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ETHIOPIAN TELECOMMUNICATION AGENCY

Megabit 9, 1995 Draft

**LICENSE
DIRECTIVE FOR RESALE AND TELECENTER IN
TELECOMMUNICATION SERVICES**

**November 8, 2002
Addis Ababa**

WHEREAS, it is desirable to expand resale and telecenter services in order to achieve Universal Access in telecommunication services;

WHEREAS, telecenter establishment, in particular, make possible the provision of telecommunication services in under-serviced areas;

NOW, THEREFORE, in accordance with Article 10 Sub-Article 4 of Proclamation 49/1996 (as amended), the Ministry of Infrastructure has issued this Directive.

Article One

Short Title

This Directive may be cited as **“License Directive for Resale and Telecenter in Telecommunication Services No. 1/2002.”**

Article Two

Definitions

Without prejudice to the application to this Directive of the Definitions of the Telecommunication Proclamation No. 49/1996 (as amended) and Council of Ministers Regulations No 47/1999; in this Directive, unless the context requires otherwise;

1. **“Ministry”** shall mean Ministry of Infrastructure.
2. **“Agency”** shall mean Ethiopian Telecommunication Agency.
3. **“Telephone Resale Service”** shall mean local call, long distance call or international call services provided to a third party by charging service fees using fixed or cellular mobile phones. Where there is a special agreement, it shall also include the service of receiving message.
4. **“Fax Resale Service”** shall mean a service provided for a third party for sending or receiving fax messages by charging service fees.
5. **“Internet Resale Services”** shall mean an internet browsing or e-mail sending and receiving service provided for a third party by charging fees.
6. **“Telecenter”** shall mean a center where two or more telecommunication resale services are provided together at the same place.
7. **“Reseller”** shall mean a person that provides telecommunication resale service or establishes a telecenter on the basis of a license issued from the Agency.
8. **“Person”** shall mean natural or legal person.

9. “**Corporation**” shall mean an entity defined as the Sole Telecommunications Service Provider under Article 2 Sub-Article 3 of the Telecommunication Proclamation No. 49/1996 (as amended).

Article Three

Scope of Application

This Directive shall also be applicable on a person not engaged in profit making activities. Notwithstanding the foregoing, service fees charged by a non-profit making person may not exceed fees charged by the Corporation.

Article Four

Telecommunication Services Permitted for Resale

Telecommunication services permitted for resale are telephone, fax or internet services.

Article Five

License

1. A person that wishes to resale telecommunication services or establish a telecenter that are permitted under this Directive shall be obliged to obtain a license issued in accordance with this Directive.
2. A license shall only serve for the resale or telecenter service mentioned and address indicated in a license. A person that wishes to provide a resale or telecenter service in addresses other than the one mentioned in a license shall obtain a separate license for each address.
3. If a person is issued with a license for one type of resale service and wishes to provide one or more additional resale services, the person shall obtain a telecenter license from the Agency.
4. Without prejudice to the provision of Article 9 Sub-Article 6 of this Directive, a person with a telecenter license may afterward start to provide a resale service it has not yet start providing without the need to appear before the Agency.

Article Six

License Requirements

1. A telephone resale service license applicant shall at least have:
 - a. A telephone line,

- b. An equipment either installed in the phone or fixed on the phone from outside, which indicates the service time or service fee charged.
2. A fax resale service license applicant shall at least have a fax machine, a phone line and equipment either made with a fax machine or fixed on a fax machine from outside which indicates the service time or service fee charged.
3. An internet resale service license applicant shall at least have;
 - a. An internet account,
 - b. A computer with software capable of providing internet browsing and e-mail services and a modem,
 - c. A printer and
 - d. An equipment which indicates the service time and service fees charged.
4. If an applicant has a phone, fax or internet service which has already been in use and wishes to use one or all of these services for resale service, an applicant shall submit a resale service contract signed with the Corporation.
5. An applicant who is a trader shall produce a principal registration certificate from the concerned office in accordance with Article 5 Sub-Article 1 of Business Registration and License Proclamation No. 67/1997.

