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ETHIOPIAN
COMMUNICATIONS AUTHORITY

**TELECOMMUNICATIONS
LICENSING DIRECTIVE
No. 792/2021**

2021

TELECOMMUNICATIONS LICENSING DIRECTIVE

WHEREAS a legal framework for licensing that will allow for an effective and efficient licensing process is necessary for the operation of Telecommunications systems, infrastructures, and Telecommunications Services;

UNDERSTANDING the requirement to formulate a framework that allows the Authority to supervise Telecommunications Operators and modify, renew, suspend, and revoke licenses;

RECOGNIZING the importance of distinguishing between the various types of licenses, including class and individual licenses, and the terms and conditions that accompany them;

NOW, THEREFORE, the Authority hereby issues Telecommunications Licensing Directive in accordance with Ethiopian Communication Service Proclamation No.1148/2019, Articles 6(2), 6(7), 20(2), 20(4), and 52(4).

PART ONE GENERAL

1. **Short Title**

This Directive may be cited as “Telecommunications Licensing Directive No. 792/2021”

2. **Definitions**

1148/2019. In this Directive, unless the context otherwise requires:

- 1) “**Applicant**” means a person who applies to the Authority to obtain a License.
- 2) “**Authority**” shall mean the Ethiopian Communications Authority established under Article 3 of the Proclamation.
- 3) “**Call Center Service License**” means a License issued by the Authority for the provision of receiving or transmitting enquiries by telephone, web or email to be outsourced to other service centers for customer interaction with third party agencies.
- 4) “**Class License**” means a License that authorizes any Person that complies with the basic terms and conditions of the authorization to provide a telecommunications service and/or use frequencies without the need for an Individual License.
- 5) “**Data Center Service Provider License**” means a License issued by the Authority for the provision of services and facility-related components or activities that support the implementation, maintenance, operation, and leasing of a data center, which is an environment that provides processing, storage, networking, management and the distribution of data.
- 6) “**Electronic Governance Services**” means any service rendered by government institutions within a closed user domain in order to better deliver electronic services within their mandates; services including but not limited to governance, social services, including agriculture, education, and health.
- 7) “**Fixed Network**” means all wired networks that are used for voice, data, and broadband communications.
- 8) “**Global Mobile Personal Communications by a Satellite Service (GMPCS) License**” means a landing right authorization issued by the Authority for the

provision of satellite mobile voice, internet, and data services without having an infrastructure or network facility in Ethiopia.

- 9) “**Hosting Service Provider (HSP) License**” means a License issued by the Authority for the provision of application services dedicated to providing hosting services for a pool of remote, internet-based Information Technology resources to organizations and individuals either at a data center or collocation facility.
- 10) “**Individual License**” means a License granted by means of a competitive licensing process, which involves the selection of one or more operators from a group of applicants for a limited number of Licenses.
- 11) “**Indoor Telecommunications Facilities Installation and Maintenance Works License**” means a License issued by the Authority for the installation or maintenance of Telecommunications cable, data network in a house, building, or campus and shall include installing Private Branch Exchange (PBX) and telephone distribution terminals.
- 12) “**Internet Exchange Point (IXP)**” means a network facility that enables the interconnection of two or more independent Autonomous Systems, primarily for the purpose of facilitating the exchange of Internet traffic.”
- 13) “**Internet Exchange Point (IXP) License**” means a License issued by the Authority for the provision of a physical infrastructure through which Internet networks (Autonomous Systems) exchange traffic.
- 14) “**International Gateway License**” means a License issued by the Authority for the provision of international voice, internet and data services or international transmission capacity through microwave, submarine cables/fiber, terrestrial cables/fiber or satellites, and for voice services using IP connectivity to deliver Voice over Internet Protocol (VoIP) services.
- 15) “**Internet Service Provider License**” means a License issued by the Authority for the provision of Internet access or service including VoIP services using own or leased Infrastructure.
- 16) “**ISM Bands**” means blocks of frequency bands for industrial, scientific and medical applications designated according to the International Telecommunications Union (ITU).
- 17) “**License**” means a License issued by the Authority.
- 18) “**Licensee**” means a person who has been issued a License by the Authority.
- 19) “**Mobile Network**” means a Cellular Mobile Network to provide any Telecommunications Service including voice, text, data, and video using any generation of wireless technologies anywhere within Ethiopia, and to send and receive Telecommunications services to and from outside Ethiopia.
- 20) “**Outdoor Telecommunication Facilities Installation and Maintenance Works License**” means a License issued by the Authority for the installation and maintenance of Telecommunications towers, primary or secondary cables, last mile connectivity, optical fiber backbone, and fiber or fixed wireless networks establishing connectivity between the local exchange facility and the premises.

