### Issued by:

DIRECTOR GENERAL
TANZANIA COMMUNICATIONS REGULATORY AUTHORITY **DAR ES SALAAM** 

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#### 1.0 INTRODUCTION:

In exercise of the powers conferred by the Tanzania Communications Regulatory Authority Act, 2003, Tanzania Communications Act, 1993 and the Tanzania Broadcasting services Act, 1993, the Tanzania Communications Regulatory Authority (hereinafter referred to as the "Authority") issues these guidelines for granting electronic and postal communication Licences in the United Republic of Tanzania.

The pace of technologies development in the fields of telecommunications, broadcasting and computers has created an info- communications industry that requires new regulatory approach on facility, transmission, switching and access of information and communications networks. The increased requirement for communication has resulted in the need for flexible and easy communication facilities that are user-friendly and above all efficient and economically accessible.

The recent institutional reform that converged Telecommunications and Broadcasting Regulatory bodies has changed the total picture of the conventional telecommunications and broadcasting as well as their corresponding regulations and services.

The demand for the communications services has been growing rapidly in both developing and developed countries. It is this unprecedented demand growth that prompted the Tanzania Communications Regulatory Authority to introduce new services in various market segments.

It is in this regard these guidelines have been prepared to address the converged licence framework and, in order to facilitate smooth entry into these new services.

#### 2.0 CATEGORIES OF THE LICENCES

- 2.1 The new converged licensing framework of Tanzania includes the following four categories of licences:-
  - (i) **Network Facility Licence (NF)**; this licence authorizes ownership and control of electronic communication infrastructure. Examples of facilities within the scope of this licence include Earth Stations, Fixed links and cables, Public Payphone facilities, Radio communications transmitters and links, Satellite hubs, Satellite control station, Space station, Submarine cable landing centre, Switching centre, Tower, poles, ducts and pits used in conjunction with other network facilities.
  - (ii) **Network Service Licence (NS)** gives authorization to operate electronic communication networks in order to deliver services.

- Examples of network services are Bandwidth services, Broadcasting distribution services, Cellular mobile services, Access applications service, Space Segment Services.
- (iii) **Application Service Licence (AS)** This licence authorizes reselling or procurement of services from Network Service operators. The salient feature of this licence is that the licensee does not own network infrastructure nor operate network. Examples are internet providers, virtual mobile provider, payphone services, PSTN, Public cellular services, IP telephony, Public payphone service, Public switched data service.
- (iv) **Content Service Licence (CS)** Authorizes the provision of content such as Satellite broadcasting, Broadcasting Terrestrial free to air TV, Terrestrial radio broadcasting and other electronic media.

#### **OTHER LICENCES CATEGORIES**

- 2.2 There are six (6) licence categories issued by the Authority that do not fall under the converged licensing framework. These are:-
  - (i) **Postal Services Licence-** authorises the provision of postal services.
  - (ii) **Courier Service licence** give the authorization to provide courier services.
  - (iii) Radio Communications and Frequency Spectrum User Licence authorizes the Licensee to use frequency spectrum resource and own radio communication station(s).
  - (iv) **Installation and Maintenance Licence** Authorises the installation and maintenance of electronic communication equipment and network.
  - (v) **Importation and Distribution Licence** Authorises Importation and distribution of electronic communication equipment.
  - (vi) Equipment Certification Licence authorizes the electronic communication equipment to operate in the United Republic of Tanzania.
  - (vii) **Numbering and Electronic Address Licence** authorizes the use of scarce resources of subscriber numbers and electronics addresses.
- 2.3 The new licensing framework of postal and courier operators in Tanzania include six categories of licences as follows:-
  - (i) **Public Postal Operator** providing the following services:

Basic postal service, basic courier service, postal financial service, any other services contained in the postal law or regulations

(ii) **International Courier Service** – providing the following services:

Import and export of documents and parcels, timed sensitive courier items, pick up and home delivery services, domestic services

(iii) **Regional Courier Operator** (East Africa) - providing the following services:

Collection, conveyance and distribution/delivery of courier items within East Africa (Tanzania, Kenya and Uganda)

- (iv) **Domestic Courier Service** Can be an agent for distribution in Tanzania of courier items of a courier company abroad.
- (v) **Intracity Courier** providing the following services:

Collection, conveyance and distribution/delivery of courier items within East Africa (Tanzania, Kenya and Uganda)

(vi) **Intercity Courier** - providing the following services:

Collection, conveyance and distribution/delivery of courier items within two cities in the United Republic of Tanzania.