Article Seven
Application for, Issuance and Refusal of License

1. Any person, in order to be issued with a license in accordance with this Directive, shall submit its application to the Agency.
2. An application shall be submitted using the application form attached with this Directive as Annex I. The application form may, for practical purposes, be modified by the Agency.
3. If an applicant seeks the cooperation of the Agency in order to get a new telephone line or internet service, the Agency shall communicate the request of an applicant, by e-mail, fax, mail or in person, to a branch office of the Corporation situated at the address where the resale of the telecommunication service is to be provided, within not more than two working days.
4. A Branch Office of the Corporation shall respond to the Agency, within five days of receiving a letter from the Agency, whether the new telephone line or internet

service request forwarded by the Agency can be made available to the applicant. When the Corporation responds by stating that a line is not available or that it is not able to give the service, the Agency may verify the accuracy of the statement.

5. The period for signing resale service contract between an applicant and the Corporation shall not exceed three working days; starting from the time when an applicant appear to sign the contract.
6. If an applicant submits the following with the license application form indicated in Annex I of this Directive, the Agency shall issue a license in not more than one working day:
 - a. a contract signed with the Corporation;
 - b. the principal registration certificate as per Article 5 Sub-Article 1 of the Business Registration and License Proclamation No 67/1997, if an applicant is a trader;
 - c. Memorandum and Articles of Association, If an applicant is a business organization;
 - d. certificate of legal personality, If an applicant is not established for profit;
 - e. 2 photographs (portrait) of an applicant or, if the applicant is a business organization, 2 photographs (portraits) of the Manager.
7. If an applicant does not fulfill all the requirements of this Directive for the type of license applied for, the Agency shall refuse to grant a license. The Agency shall notify an applicant in writing, in not more than one working day, the reasons for its refusal.

Article Eight

License Fees, Validity Period, Renewal and Revocation of a License

1. A license issued by the Agency shall be valid for a period of one government fiscal year and shall be renewed every year from Hamle 1 to Hamle 30 Ethiopian calendar.
2. Upon issuance of a license, an applicant shall pay the following license fee to the Agency.
 - a. a person that intends to provide telephone, fax or internet resale service, separately shall pay Birr 150(One Hundred Fifty Birr).

- b. A person that undertakes to establish a telecenter shall pay Birr 200 (Two Hundred Birr).
3. When an applicant renews a license every year, the following fees shall be paid to the Agency:
 - a. Birr 30 (Thirty Birr) for the one mentioned under Sub-Article (2) (a) of this Article.
 - b. Birr 50 (Fifty Birr) for the one mentioned under Sub-Article (2) (b) of this Article.
4. Without prejudice to the provisions of Article 14 Sub-Article (1) and (6) of this Directive, if the Agency discovers that a licensee got the license by false or fraudulent document or if a licensee is bankrupt or quits operation or if the period of renewing the license has expired, a license shall be revoked.

Article Nine
Duties of a Licensee

1. A licensee shall comply with the provisions of this Directive and other relevant laws.
2. A licensee shall not provide a resale or telecenter service other than the services it is licensed for. It shall display, in a visible manner to the customers, the service fees of the telecommunication resale or telecenter service it provides at a place where it provides such service.
3. A licensee shall ensure that the telecommunication equipment it uses has got approval from the Agency in accordance with Article 14 of the Telecommunication Proclamation No. 49/1996.
4. A licensee shall not provide the service, if the time or price indicator is not functioning or out of order.
5. A resale or telecenter services licensee, after issued with a license, may increase the number of its phone lines or internet accounts. It shall notify the Agency, in writing, the newly added phone lines or list of internet accounts.
6. A telecenter licensee may, without the need of having another license, start to provide a resale service other than the one it notified at the time of issuance of a license. Notwithstanding this, it shall, in writing, notify the Agency the list of information of the newly started services.

7. The duty of notification as required under Sub-Article (5) and (6) of this Article shall, if delayed, be done at the time of renewal of a license.

Article Ten
Service Fees

1. The amount the Corporation charges the Reseller for the service it provides shall not be more than what it charges other customers.
2. For calls from fixed phone to mobile phone, for local calls, for long distance calls or for international calls, a Reseller shall charge in accordance with the tariff tables indicated in Annex III of this Directive.
3. Service fees for fax, internet and mobile phone resale services shall be determined by a Reseller.
4. Without prejudice to Article 11 Sub-Article 3 of this Directive, when telecommunication service fees are changed, the Corporation shall notify the Reseller by a public notice.