- 21) “**Land Mobile Radio (LMR) License**” means a License issued by the Authority to install and operate a fixed, mobile, and portable communication radio service that is operated for noncommercial private use.
- 22) “**Private Network/Closed User Group/ Service License**” means an authorization from the Authority to operate and use a Private Network within a Closed User Group in Ethiopia by obtaining telecommunications facilities from duly licensed Telecommunications operators to carry intra corporate data, voice, and video traffic. However, providers of Private Network Services cannot resell telecommunications services to the public.
- 23) “**Proclamation**” means the Communications Service Proclamation No. 1148/2019.
- 24) “**Radio Frequency Spectrum License**” means a License issued by the Authority granting the Licensee permission to use a portion of the radio frequency spectrum nationally or in a given geographical area for the provision of Telecommunications, broadcasting, or any other radiocommunication services, or for private use.
- 25) “**Satellite News Gathering (SNG) Service License**” means a License issued by the Authority for the operation of satellite news gathering equipment.
- 26) “**Unified Telecommunications Operator License**” means a License issued by the Authority for the planning, building, operating, and maintaining of any mobile and fixed networks that includes switched networks, irrespective of media (wireline – copper, fiber, cable, wireless, satellite), international gateways, internet exchanges and technology capable of offering any electronic communication services including, but not limited to, voice inclusive of internet telephony, data, text, and video embracing the principles of technology and service neutrality anywhere within Ethiopia, and to send and receive Telecommunications services to and from outside Ethiopia.
- 27) “**Telecommunications Value Added Service (VAS) License**” means a License issued by the Authority for the provision of non-core telecommunications services of network providers or value-added mobile, internet or fixed services, including premium rated services, as determined by the Authority from time to time.
- 28) “**Very Small Aperture Terminal (VSAT) License**” means a License issued by the Authority entitling the holder to install and use a network of VSATs for closed user groups operated for non-commercial private use.
- 29) “**Virtual Internet Service Provider License**” means a License issued by the Authority for the provision of internet access service to customers by leasing internet bandwidth or internet network equipment of a Unified Telecommunications Operator Licensee or Internet Service Provider.
- 30) “**Working Days**” means business working days only and shall not include Saturday, Sunday and any day that has been declared to be a public holiday by the Federal Democratic Republic of Ethiopia.

3. **Objective**

The objective of this Directive is to provide a licensing framework that will allow for an effective and efficient licensing process for Telecommunications Services as well as procedures in the Telecommunications sector for the operation of Telecommunications systems, infrastructures, and Telecommunications Services in the Federal Democratic Republic of Ethiopia.

4. **Scope of Application**

This Directive shall apply to the following categories of Licenses:

- 1) Individual Licenses;
- 2) Class Licenses;
- 3) Radio Frequency Spectrum, and Land Mobile Radio (LMR) Licenses; and,
- 4) Any other License category as may be determined and published by the Authority.

PART TWO
LICENSING REQUIREMENT, PROCESS, AND EXEMPTIONS

5. **License Requirement**

- 1) No person shall operate a Telecommunications Service or Network without obtaining a License or having been granted a License exemption from the Authority, consistent with the Proclamation and this Directive.
- 2) No person shall use the Radio Frequency Spectrum without obtaining a License from the Authority, consistent with the Proclamation and this Directive.
- 3) Notwithstanding Sub-Article (2) of this Article, users in some specific frequency bands may be exempted from the requirement of holding a License as expressly provided by the Authority in accordance with Article 6 of this Directive.
- 4) The Authority shall issue a license-exempt framework, specifying the operating parameters of devices accessing license-exempt bands.

6. **Exemptions from Licensing**

- 1) Notwithstanding Article 5 of this Directive, the Authority may issue an exemption order, pursuant to a transparent stakeholder consultation, to exempt a specified Telecommunications Service or class of persons from the requirement of holding a License.
- 2) The license exemptions shall address the needs of target persons who may wish to connect specifically defined communities as well as not-for-profit and/or social-purpose organizations to Telecommunications Services. A community shall, for this purpose, include a group of persons living in the same geographical location, having particular characteristics and interests in common.
- 3) The License exemption shall include Telecommunications Services for military, police, national security, and Electronic Governance Services.
- 4) When granting a License exemption, the Authority shall be guided by the principles provided in Article 20 (4) of the Proclamation.
- 5) The Authority shall, before granting an exemption order, ensure that the service to be provided will not interfere with or cause harm to Telecommunications Service providers or consumers.

7. **Scope of a License**

- 1) A Telecommunications Service Provider License issued by the Authority shall authorize its holder to own and operate a Telecommunications Network, and/or provide a Telecommunications Service as prescribed in the License conditions and terms.

