

Regulatory framework for foreign satellite operators providing telecom services to earth stations terminals within the Arab Republic of Egypt

Cairo

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Regulatory Framework for foreign satellite operators providing telecom services to earth stations terminals

Preamble:

Whereas the National Telecommunications Regulatory Authority (NTRA), pursuant to Law No.10 of 2003 on Telecommunication Regulation, is the sole entity authorized to regulate telecom sector through implementing the policies set to develop and disseminate telecommunications, in different types, in line with the recent technology thereof, and to ensure all the requirements of individual, corporate and productive, administrative as well as servicing sectors are met, with respect to telecom services and at the most affordable prices, and to encourage investment on no monopolistic basis under the umbrella of free and open competition among national and international expertise, guaranteeing the transparency of information, provision of inclusive services and protecting user-rights.

Whereas NTRA is the sole entity authorized to grant licenses and permits to companies or organizations wishing to provide and/ or operate telecom services, or work in telecom sector, and to oversee as well as track the performance thereof as well as set the general rules to ensure legitimate competition. And since the frequency spectrum is a limited natural resource, and since the NTRA is the authority responsible for organizing and managing all affairs related to the use of the frequency spectrum within the Arab Republic of Egypt in accordance with the provisions of the law.

And since the frequency spectrum is a limited natural resource, and since the NTRA is the authority responsible for organizing and managing all affairs related to the use of the frequency spectrum within the Arab Republic of Egypt in accordance with the provisions of the law. In addition, radio spectrum and the orbital position registered with the International Telecommunication Union are a state resource for national income, and since NTRA is the only entity - within the Arab Republic of Egypt- responsible to set any measures related to the management, coordination and registration of the radio spectrum and orbital position of satellite systems in the master international frequency register (MIFR) - Where only all the technical coordination of the Egyptian satellite networks with other administrations or with the International Telecommunication Union is carried out through it - and it has the right to register, delete and add any frequency bands in MIFR, report the networks used and their orbital locations, and take regulatory and technical measures to protect Egyptian networks (terrestrial - satellite).) recorded in the MIFR.

NTRA decided to grant categorical licenses “permits” to satellite operators uses their networks to provide space capacities to companies licensed to provide satellite communication services via the VSAT system in the Arab Republic of Egypt, companies licensed to provide communication services on board aircraft within the Egyptian airspace and on board ships in the waters Egyptian regional and companies authorized to provide news gathering service via satellite (SNG), in accordance with the provisions of Law No. 10 of 2003 regarding the regulation of communications and in accordance with the rules and conditions set forth in this framework.

First: Definitions

1-1 Terminal earth station:

Earth Station that used to transmit and receive radio signal through satellite network used within the Arab Republic of Egypt to provide satellite telecom services (VSAT/ Earth station on board Aircraft & Vessels) including:

- Very Small Aperture Terminal (VSAT)
- Aircraft Earth Station (AES)
- Earth Stations on Vessels (ESV)
- Satellite News Gathering station (SNG station)

Taking into consideration that the following earth station terminals which used for provision Telecom services are not included in this authorization:

- Earth station terminals communicating with NGSO networks.
- Earth station terminals used for GMPCS systems.
- Earth station terminals used for satellite broadband services through KA band.

1-2 satellite networks:

Satellite networks belonging to non-Egyptian satellite operators that provide communication services to earth terminal stations within the Arab Republic of Egypt.

1-3 NTRA

Refers to the National telecommunication Regulatory Authority of Egypt.

1-4 Service provider:

Refers to each juridical entity which has contracts signed with satellite operators authorized to use satellite capacities within the Arab Republic of Egypt, and limited to the companies licensed to provide VSAT telecom services across the Arab Republic of Egypt, as well as the companies licensed to offer telecom services on the aircrafts within Egypt's airspace and on the vessels within Egypt's territorial waters and companies authorized to provide news gathering service via satellite (SNG).

1-5 Authorized entity:

Each juridical foreign entity authorized by NTRA to provide or operate satellite capacities within the Arab Republic of Egypt, to be used for the provision of telecom services to earth station terminals, in accordance with this framework.

Secondly: Regulatory model

- Satellite operator seeking to lease satellite capacities within the Arab Republic of Egypt (directly, or through distributors) used to provide telecommunication services defined in item (1-1) shall obtain an authorization from NTRA to offer satellite capacities to service provider identified in item (1-4).
- Satellites owned by the authorized satellite operator shall be determined in the authorization, technical information of each satellite shall be also clarified, as shown in the attachment to this framework.
- Only the authorized satellite operators or their distributors are allowed to offer telecom services through earth station terminals within the Arab Republic of Egypt, given that all satellite capacities shall be provided or operated in accordance with the provisions and regulations set forth in this framework.
- By virtue of the authorization, satellite operators shall be initially allowed to provide and operate their capacities under the authorization within the Arab Republic of Egypt nevertheless, licensed Service Providers shall obtain a final approval to use the actual satellite capacities leased by the authorized satellite operators.
- The Companies licensed to provide telecommunication services defined in item (1-1) shall obtain the satellite capacities from the authorized satellite operators only.
- satellite operators currently operating or providing satellite capacities within the Arab Republic of Egypt, and the service providers mentioned in item (1-4) shall reconcile their situation in accordance with the procedures and procedures indicated in this framework.
- This authorization doesn't include the Non-GSO systems/constellations and the right to provide Broadband internet services through KA band within the Arab Republic of Egypt is not allowed by this authorization.

