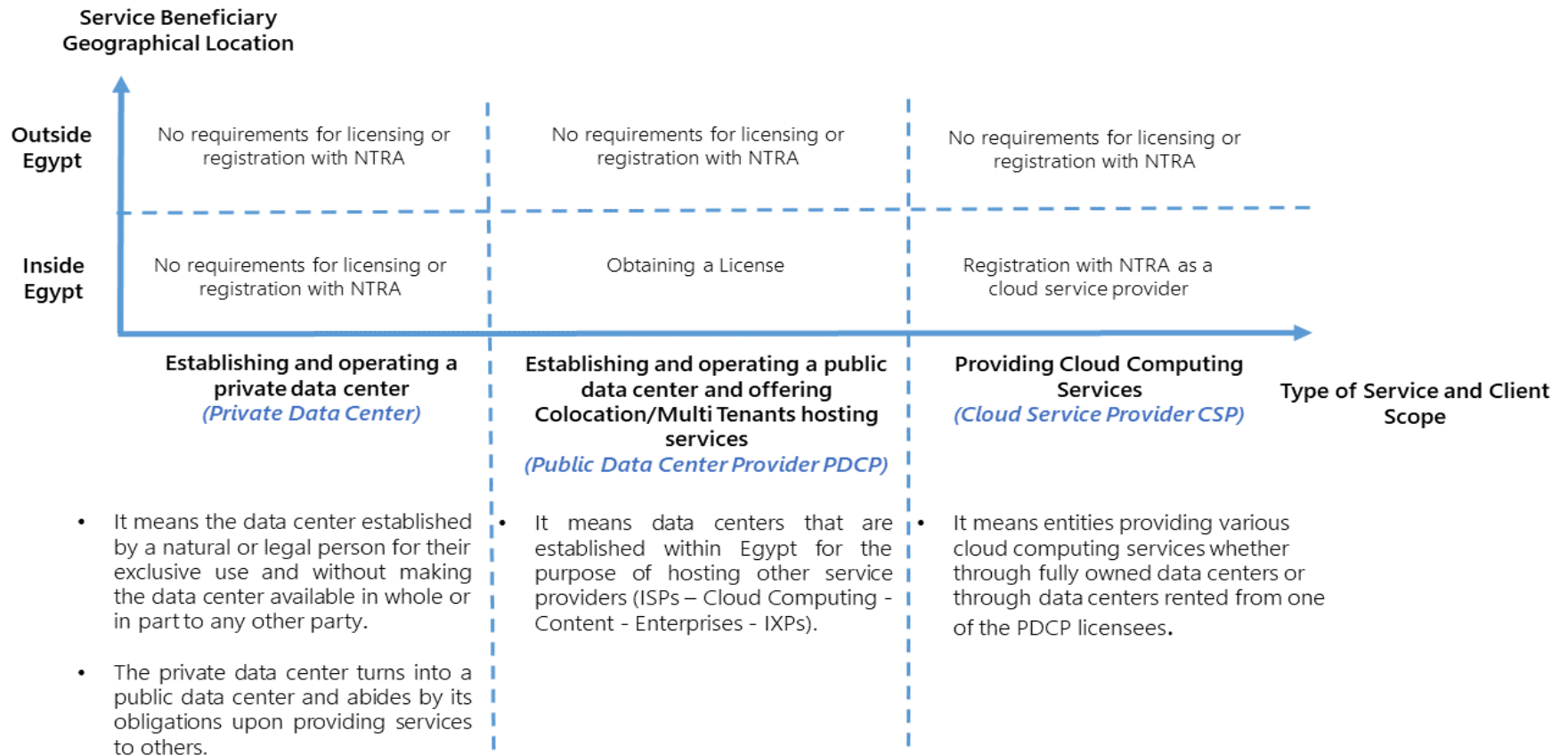# Highlights of the Regulatory Framework for Establishing & Operating Data Centers and Providing Hosting & Cloud Computing Services

