

## Telecom: Communication Service Licence

### Description

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The Ethiopian Communication Authority (ECA) has been established by Communication Service Proclamation No 1148/2019. The Proclamation has tasked ECA with the power to the issue communication service licence.

The requirements of acquiring of Communication service licence , the terms and conditions of such licence shall be determined by ECA in consultation with stakeholders. Here “communication service” has been defined to mean service offered to the public consisting of the dissemination or interchange audio, video or data content using telecommunication media and of physical content using postal service, but does not include broadcasting.

Under Article 19 of this Proclamation ownership of telecommunication operator or telecommunication network has been made open for both domestic and foreigner private investors. “Telecommunication operator” shall mean an entity authorized by the authority pursuant to this Proclamation to provide telecommunication services. “Telecommunication network” is also defined to mean the collection of telecommunication line and associated switching systems that is used for the provision of telecommunication service. The later term i.e. “Telecommunication service” is defined as the provision by a licensee of the conveyance of telecommunications directly to the public or to telecommunications operators.

On the other hand, the Ethiopian Investment Commission (EIC) under the Investment Proclamation No 1180/2020 is tasked to accept and handle Investments coming into the country. EIC administers wholly foreign owned investment; Joint investment made by domestic and foreign investors; Investment made by a foreign national, not Ethiopian by origin, who is treated as a domestic investor by the Investment Proclamation; and Investment made in areas eligible for incentives by a domestic investor who is required to obtain a business license from an appropriate Federal Body.

However, Article 4(2) of the Investment Proclamation delegated some of the powers of EIC to different other government authorities. For example EIC’s jurisdiction in issuance, renewal, amendment, substitution, replacement, and cancellation of investment permits and the issuance of investment expansion or upgrading permits for air transport services has been delegated to Ethiopian Civil Aviation Authority (ECAA). The generation or transmission or distribution of electric power is delegated to Ethiopian Energy Authority (EEA) . Similarly the issuance of permits, renewal, amendment, substitution, replacement and cancellation or issuance of permits for expansion or upgrading in the area of communication services is delegated to the ECA.

ECAA, EEA and ECA shall submit to EIC a quarterly report regarding services they rendered through their delegated power. ECAA, EEA and ECA shall coordinate with EIC to undertake studies identifying sectoral potentials and sector specific investment developments strategies and engage in investment promotion works.

To sum up issuance of communication license in the telecommunication sector is assigned to ECA . ECA is in the process of selecting two telecommunication operators to grant its first communication license. ECA is also conducting stakeholder consultation to issue different types of directives.

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