- 2) A Licensee shall not provide any service or operate any facility that is not expressly permitted in its License.
- 3) A person or entity providing a service or facility that has not been designated as a licensable Telecommunications Service may continue with the provision of the service or facility on such terms and conditions pending the Authority's designation of the service or facility as a licensable Telecommunications Service and approval of a License for such service or facility once it has been designated as a licensable Telecommunications Service.

8. **License Application Conditions and Requirements**

- 1) An application for a License shall only be considered valid, if the Applicant:
 - a) Is registered under the commercial registration and business licensing and/or investment laws in force in the Federal Democratic Republic of Ethiopia;
 - b) Meets the Authority's technical requirements to operate such a License;
 - c) Possesses sufficient financial capacity to roll-out and operate a network and/or provide long-term Telecommunications Service to the satisfaction of the Authority; and,
 - d) In the case of a resource-dependent service, the Authority has determined the availability of such resource such as spectrum or numbering and that the Applicant has secured a reservation or assignment of such resource.
- 2) Every application for a Telecommunications License shall be made to the Authority in the prescribed application forms obtainable on the Authority's website or at its offices, accompanied with evidence of payment of the application fee required by the Authority and any other document as may be required.
- 3) The application for a License shall be submitted to the Authority with the following required information:
 - a) Registration or identification documents prescribed by the Authority;
 - b) Where applicable, a memorandum and articles of association, where applicable;
 - c) Where applicable, a list of names, nationality, address, number, and value of subscribed shares of shareholders;
 - d) The Applicant's mailing and/or physical address in Ethiopia;
 - e) Where applicable, a detailed business plan incorporating the proposed types of services, networks, and the geographic region covered by the service;
 - f) Where applicable, detailed description of the network and transmission systems the Applicant wishes to establish and operate, as well as a time schedule for implementation, date of operation, and network rollout;
 - g) Where applicable, information relating to the Applicant's previous experience in the management of the proposed Telecommunications network or the provision of the services for which a License is sought; and,
 - h) Information required by the Authority to demonstrate financial ability to roll-out and operate a network and/or provide long term service to the satisfaction of the Authority.

- 4) The Authority shall take all reasonable steps to ensure the confidentiality of the information gathered from the Applicants.

9. **Amendment of License Conditions**

- 1) The Authority may, from time to time, in compliance with Articles 34-37 of the Proclamation, amend License conditions to make the conditions of the license consistent with conditions being imposed generally in respect of all licenses issued in the same category, for the purpose of ensuring fair competition between licensees in that category.
- 2) Where the Authority proposes to amend any License condition, it shall notify all Licensees in writing of:
 - a) The reason(s) for the proposed amendment; and,
 - b) The date on which the proposed amendment is to take effect.
- 3) The Licensee may make written submissions to the Authority within but not later than sixty (60) working days from the date of the written notice.
- 4) Prior to making a final Decision regarding the proposed amendment, the Authority shall take into consideration any submission made by the affected Licensees or any other interested party and observing due process in an open and consultative manner.

10. **Additional Information and Documents Sought by the Authority**

- 1) The Authority may at any time after the receipt of an application for a License, request Applicants to give additional information or documents in support of the application.
- 2) Failure to provide the requested additional information or document within thirty (30) working days shall be deemed a withdrawal of that application.
- 3) Any information submitted in connection with an application shall be accurate. If the Authority determines any information or document submitted by an Applicant to be inaccurate, the Applicant shall be given thirty (30) working days to correct the information or document. Failure to correct the information and/or provide the requested information or document shall result in the rejection of the application.

11. **Obligation to Notify Changes to the Authority**

Once approved, a Licensee shall notify the Authority of any change or inaccuracy in its corporate details, the description and scope of a Telecommunications Network and/or Service run by it, or any other information submitted to the Authority.

12. **Existing License**

- 1) A person holding an existing License shall apply and obtain a new License in accordance with this Directive pursuant to the migration modalities to be issued by the Authority.
- 2) The incumbent Telecommunications Operator shall apply for and obtain a new License from the Authority pursuant to the provisions of this Directive.
- 3) At the time of application, the incumbent Telecommunications Operator shall be subject to a Frequency Spectrum Fee as determined by the Authority in the Radio Frequency Spectrum Usage Fees Directive.

- 4) Notwithstanding Sub-Article (2) of this Article, the new License for existing Telecommunications Operator shall be:
 - a) Issued without competitive selection, and,
 - b) Subject to re-assignment of the frequency spectrum bands.