First: Requirements for Establishing & Operating Data Centers and Providing Hosting & Cloud Computing Services

The regulatory obligations vary in terms of the need to obtain a license from NTRA or being limited to a registration process according to the following factors:

١. **The geographical location of beneficiary clients:** whether the established data center/cloud services are restricted to clients only outside Egypt or the services extend to clients inside Egypt as well.
٢. **The type of service delivered to beneficiaries:** if the provided services are restricted to cloud computing services only or extends to establishing a public data center inside Egypt and providing hosting services.
٣. **The beneficiary clients scope:** whether the services provided are restricted to serving the provider internal activities or extends to serving other beneficiaries.

The regulatory requirements can be further clarified taking into account the above-mentioned factors, as shown in the below diagram:

Service Beneficiary Geographical Location

	Establishing and operating a private data center (Private Data Center)	Establishing and operating a public data center and offering Colocation/Multi Tenants hosting services (Public Data Center Provider PDCP)	Providing Cloud Computing Services (Cloud Service Provider CSP)
Outside Egypt	No requirements for licensing or registration with NTRA	No requirements for licensing or registration with NTRA	No requirements for licensing or registration with NTRA
Inside Egypt	No requirements for licensing or registration with NTRA	Obtaining a License	Registration with NTRA as a cloud service provider

Type of Service and Client Scope

- It means the data center established by a natural or legal person for their exclusive use and without making the data center available in whole or in part to any other party.

- The private data center turns into a public data center and abides by its obligations upon providing services to others.

- It means data centers that are established within Egypt for the purpose of hosting other service providers (ISPs – Cloud Computing - Content - Enterprises - IXPs).

- It means entities providing various cloud computing services whether through fully owned data centers or through data centers rented from one of the PDCP licensees.

Second: Public Data Center Provider PDCP License

- **License Duration:** ١٥ years; The application for obtaining a license is carried out in accordance with the procedures determined by NTRA.

- **Key license rights:**

   ١. The licensee has the right to establish and operate data centers to provide hosting services, whether for its own use or for others.
   ٢. The licensee has the right to provide site rental (colocation) to customers inside Egypt through the licensee's data centers.
   ٣. The licensee has the right to provide cloud computing services for its own use or for others inside Egypt subject to compliance with the conditions for providing cloud computing services.
   ٤. The licensee has the right to directly connect with submarine cable systems through directly contracting infrastructure service providers to rent cables/capacities without referring to NTRA.

Third: Cloud Service Provider CSP Registration

- **Registration period:** ١٥ years

- **Registration processes:**

   ١. Complete the data related to the entity's information (Name of the entity, address, phone numbers, commercial register, contact points, etc...).
   ٢. Complete the data related to the nature of the activity (services), in particular the hosting system used, the data centers located inside Egypt, their full address and contact details (telephone / fax / e-mail) and the entity website.
   ٣. The registration process is not considered complete without obtaining NTRA approval.

- **Key rights and obligations of registered entities:**

   ١. The registered company has the right to provide cloud computing services for its own use or for others inside Egypt subject to compliance with the conditions for providing cloud computing services and the relevant Egyptian laws and regulations.
   ٢. The licensee has the right to directly connect with submarine cable systems through directly contracting infrastructure service providers to rent cables/capacities without referring to NTRA.
   ٣. Registered entities are obliged to undergo an evaluation process of their cybersecurity systems to obtain an accreditation certificate from NTRA according to a tiering system classification. According to this certificate, the registered entities would be eligible to serve clients in accordance with the client data sensitivity classification.

Fourth: Reconciliation for Entities Operating Data Centers and Providing Hosting & Cloud Computing Services

- Entities operating public data centers inside Egypt are obliged to reconcile with this framework within nine months from its date of issuance by obtaining a license in accordance with the procedures specified by NTRA.

- Entities providing cloud computing services inside Egypt are obliged to reconcile with this framework within nine months from its date of issuance through registration in accordance with the procedures specified by NTRA.