



UNITED REPUBLIC OF TANZANIA

National Telecommunications Policy

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National Telecommunications Policy

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LIST OF ABBREVIATIONS

EAC	-	East African Cooperation
GDP	-	Gross Domestic Product
HRD	-	Human Resource Development
INTELSAT	-	International Telecommunication Satellite Organization
ITU	-	The International Telecommunication Union
NTP	-	The National Telecommunications Policy
PDCN	-	Public Data Communication Network
PSTN	-	Public Switched Telephone Network
R&D	-	Research and Development
RASCOM	-	Regional African Satellite Communication Organization
SADC	-	Southern Africa Development Community
TBC	-	Tanzania Broadcasting Commission
TBS	-	Tanzania Bureau of Standards
TCC	-	Tanzania Communications Commission
TTCL	-	Tanzania Telecommunications Company Limited
WRC	-	World Radio Conference
WTO	-	World Trade Organization
ZANTEL	-	Zanzibar Telecom Limited

1.0 INTRODUCTION

This document underlines the objectives and strategies of the National Telecommunications Policy (NTP), for the period 1997 through 2020. The NTP aims at ensuring the accelerated development of an efficient telecommunications network that can provide an info-communication infrastructure and universal access to telecommunications services by all sectors of the national economy and segments of the population. The NTP underscores the development of the telecommunications sector as a guideline to all stakeholders in line with national macroeconomic, legal and regulatory regimes.

To achieve the long term objectives of the telecommunications policy, strategies geared towards encouraging investments in the sector, enhancement of quality and reliability of telecommunication services and networks will be pursued.

1.1 The Current State of the Telecommunications Sector

Currently, the country's telephone density stands at 0.32 telephones per 100 inhabitants, well below the average for neighboring Kenya (0.92), and far below the average for the Southern Africa Development Community - SADC (3.4), Asia (3.86), Europe (35.36) and the world (10.49). The very low telephone density in Tanzania means that most urban and rural areas are still constrained by the lack of telecommunication services.

The telecommunication sector in Tanzania has been liberalized since 1993. Licenses have been issued for basic telephone services, data communication, mobile cellular telephone, radio paging, internal wiring and installation of customer premises equipment as well as importation and distribution of telecommunications and radio communication equipment.

2.0 TELECOMMUNICATIONS POLICY OBJECTIVES

2.1 Vision

The telecommunications sector vision is for the accelerated development of an efficient telecommunication network that can provide a national info-communication infrastructure and access to present day telecommunication technologies by all sectors of the economy and all segments of the population, including universal access.

2.2 The Objectives and Targets

2.2.1 Objectives

The general telecommunications policy objective is to ensure that telecommunication services are provided in a liberalized and competitive manner. The main telecommunication objectives are:-

- ▶ to ensure provision of adequate, sustainable, and efficient telecommunication services in all sectors of the economy.

- ▶ to put in place a reliable telecommunications infrastructure and ensure service inter-connectivity nationally and internationally.

2.2.2 Sector Target

The overall national target for the sector is to optimize its contribution to the development of the Tanzanian economy as a whole by ensuring availability of efficient, reliable and affordable telecommunications services throughout the country.

The specific target is to achieve a telephone density of 6 telephones per 100 population over the plan period.

To achieve the objectives and targets, the following will be pursued:-

- ▶ creating a conducive macroeconomic, legal and regulatory environment to attract investment in the sector,
- ▶ encouraging the development of human resources and R&D activities,
- ▶ encouraging the adoption of standards, new services and technologies within the industry,
- ▶ encouraging local manufacture of telecommunications equipment.

The following policy direction shall be pursued:-

- ▶ financing or arranging to finance, constructing or arranging to construct, operating and maintaining the network in accordance with the legal, regulatory, and competitive market regimes;
- ▶ fostering technological advancement in the telecommunications sector including the development of indigenous capabilities;
- ▶ ensuring the sustainability or continuity of telecommunication services and the maximum utilization of the installed capacities in the telecommunications sector; and
- ▶ ensuring the active participation of all stakeholders in the development of the telecommunications sector (and other related areas) at all levels. .