**PART THREE
INDIVIDUAL LICENSES**

13. Methods for Issuing an Individual License

- 1) Telecommunications Services requiring Individual Licenses shall be those listed in Appendix A of this Directive.
- 2) The Authority may grant an Individual License using any of the following methods:
 - a) Auction;
 - b) Beauty Contest;
 - c) Hybrid of Beauty Contest and Auction; or,
 - d) Any other appropriate method.
- 3) Notwithstanding Sub-Article (2) of this Article and Articles 8, 9, and 10 of this Directive, the methods to be used and the associated licensing procedures for Individual Licenses for a Unified Telecommunications Operators which will be issued using a competitive bidding selection shall be determined in the public notice requesting License applications.

14. Time Required to Make a Determination for an Individual License

- 1) Within thirty (30) working days of receipt of the application, the Authority shall determine whether an individual License shall be granted and inform the Applicant of its Decision in writing.
- 2) The Authority reserves the right to extend the time within which it shall make a Decision, but not later than sixty (60) working days.

15. Processing of an Application

- 1) Once the Authority is satisfied with the application, it shall issue an Offer Letter to the Applicant, stipulating terms that are applicable to the particular License.
- 2) An Applicant shall pay the relevant License fee within sixty (60) working days of the receipt of the Offer Letter.

16. Radio Frequency Spectrum Dependent Individual License

The issuance of a License for a service that is Radio Frequency Spectrum-dependent shall:

- 1) Not convey an automatic assignment of the Radio Frequency Spectrum, unless the licenses are for Unified Telecommunications Operator Licenses or where the Authority assigns such Radio Frequency Spectrum for the Applicant; and,
- 2) Be conditional upon meeting the requirements for the assignment of a Radio Frequency Spectrum indicated in Part Five of this Directive.

17. Duration and Expiration of an Individual License

- 1) An Individual License issued under this Directive shall remain valid for a period of fifteen (15) years.
- 2) An Individual License shall expire unless renewed as provided in Article 18 of this Directive.
- 3) Where the Individual License is terminated at the expiration of its duration, the Individual Licensee shall immediately cease providing service upon the expiration of its License unless the Authority either permits or requires the Individual Licensee to continue providing service on a temporary basis.

18. Renewal of an Individual License

- 1) A renewal of an individual License for an additional period of fifteen (15) years is presumed to be provided where:
 - a) The Licensee has fulfilled every License obligation; and,
 - b) The Licensee has applied for renewal of its License with the necessary License renewal fees three (3) years prior to its expiration.
- 2) Should the Licensee of an Individual License opt not to renew its License, it shall fulfill the provisions of Article 24, Sub-Articles 1 (b), (c), and (d) of this Directive.

19. Surrender of Individual License

- 1) A Licensee who wishes to surrender a valid and subsisting Individual License shall:
 - a) Give the Authority not less than a one (1)-year notice of its intention to surrender the Individual License prior to the date of actual submission of the written notice or the date determined by the Licensee on which surrender of the License will take effect;
 - b) Provide written proof to the Authority that subscribers of the Licensee have been given a minimum of six (6) month notice of its intention to surrender the License and to terminate its operations;
 - c) Furnish the Authority with details of arrangements made to migrate existing subscribers to another Licensee before the effective date of surrender; and,
 - d) Provides an undertaking to the Authority that guarantees refunds to existing subscribers for prepaid services and has no outstanding obligation to any other Licensee or subscribers.
- 2) The Authority reserves the right to request any additional information or undertaking, as may be deemed necessary for proper consideration of an application to surrender a License.
- 3) The Authority may consider a Licensee's applications to extend the time to surrender a License.

PART FOUR
CLASS LICENSES

20. Application for a Class License

- 1) An application for a Class License shall be submitted to the Authority by completing relevant application forms, attaching required documents, and paying the required fees.
- 2) Telecommunications Services requiring Class Licenses shall be those listed in Appendix “B” of this Directive.

21. Time Needed to Make a Determination for a Class License

- 1) Within thirty (30) working days of receipt of the application, the Authority will determine whether a Class License shall be issued and will inform the Applicant of its Decision in writing.
- 2) The Authority reserves the right to extend the time within which it shall make a Decision, but not later than sixty (60) working days.

22. Duration and Expiration of a Class License

- 1) A Class License issued under this Directive shall, unless stated otherwise in the license conditions, remain valid for a period of fifteen (15) years.
- 2) A Class License shall expire unless renewed as provided in Article 23 of this Directive.
- 3) Where the Class License is terminated at the expiration of its duration, the Class Licensee shall immediately cease providing service upon the expiration of its License unless the Authority either permits or requires the Class Licensee to continue providing service on a temporary basis.