#### **MARKET SEGMENTS**

- 2.4 The four licence categories (NF, NS, AS, and CS) in the converged licensing frame are further subdivided into four market segments to reflect their corresponding market as follows:-
  - 2.4.1 **International Market Segment** Licensee is authorized to offer services from one or more of the four licence category to International market.
  - 2.4.2 **National Market segment:** Licensee is authorized to provide his services national wide.
  - 2.4.3 **Regional Market segment** Licensee is authorized to provider service in an administrative region.
  - 2.4.4 **District Market segment** Licensee is authorized to provide services in an administrative district.

#### LICENCE CLASSIFICATION

- 2.5 In the bid to simplify both licence document and licensing process, the new licensing framework has classified licences in three groups:-
- 2.5.1 Individual licence: Licences issued under this group are those which have big economical and social impact and regulatory obligations. Example; Earth Stations, Fixed links and cables Public Payphone facilities, Radio communications transmitters and links, Satellite hubs, Satellite control station, Space station, Submarine cable landing centre, Switching centre, Tower, poles, ducts and pits used in conjunction with other network facilities, Bandwidth services, Broadcasting distribution services, Cellular mobile services, Access applications service, PSTN, Public cellular services, IP telephony, Public payphone service, Satellite broadcasting, Broadcasting Terrestrial free to air TV, Terrestrial radio broadcasting, Public switched data service, Space Service.

These licences shall be issued conditionally through competitive process.

- **2.5.2 Class Licence:** are type of licences which have lesser social and economic impact. These licences may be issued unconditionally.
- **2.5.3 Exempt Licence:** These licence need only registration with the Authority.

#### 3.0 GENERAL GUIDELINES

3.1 An applicant shall be required to obtain and fill an application form which is available at the Authority's office or TCRA website (www.tcra.go.tz) at an appropriate non-refundable application fee.

For inststance licence categories (NF, NS, AS, and CS) Form FSA attached hereto shall be applicable, and for the other licence categories other application forms will be applicable.

- 3.2 The applicant shall submit a duly filled application form addressed to the Authority together with the following documents namely:-
  - (a) Receipt for application form
  - (b) A certified copy of certificate of Incorporation or Registration
  - (c) Business plan for proposed services
  - (d) Information on technical proposal of the services to be provided
  - (e) Information on previous experience in the provision of the services
  - (f) Company profile

- 3.3 Where necessary the applicant will be advised of the category and licence fee payable
- 3.4 The Authority shall satisfy that an applicant is fit and proper person to hold a licence and is not disqualified.
- 3.5 The applicant must notify the Authority, any material change affecting his application including any change in shareholding and structure.
- 3.6 The Authority may require the applicant to furnish additional information to his application.
- 3.7 The Authority will publish in any newspaper a notice of every application it received for the issue of licence. Any person may, within fourteen days of the publication of the notice lodge with the Authority written representations if he opposes the grant of a licence.
- 3.8 The authority will take into account representations made to it by members of the public with regard to the application.
- 3.9 If the Authority finds out during consideration of an application that the material particular or the applicant has withheld material information it may reject the application. Other wise the applicant shall be awarded licence.
- 3.10 from the date of the award failure of which the licence shall lapse The successful applicant shall secure the grant of his licence not later than four months.
- 3.11 Every licence shall bear the seal of the Authority.
- 3.12 The licensee shall pay to the Authority such fees as the Authority may determine in US dollars or in the equivalent to the local currency.
- 3.13 The licensee is required to comply with the requirements of the Acts and the licence conditions.
- 3.14 The Authority will issue a license having a term of five or more years to successful applicant with prior consultation with the Minister and the relevant sector Minister.
- 3.15 The Authority shall conduct an inquiry before granting a licence with universal service obligation in accordance with the section 18 of the TCRA Act, 2003 and the Rules of Inquiry, 2004.

- 3.16 The Authority shall consider an application within sixty days and may either grant a licence or refuse the application. If granted the licence, the licensee shall pay the relevant fees.
- 3.17 The successful applicant shall secure the grant of licence not latter than four months from the date of the award failure of which the licence shall lapse.