Article Eleven
Duties and Responsibilities of the Corporation

The Corporation:

1. shall install lines or provide services necessary to give resale services to a licensee that signed a contract with the Corporation.
2. shall cause a Reseller to sign a contract in accordance with a model contractual instrument attached with this Directive as Annex II.
3. shall give a Reseller, at the time of signing of the contract, the tariff it charges for calls from fixed phone to mobile phone, for local calls, for long distance calls and for international calls.
4. shall be responsible to repair immediately, by giving priority, any failure on the licensee's installed line or service and prepare the line for service. Time taken for such maintenance shall not exceed 2 days.
5. shall make no distinction among license holders.
6. shall support and cooperate with the Agency in its activities to ensure the implementation of this Directive. In particular, it shall cooperate with the Agency when the latter takes any measures in accordance with Article 14 of this Directive.

Article Twelve
Responsibility of the Agency

1. The Agency is the licensing and implementing authority of this Directive. It is also responsible to ensure the proper implementation of this Directive.
2. The Agency shall, in accordance with this Directive, take actions on licensee that violates the obligations set out in the Directive.
3. The Agency shall try to facilitate the expansion of telecenters.
4. The Agency, in order to ensure the compliance of the Directive, may carry out an inspection in a place where a licensee provides the service in accordance with the power given to it by Article 17 of Telecommunication Proclamation No. 49/1996.
5. In places where the Agency does not have branch offices, it may delegate its powers and duties given to it under this Directive to relevant government bodies.

Article Thirteen
Prohibitions

1. A licensee shall not provide services other than the ones listed under this Directive and in the contract entered with the Corporation by using the line installed by the Corporation.
2. The use of internet for sending voice or fax messages or the provision of such services is prohibited.
3. Where a licensee provides an internet resale service by one internet account for more than one user by connecting a network of two or more computers, the number of computers connected with one internet account shall not be more than five. This restriction shall not apply to computers connected to a leased (dedicated) line of a licensee that provides internet resale service using such leased (dedicated) line provided by the Corporation.
4. It is prohibited to provide internet resale services to resale customers other than the place where a licensee is granted to provide the service, using either cable or radio frequency.

Article Fourteen
Civil and Criminal Liability

1. The license of a licensee that violates Article 9 or 13 of this Directive shall be revoked by the Agency. The line installed by the Corporation for such resale service shall also be disconnected.
2. Without prejudice to Sub-Article 1 of this Article, a licensee that has violated Article 13 Sub-Article 1 and Sub-Article 2 of this Directive shall criminally be responsible in

- accordance with Article 25 Sub-Article 2 of the Telecommunication Proclamation No. 49/1996 (as amended).
3. The telecommunication service of the Corporation to a person that resale telecommunication services without a license in violation of Article 5 Sub-Article 1 of this Directive shall be disconnected. Such person shall criminally be responsible in accordance with Article 25 Sub-Article 1 of the Telecommunication Proclamation No. 49/1996 (as amended).
 4. A licensee that causes damage to the Corporation by violating this Directive shall be civilly liable to the extent of the damage done.
 5. The Agency may issue a license to a person whose license is revoked because of violation of this Directive; provided that one year has passed after the licensee paid compensation to the Corporation in accordance with the Ethiopian Civil Code and that person entered into a telecommunication resale service contract with the Corporation.
 6. The license of a licensee that becomes obstacle to or tried to obstruct the Agency's inspection power provided for, under Article 12 Sub-Article 4 of this Directive, shall be revoked. The telecommunication service it gets from the Corporation shall also be disconnected.

**Article Fifteen
Amendment of the Directive**

The Ministry may amend or change this Directive when it thinks necessary.

**Article Sixteen
Effective Date**

This Directive shall come into force as of the 8th day of November, 2002.