23. Renewal of a Class License

- 1) A Class License, unless stated otherwise in the license conditions, may be renewed for a period of fifteen (15) years where:
 - a) The Licensee has applied for renewal of its License with the necessary License renewal fees twelve (12) months prior to its expiration; and,
 - b) The Licensee has fulfilled every License obligation.
- 2) Should the Licensee of a Class License opt not to renew its License, it shall fulfill the provisions of Article 24 Sub-Articles 1 (b), (c) and (d) of this Directive, as applicable.

24. Surrender of a Class License

- 1) A Licensee who wishes to surrender a valid and subsisting Class License shall:
 - a) Give the Authority not less than a six (6) month notice of its intention to surrender the Class License prior to the date of actual submission of the written notice or the date determined by the License on which surrender of the License will take effect;
 - b) Provide written proof to the Authority that subscribers of the Licensee have been given a minimum of three (3) month notice of its intention to surrender the License and to terminate its operations;

- c) Furnish the Authority with details of arrangements made to migrate existing subscribers to another Licensee before the effective date of surrender; and,
 - d) Provides an undertaking to the Authority that guarantees refunds to existing subscribers for prepaid services and has no outstanding obligation to any other Licensee or subscribers.
- 2) The Authority reserves the right to request any additional information or undertaking, as may be deemed necessary for proper consideration of an application to surrender a License.
 - 3) The Authority may consider a Licensee's applications to extend the time to surrender a License.

PART FIVE
RADIO FREQUENCY SPECTRUM LICENSES

25. Application and Processing of Radio Frequency Spectrum License

- 1) An application for a Radio Frequency Spectrum License shall be submitted to the Authority in the prescribed application form, obtainable from the Authority's website or any of its offices, accompanied with evidence of payment of the application fee determined by the Authority and any other required documents.
- 2) Once the Authority receives an application for a Radio Frequency Spectrum License, the Authority shall:
 - a) Within seven (7) working days, notify the Applicant if the application is complete or if any additional information is required; and,
 - b) Once the application is complete, the Authority will inform the Applicant of its determination within thirty (30) working days.
- 3) Notwithstanding the requirements set forth in Sub-Article (2) of this Article, the Authority reserves the right to extend the time within which it shall make a Decision, but not later than sixty (60) working days of the application.
- 4) Notwithstanding Sub-Article (1) of this Article, the Radio Frequency Spectrum for Individual Licenses for a Unified Telecommunications Operator shall be assigned or re-assigned at the time of License award.
- 5) Notwithstanding Sub-Article (1) of this Article, ISM bands in 2.4 GHz and 5 GHz that will be used for Wi-Fi, RFID and other low-power short-range devices and services shall be unlicensed.

26. Methods of Radio Frequency Spectrum Licensing

- 1) The Authority may issue a Radio Frequency Spectrum License using any of the following methods:
 - a) First come, first served basis;
 - b) Auction;
 - c) Beauty Contest;
 - d) Hybrid of Beauty Contest and Auction; or,
 - e) Administrative assignment or re-assignment.

- 2) Notwithstanding Sub-Article (1) of this Article, Individual Licenses for a Unified Telecommunications Operator that will be issued using competitive selection shall be accompanied by even and adequate radio frequency spectrum allocation that is available to all new entrants at the time of License award.
- 3) The Radio Frequency Spectrum for the incumbent Telecommunications Operator shall be re-assigned administratively without competitive selection pursuant to the Authority's Radio Frequency Spectrum Management Directive.

27. Requirements for Issuance of a Radio Frequency Spectrum License

- 1) Without prejudice to Article 8 of this Directive, an application for issuance of a Radio Frequency Spectrum License may be accepted, where:
 - a) The Applicant is an entity lawfully registered under the commercial registration and business licensing and/or investment laws in force in the Federal Democratic Republic of Ethiopia;
 - b) The Applicant meets the Authority's requirements for operating such a Radio Frequency Spectrum as stipulated in the Radio Frequency Spectrum Management Directive;
 - c) The Radio Frequency Spectrum applied for is required to provide services under an Individual License or Class License issued to the applicant by the Authority, or for Land Mobile Radio Service or broadcasting service or any other service that needs assignment of Radio Frequency Spectrum pursuant to the Authority's National Table of Frequency allocation.; and,
 - d) The Radio Frequency Spectrum is available for assignment.
- 2) An application for a Radio Frequency Spectrum License shall be refused where:
 - a) The Authority does not possess any usable Radio Frequency Spectrum; or,
 - b) The Applicant fails to provide information that the Authority requires for the issuance of a License.
- 3) All Radio Frequency Spectrum Licenses shall be issued in compliance with the prescriptions of the National Frequency Allocation Plan.