#### 4.0 SPECIFIC GUIDELINES FOR INDIVIDUAL LICENCES

#### 4.1 **NETWORK FACILITY SERVICES**

An applicant applying for this licence shall, in addition to conditions set out under 3.1, and 3.2 submit the following;

- a) Technical specifications for interoperability and compatibility of the system with other systems;
- b) Network roll-out plan and its implementation schedule.
- c) Tariff structure.
- d) Availability of emergency services.
- e) Network plan and construction
- f) Performance guarantee

#### 4.2 **NETWORK SERVICES**

An applicant applying for this licence shall, in addition to conditions set out under 3.1, and 3.2 submit the following;

- a) Interoperability and compatibility of the system with other systems;
- b) Tariff structure;
- c) Availability of emergency services.

#### 4.3 **CONTENT SERVICES**

An applicant applying for this licence shall, in addition to conditions set out under 3.1, and 3.2 submit the following:

(i) A valid trading licence

- (ii) Applications for licences must be :-
  - Accompanied by a summary of essential features of the application,

## 4.4 IMPORTATION AND DISTRIBUTION OF TELECOMMUNICATION AND BROADCASTING EQUIPMENT.

An applicant applying for this licence shall comply with the conditions set out under 3.1, and 3.2 above.

## 4.5 INSTALLATION AND MAINTENANCE OF TELECOMMUNICATION AND BROADCASTING EQUIPMENT.

An applicant applying for this licence shall comply with the conditions set out under 3.1, and 3.2 above.

#### **5.0 LICENCE FEES**

Where applicable the licensee shall pay to the Authority such fees as prescribed by the Authority.

### 6.0 LICENSING PROCEDURE AND PROCESS

- 6.1 The process for licensing individual **licence categories** (NF, NS, AS, and CS) is as follows:
  - a) Applicant shall submit an application or tender documents as called for by the Authority.
  - b) The Regulatory Authority shall inform the applicant within 28 days that the application has been registered.
  - c) The applications(s) or tender documents will be evaluated by the Authority
  - d) The Authority will publish in any newspaper a notice of every application it received for the issue of licence.
  - e) Any person may, within fourteen days of the publication of the notice lodge with the Authority written representations if he opposes the grant of a licence.
  - f) The Authority shall make prior consultation with the Minister and the relevant sector Minister before issuing a license having a term of five or more years.
  - g) The Authority shall consider an application within sixty days and

may either grant a licence or refuse the application

- 6.2 For the case of content service licence, upon application;
  - (i) The Authority shall satisfy that an applicant is fit and proper person to hold a licence and is not disqualified.
  - (ii) The applicant must notify the Authority, any material change affecting his application including any change in shareholding and structure.
  - (iii) The Authority may require the applicant to furnish additional information to his application.
  - (iv) The Authority shall seek a meeting (or meetings) with an applicant to get clarification on any aspects of the application – not less than 2/3 of the members of the Board are required at the meetings.
  - (v) The authority will take into account representations made to it by members of the public with regard to the application.
  - (vi) If the Authority finds out during consideration of an application that the material particular or the applicant has withheld material information it may reject the application. Other wise the applicant shall be awarded licence.
  - (vii) The successful applicant shall secure the grant of his licence not later than four months from the date of the award failure of which the licence shall lapse.
  - (viii) The licensee shall pay to the Authority such fees as the Authority may determine in US dollars or in the equivalent to the local currency.
  - (ix) The licensee is required to pay the Authority on the commencement of the licence period and on each anniversary as contribution towards the development of the broadcasting industry in the country as the Authority may specify and notify the licensee.
- 6.3 For the case of postal and courier licences upon application he Authority will verify the following details with regard to eligible applicants:
  - (i) The registration of the applicant with the Tanzania Revenue Authority for tax purpose

- (ii) At least 35% of the applicant's shares are owned by locals (Tanzanian).
- (iii) Applicant's permanent office, well ventilated with secure storage facilities
- (iv) Applicant's adequate transportation e.g. motor vehicles, motorbikes etc.
- (v) Applicant's possession of tracing and tracking system for mail.
- (vi) The Regulatory Authority shall inform the applicant within 28 days that the application has been registered.
- (vii) The Authority will send a team of inspectors to applicant's premises to verify contents in the application form.

#### 7. REVIEW OF THE GUIDELINES

The Authority may from time to time review or amend these guidelines.

ISSUED BY
THE DIRECTOR GENERAL
TANZANIA COMMUNICATION REGULATORY AUTHORITY