Thirdly: Authorization highlights

3-1 Authorization Duration: five years effective from the date on which the authorization is signed, given that, authorization shall be renewed for additional duration(s) of five years per each, the request for renewal for additional duration of five calendar years shall be upon a request submitted to NTRA six months in advance, before the end of duration of authorization.

3-2 Authorization fees: An amount of one thousand dollars (1,000) to be paid annually, on the first 2 weeks of each calendar year.

3-3 Performance bond: Upon signature of the authorization, and to ensure that all terms set forth are to be applied, the company shall pay a performance bond of two thousand dollars (2,000) as a guarantee to apply all terms stipulated and no interests whatsoever should be calculated. This could be done through electronic transfer to the NTRA account Number in Egyptian bank. Insurance may be also accepted through a final letter of guarantee void of any restrictions.

3-4 Main rights and obligations:

- the authorized satellite operators are entitled to operate satellite networks, owned by them as well as determined in the authorization, in order to satellite capacities to the Service Providers, mentioned in items (1-4) to enable the Service Providers herein to offer their licensed telecom services to earth stations terminal in accordance with the terms and conditions of the authorization.
- The authorized satellite operators shall provide or operate satellite capacities within the Arab Republic of Egypt only via the satellite networks owned by them and frequency bands determined in the authorization.
- the authorized satellite operators have the right to sign contracts with distributors to provide the satellite capacities, subject to the authorization, to other Service Providers, given that, the authorized satellite operators have full responsibility of such distributors. the authorized satellite operators shall be responsible for any breach of the authorization terms made by any distributor.
- NTRA shall be notified with the list of distributors by the authorized satellite operators, every six months.
- Concerning the usage of radio spectrum, the authorized satellite operators shall commit to all regulatory terms and rules stipulated by ITU- Radio Regulations (RR), particularly Article (18), in addition to any other regulatory and technical provisions set by NTRA.
- the authorized satellite operators shall not cause any harmful interference to the current or planned terrestrial or satellite systems, within the Arab Republic of Egypt.
- the authorized satellite operators shall, if requested, coordinate the authorized satellite networks with Egyptian satellite and terrestrial networks, in accordance with international Radio Regulations.
- In the event of interference between the networks subject of the permit and other authorized foreign networks within the Arab Republic of Egypt, the authorized satellite operators shall abide by the Radio Regulations with regard to the requirements of coordination with these other foreign networks to remove the interference.

- the authorized satellite operators shall submit a semi-annual report stating the leased satellite capacities within the Arab Republic of Egypt, with indicating of the frequency bands, and attaching a copy of the contracts.
- the authorized satellite operators shall offer support, if requested by NTRA, to complete the process of frequency coordination between the other networks of the authorized satellite operators and the Egyptian satellite networks.
- NTRA shall be notified by the authorized satellite operators, with any technical amendments to the satellite networks thereof.
- No further services, except those mentioned in the present framework, shall be provided by the authorized satellite operators without a prior written consent from NTRA. the authorized satellite operators shall not also provide any telecom services whatsoever to the end-users in the Arab Republic of Egypt.
- The authorization may be terminated by NTRA according to the following cases:
 - The satellite networks determined in the authorization are removed from the MIFR in the ITU
 - The satellite lifetime is expired.
- In case, the authorized satellite operators breaches any of the terms stipulated by the authorization, NTRA has the right to impose a fine, not exceeding the performance bond value, given that, the authorized satellite operators shall pay the fine within one month from the notification date and should the authorized satellite operators did not pay the amount set forth within the determined timeline, the fine value would be directly deducted from the performance bond value without prejudice to the rights of NTRA to terminate the authorization in case of gross negligence, or repetition/ persistence of violation.

3-5 Application procedures:

A- Satellite operator wishing to provide or operate satellite capacities within the Arab Republic of Egypt shall apply to obtain the authorization from NTRA by submitting the documents to follow:

- Company's information (Name, address, phone numbers, commercial register, points of contact, etc...)
- Company's structure and list of shareholders.
- List of satellites owned by the authorized satellite operators as well as the technical information of each and every satellite.
- List of satellite capacities within the leased "frequency Bands" in the Arab Republic of Egypt, for each satellite, if any.

B- All requests submitted by companies shall be studied by NTRA within a time period not exceeding a month from the date of submitting requests, given that, all data required for request-studying shall be fulfilled and provided.

Fourthly: Reconciliation process:

- The regulatory framework will be published by NTRA, including reconciliation procedures, once approved (issued).
- Satellite operators currently providing or operating satellite capacities within the Arab Republic of Egypt shall reconcile their situation in accordance to this framework and within a period of time not exceeding nine months as of issuance date, pursuant to the terms set forth by this article, whereas satellite capacities within the Arab Republic of Egypt may not be provided or operated by satellite operators and/or their distributors without obtaining the permission of NTRA after the end of the nine months period.
- After the end of the reconciliation period for satellite operators (nine months from the issuance date of the present framework), licensed service providers that provide telecommunication services defined in item (1-1) shall commit to use the satellite capacities provided by the satellite operators licensed by NTRA, no satellite capacities of unauthorized satellite operators may be used whatsoever.
- in case of violation of the provisions in this framework, the authorized satellite operators shall be subject to full liability in accordance with the laws enforced in the Arab Republic of Egypt, specially, Law No. 10 of 2003.