28. Duration and Termination of a Radio Frequency Spectrum License

- 1) A Radio Frequency Spectrum License issued to a Unified Telecommunications Operator Licensee and Internet Service Provider Licensee shall remain valid for a period of fifteen (15) years from the date of issuance.
- 2) A Radio Frequency Spectrum License issued under this Directive for Land Mobile Radio Licenses (LMR) shall remain valid for a period of one (1) year from the date of Issuance.
- 3) A Radio Frequency Spectrum License shall expire unless renewed as provided in Article 29 of this Directive.

29. Renewal of a Radio Frequency Spectrum License

- 1) A Radio Frequency Spectrum License issued for a Land Mobile Radio (LMR) License shall be renewed for a period of one (1) year if the application for renewal by the Licensee is received by the Authority at least thirty (30) working days prior to the expiration date.

- 2) The Authority shall, at its discretion, renew a Radio Frequency Spectrum License upon evaluation of the effective use of such Radio Frequency Spectrum by the Licensee in accordance with the Radio Frequency Spectrum Management Directive or the conditions of the Radio Frequency Spectrum License.
- 3) The Authority reserves the right to refuse the renewal of a Radio Frequency Spectrum License for any valid technical and legal reasons.
- 4) Notwithstanding Sub-Articles (2) and (3) of this Article, a Unified Telecommunications Operator Licensee shall have a right of renewal of the Radio frequency Spectrum License for subsequent periods of fifteen (15) years unless the Licensee has been materially or persistently in breach of license conditions.
- 5) The Authority, when renewing the Radio Frequency Spectrum License for Unified Telecommunications Operator Licensees, shall reserve the right to adopt administered, competitive or hybrid renewal processes for some or all of the Radio Frequency Spectrum subject to renewal.
- 6) The Renewal of the Radio Frequency Spectrum for Unified Telecommunications Operator License at the end of the first and any subsequent terms is subject to paying the required renewal fee to be determined by the Authority.

30. Surrender of a Radio Frequency Spectrum License

- 1) A Radio Frequency Spectrum License may be surrendered by completing the forms provided for that purpose, obtainable from the Authority's website or any of its offices.
- 2) The surrender shall take effect from the date the letter of voluntary surrender by the Radio Frequency Spectrum Licensee is received by the Authority.
- 3) Any outstanding fee due to the Authority by the date of the surrender of a Radio Frequency Spectrum License shall be paid to the Authority.

31. Forfeiture of a Radio Frequency Spectrum License

- 1) Where a Licensee fails to renew its Radio Frequency Spectrum License, the Authority shall issue a reminder notifying the Licensee of the expiration of the Radio Frequency Spectrum License and demanding that an application for the renewal of License with the necessary payment be made within thirty (30) working days.
- 2) Where a Licensee fails to make the payment and file the application for renewal of the License within the prescribed period, the Authority shall issue a Notice of Forfeiture to the Licensee.
- 3) The Radio Frequency Spectrum fee to be paid at forfeiture shall be the amount due at the expiration of the period of the License.

32. Radio Frequency Spectrum Usage

- 1) A Licensee shall ensure that the Radio Frequency spectrum assigned to it by the Authority is efficiently utilized as provided in the Radio Spectrum Management Directive.
- 2) The Authority reserves the right to review and supervise the usage of the Radio Frequency Spectrum assigned to the Licensee.

PART SIX
CANCELLATION AND SUSPENSION OF LICENSES

33. Revocation of a License

- 1) Where a Licensee contravenes any provisions of this Directive, the Authority may revoke the License of the Licensee or impose a fine according to the provisions of Article 52 of the Proclamation.
- 2) When deciding to revoke a license the Authority shall consider the following:
 - a) Nature and gravity of the infraction;
 - b) Consequence of the infraction;
 - c) Circumstances under which the infraction occurred; and,
 - d) Steps taken to remedy the infraction.
- 3) A License may be revoked for any of the following grounds:
 - a) If the Licensee breaches the provisions of this Directive or other regulations and directives enacted under the Proclamation;
 - b) If the Licensee is in breach of any of the conditions attached to the License and fails to rectify the breach or reach an agreement with the Authority as to the process and timeline determined by the Authority for rectifying such breach;
 - c) If the Licensee stops performing the activity for which the License is granted for six (6) months;
 - d) If the licensee has engaged in fraud or submitted false information to the Authority or other agencies of the government in order to obtain the License;
 - e) If the License has expired and has not been renewed;
 - f) If the Licensee has filed for bankruptcy, liquidation or dissolution and/or has been unable to fulfill its financial and fiduciary duties;
 - g) If the Licensee fails to begin its operations within twelve (12) months of receiving its License or fails to meet the specified conditions of its License obligations;
 - h) If the Licensee engages in an act of conflict with the public interest;
 - i) If the Licensee transfers, re-assigns or leases the License without the prior approval of the Authority; and,
 - j) If the Licensee requests that the Authority to revoke its License.
- 3) Whenever the Authority proposes a notice of revocation to revoke a License, it shall so issue a notice of revocation to the Licensee and the Licensee shall be provided forty-five (45) working days to respond to the Authority's notice of intention to revoke a License.
- 4) The Authority shall promptly render a final Decision, taking into account any arguments the Licensee presents in opposition to the Authority's Decision to revoke its License.
- 5) If the Licensee fails to deliver a response within forty-five (45) working days, the Authority shall revoke the License and notify the Licensee in writing.