Done at Addis Ababa, on the 8th day of November, 2002

**Kassu Yilala (Dr.)
Minister of Infrastructure**

Telecommunication Resale Service License Application Form

1. Name of an Applicant: _____

2. Telecommunication service where license is applied for:

<u>Type of Resale</u>		<u>Number of internet account or telephone line of an applicant for the service</u>
-Telephone Resale Service	<input type="checkbox"/>	_____
-Fax Resale Service	<input type="checkbox"/>	_____
-Internet Resale Service	<input type="checkbox"/>	_____
-Telecenter Service	<input type="checkbox"/>	Phone _____
		Fax _____
		Internet _____

3. Address where the service is provided:

Region _____	P.O.Box _____	Tel. No. _____
Woreda _____	Kebele _____	Fax. _____
Town _____	HouseNo. _____	E-mail _____

4. State whether or not there is a resale contract with the Corporation for the resale service or Telecenter service applied for:

	Yes	No	if there is a resale contract state the number(s) or user name(s)
Telephone Resale Service	<input type="checkbox"/>	<input type="checkbox"/>	_____
Fax Resale Service	<input type="checkbox"/>	<input type="checkbox"/>	_____
Internet Resale Service	<input type="checkbox"/>	<input type="checkbox"/>	_____

I, the applicant, herewith apply for a license by certifying that the above-presented information is true and correct.

Name of an Applicant _____

Signature _____

Date _____

Notice: - If an applicant is a trader, it shall attach the principal registration certificate for which it is registered for business in accordance with Article 5 Sub-Articles 1 of the Business Registration and License Proclamation No. 67/1997.

-If an applicant is a business organization, it shall attach its Memorandum and Article of Association. If it is a non-profit organization, it shall attach certificate of registration granted to it.

-Two photographs (portrait) of the applicant shall be attached, or if the applicant is a business organization, two photographs (portrait) of the Manager shall be attached.

-If an applicant has entered into a resale service contract with the Corporation, it shall attach the contract.

-A single application form shall be used to apply for resale or telecenter services that are provided in one address only.

-If an applicant does not renew its license every year before Hamle 30, the license shall be revoked.

Telecommunication Resale Service Contract

This contract is signed between Ethiopian Telecommunication Corporation (herein after referred to as “Corporation”) and _____ (hereinafter referred to as “Reseller”) today _____ (date).

Article One

Purpose of the Contract

Purpose of the Contract

This contract

Type of Resale	Quantity	Telephone Number (s)	Internet user name(s)	If the Service is provided by networking, the Number of Computers Connected
<input type="checkbox"/> Telephone				
<input type="checkbox"/> Internet				
<input type="checkbox"/> Fax				

Article Two

Obligation of the Corporation

The Corporation:

- A. shall repair the service within not more than two days, if the service it provided for resale service becomes out of order because of a problem.
- B. shall do its best to make the service available when a Reseller requests for more telecommunication resale services.
- C. shall notify a Reseller in writing seven days in advance, if it is inevitable to suspend the service with a view of upgrading the system or carry out preventive maintenance.

**Article Three
Obligation of the Reseller**

The Reseller:

- A. shall effect payment owed by it within seven days of receipt of a receipt or an invoice sent by the Corporation.
- B. shall not provide services prohibited by the Telecommunication Proclamation No. 49/1996 (as amended).
- C. shall notify the Corporation in writing, when the service it resells is discontinued.
- D. shall not assign to a third party the right it acquired or obligations it entered into under this contract.

**Article Four
Conditions of Termination of the Contract**

- 1. If a license issued to a Reseller by the Agency is revoked for any reason whatsoever, this contract shall be terminated.
- 2. If a Reseller fails to pay service fees due to the Corporation in accordance with Article 3(A) of this contract, the Corporation may terminate the contract.

**Article Five
Force Majeure**

- 1. Cases that constitute Force Majeure under the Ethiopian Civil Code shall apply to this contract.
- 2. A party which fails to carry out its duty due to Force Majeure shall not be held responsible.

**Article Six
Validity Period of the Contract**

This contract shall be valid as of today _____ (date).

_____ **for the Ethiopian Telecommunication Corporation**

_____ **for the Reseller**

Witnesses

1. Name _____
Signature _____

2. Name _____
Signature _____

Annex III

Resale Tariff Table for Fixed Telephone Services

Fixed Telephone Service	Ethiopian Telecommunication Corporation (E.T.C.) Selling Price (in Birr)	The total amount the Reseller sells its services (in Birr)
Local Call	Birr 0.20 in 3 minutes	Birr 0.40 in 3 minutes
Long distance Call	E.T.C's Tariff	E.T.C's Tariff +Birr 0.30/minute
International Call	E.T.C's Tariff	E.T.C's Tariff +Birr 0.95/minute
Calls to Mobile Phone	E.T.C's Tariff	E.T.C's Tariff +Birr 0.25/minute