- 6) Any Licensee who disagrees with the Authority's decision to revoke the License may seek review of the Authority's decision or pursue an appeal pursuant to the Proclamation.

34. Suspension of a License

- 1) The Authority may suspend the License fully or in part for a period not exceeding six (6) months for the following reasons:
 - a) To examine the occurrence of any of the grounds stated under Article 33 of this Directive; or,
 - b) The Authority considers that the grounds are not sufficient to revoke the License; however, defects are required to be corrected within a specified time.
- 2) Whenever the Authority decides to suspend a License, it shall so notify the Licensee and provide a period of thirty (30) working days to respond to the Authority's Decision to suspend the License.
- 3) The Authority shall promptly render a final Decision, taking into account any arguments the Licensee presents in its response to the Authority's notification to suspend its License.
- 4) The Authority's Decision shall be in writing and indicate the grounds for suspension of the License and measures that the Licensee has to take to correct the defects within the time specified in the Decision.
- 5) Any Licensee aggrieved by a decision of the Authority to suspend the License may seek review of the decision of the Authority or pursue an appeal pursuant to the Proclamation.

35. Effect of License Revocation or Suspension

- 1) A Licensee whose License has been revoked or suspended shall cease its operations by fulfilling the following conditions:
 - a) Provide written proof to the Authority that subscribers of the Licensee have been given a minimum of six (6) month notice for Individual Licenses and a three (3) month notice for Class Licenses of its intention to terminate its operations;
 - b) Furnish the Authority with details of arrangements made to migrate existing subscribers and related records to another Licensee before the effective date of License revocation; and,
 - c) Provide an undertaking to the Authority that guarantees refunds to existing subscribers for prepaid services and has no outstanding obligation to any other Licensee or subscribers.
- 2) A Licensee is prohibited from performing any of the activities that have been the subject of the suspension.
- 3) Notwithstanding Sub-Article (1) of this Article, the Authority may authorize the Licensee in writing to carry on certain works for the purpose of winding up its affairs.

36. Return of a License

Where applicable, a Licensee whose License has been revoked in accordance with Article 33 of this Directive shall return the License to the Authority within ten (10) working days.

37. Lost License

- 1) Where applicable, if the Licensee has lost its License, it shall immediately notify the Authority of this fact in writing.
- 2) Where applicable, the Licensee shall submit an application for a replacement License accompanied by all documents as may be required by the Authority together with the prescribed fee.

**PART SEVEN
PROCEDURES FOR TRANSFER OF LICENSE AND SHARES**

38. Transfer or Re-assignment of a License

- 1) A Licensee shall not transfer or re-assign a License issued under this Directive without the written consent of the Authority.
- 2) The Authority may, when considering an application for the transfer or re-assignment, consider the same requirements and terms as if considering an application for the issuance of a new License.
- 3) The Authority shall communicate its Decision on an application for the transfer or re-assignment of a License to an Applicant within thirty (30) working days of receipt of the application stating the reasons for the Decision.
- 4) Where a Licensee applies for transfer or re-assignment of its License, it shall pay any outstanding fees due to the Authority.

39. Change in Shareholding

- 1) A Licensee shall seek the Authority's approval before consummating any proposed change in ownership, merger, or control of the License if the change in shareholding would increase the percentage holding of a shareholder already holding, or who, as a result of such sale or transfer, would hold (directly or indirectly), twenty-five percent (25%) or more of the issued shares then in issue having voting or economic rights in the Licensee.
- 2) The Authority shall notify the Applicant of its acceptance or refusal, stating the reasons for its Decision, within thirty (30) working days of receipt of the request for consent.
- 3) Where the Authority determines that the acquisition of ownership or control of the License is likely to lead to anti-competitiveness in that segment of the Telecommunications market, the Authority shall refuse the change in shareholding and notify the Applicant in writing, providing the reasons for the refusal.

**PART EIGHT
COMPLIANCE AND ENFORCEMENT**

40. Compliance

The Authority shall monitor a Licensee's compliance with the provisions of the Proclamation and this Directive.

41. Enforcement

- 1) Where the Authority, consistent with the provisions of this Directive, the Proclamation, and other instruments that the Authority may issue, determines that a Licensee has violated the provisions of this Directive, it shall impose remedies pursuant to Article 52 of the Proclamation, that shall include:
 - a) Fines or restitution; and/or,
 - b) Suspension or revocation of a License.
- 2) Without prejudice to Articles 33-35 of this Directive and Sub-Article (1) of this Article, the Authority's remedies and sanctions shall be guided by the Council of Ministers Regulation issued pursuant to Article 52(6) of the Proclamation that determines the types of infractions that would result in license revocation, suspension, and other administrative measures and stipulate the penalties and the amount of fines to be paid.

**PART NINE
MISCELLANEOUS PROVISIONS**

42. Approvals from Other Government Agencies

- 1) A Licensee shall bear the responsibility of obtaining the approvals of other government agencies, local authorities, or other relevant authorities that may be required for the installation, placement, laying or maintenance of any facilities on, under, through or across any land or body of water.
- 2) Where required, the Authority shall provide its reasonable assistance to expedite the approval sought from other government agencies.

43. Conflict Between this Directive and License Conditions

Where any condition of a License is in conflict with any provision of this Directive, the provision(s) of this Directive shall prevail.

44. Register of Licenses

- 1) The Authority shall maintain a register containing:
 - a) All Individual, Class, and Radio Frequency Spectrum Licenses issued by the Authority; and,
 - b) The name and registered office of each Licensee.
- 2) The Authority shall make the register of Licenses publicly available on the Authority's website.

45. Prohibition of Use of License as Security

A Licensee shall not encumber, pledge, or otherwise use as security any License issued under this Directive for any purpose whatsoever without the prior written approval of the Authority.

46. Classification and Re-classification

- 1) The Authority, on its own accord, or in consultation with stakeholders, may classify or re-classify a Telecommunications Service referenced in this Directive.
- 2) Any existing License issued by the Authority that is affected by the classification or re-classification shall remain valid until the expiration date of that License.
- 3) A Licensee of any service affected by the provisions of such classification and/or re-classification shall be duly notified of this fact by the Authority in writing.
- 4) Where the Authority determines that a Telecommunications License may be classified or reclassified:
 - a) Under any of the categories of Licenses provided in Article 4 of this Directive, the basis for such classification or re-classification to the category shall be determined by the Authority; and
 - b) The Authority shall hold a consultative meeting with those Licensees affected by such Decision.

47. Operating Without a License

- 1) Any person who operates a Telecommunications Network and/or provides a Telecommunications Service without a valid License shall be liable to an administrative fine for the violation and an additional fine for each day that the violation persists after an order to desist has been issued by the Authority.
- 2) Any person who continues to operate a Telecommunications Network and/or provide a Telecommunications Service after the expiration of a duly issued License by the Authority shall be liable to an administrative fine equivalent to the initial fee for the relevant License and an additional fine for each day that the contravention persists after the expiration of the License, as established by the Regulation about infractions issued by the Council of Ministers.

48. Amendment

The Authority may, at any time, when it deems it necessary, amend this Directive by notifying all Licensees in advance and conducting a stakeholder consultation process in line with the provisions of the Proclamation.

49. Effective Date of this Directive

This Directive will come into force on _____, 2021.

DONE AT ADDIS ABABA ON _____ DAY OF _____ 2021

**ENG. BALCHA REBA
DIRECTOR GENERAL
ETHIOPIAN COMMUNICATIONS AUTHORITY**

APPENDICES

APPENDIX A **LIST OF INDIVIDUAL LICENSES**

1. Unified Telecommunications Service License
2. Internet Exchange Point (IXP) License
3. Any other undertaking that the Authority may from time to time determine as an Individual License

APPENDIX B **LIST OF CLASS LICENSES**

1. Internet Service Provider License
2. Data Center Service Provider License
3. Hosting Service Provider License
4. Call Center Service License
5. Telecommunications Value Added Service License
6. Virtual Internet Service Providers (VISP) License
7. Very Small Aperture Terminal (VSAT) License
8. Global Mobile Personal Communications by Satellite (GMPCS) Landing Right Authorization
9. Private Networks and Closed User Group (CUG) Authorization
10. Satellite News Gathering (SNG) License
11. Indoor Telecommunications Facilities Installation and Maintenance Works License
12. Outdoor Telecommunications Facilities Installation and Maintenance Works License
13. Any other Telecommunications undertaking that the Authority may from time to time determine as a Class License

APPENDIX C **OTHER LICENSES**

1. Radio Frequency Spectrum License
2. Land Mobile Radio (LMR) License