3.0 THE TELECOMMUNICATIONS POLICY STATEMENTS

3.1 Standards

Tanzania's international obligations that are important in the development of standards originate from the WTO Standards Code and membership of the International Telecommunication Union (ITU). The Tanzania Communications Commission (TCC), is responsible for all radio communication and telecommunication standards. In performing this function, TCC

collaborates with Tanzania Broadcasting Corporation (TBC) and Tanzania Bureau of Standards (TBS). Standards developed or agreed by the TCC shall ensure proper interconnection of licensed networks.

3.2 Human Resource Development

The development and appropriate utilization of human resources constitute critical inputs for the sustainable development of the telecommunication sector. The focus will be on provision of technical, business, and managerial skills to meet sector needs including enhancement of the existing telecommunications training institutions.

3.3 The Institutional Framework

The Institutional Framework of the sector is composed of the government, the regulator and the operators with distinct roles and obligations as follows:-

3.3.1 The Government

The Government shall provide strategic policy guide lines for development of the telecommunication sector.

The role of the Government in the telecommunication sector shall be:-

- ▶ to initiate and facilitate the process of designing specific development strategies and lines of action for the telecommunication sector, and to be the custodian of the telecommunications policy;

- ▶ to encourage fair competition and create an enabling environment to attract investors and private sector participation;
- ▶ to provide inter-sectoral and regional coordination; and
- ▶ to provide mechanisms through which the views of stakeholders can be presented.

3.3.2 The regulator

The regulator is an independent, quasi-government body whose functions are to regulate and monitor the telecommunication sector and foster competition through licensing of operators and franchise holders. In addition, the regulator is responsible for defining interconnection and tariff policies as well as allocating, and monitoring of radio frequencies. Furthermore, the regulator is responsible for preparation of numbering plans, revenue sharing arrangements, and monitoring compliance with standards.

3.3.3 Telecommunications Operators

Currently Telecommunications services are provided through the public switched telecommunications network (PSTN), public data communication network (PDCN), mobile cellular network, radio paging and private networks.

The roles of the telecommunications operators will be to:-

- ▶ build and maintain the network infrastructure,

- ▶ provide the basic telephony, data communications, mobile cellular, radio paging and private telecommunication services, and
- ▶ provide new services resulting from technological developments.

3.4 Competition Policy

Competition in the Sector, within a defined market structure, will be fostered with the licensing of new players. To facilitate competition, the government will gradually divest its share holding in the dominant operator. The aim will be to increase customer choice and accelerate investment. The specific elements of the liberalization programme are set out below.

The telecommunication market consists of the following major segments:-

- ▶ customer premises equipment;
- ▶ local telephone service;
- ▶ national and international long distance telephone service;
- ▶ mobile radio services;
- ▶ enhanced services; and
- ▶ telecommunication infrastructure.

3.4.1 Customer Premises Equipment

The provision of telecommunication terminal equipment and customer premises wiring has been liberalized.

3.4.2 Telephony Services

This consists of local, national long distance and international services. These services will continue to be provided by licensed operators on terms and conditions set by TCC. The operators will be interconnected through the PSTN. A limited period of exclusivity may be granted to the existing operators. However, in order to expand access to these services, the Government has authorized the resale of telecommunication services through licensed resellers.

3.4.3 Other telecommunication services

The following telecommunication services will remain liberalized: mobile cellular telephone, radio paging, data communication and trunked radio telephony. Provision of these and other new services will be through licensed operators.

3.4.4 Private networks

Private network operators will be encouraged to lease excess capacity to PSTN operators.

3.5 Tariff Policy

The regulator shall issue tariff guidelines and oversee tariff rates. The NTP would ensure that tariff rebalancing is maintained to benefit both consumers and operators. Price caps will be adopted to regulate tariffs.

3.6 Rural Telecommunication Services

The NTP emphasizes the need for development of telecommunication services in the rural area. Each village will be provided with telecommunication facilities by the year 2020. To support this, a Rural Telecommunication Development Fund will be established.

3.7 Consultation Forum

In an effort to create efficient, effective and competitive services, the Government will facilitate the formation of a stakeholders' forum which will serve as channel for open discussion on improving the country's telecommunication services. Like wise, stakeholder specific fora to reflect specific interest groups will be encouraged.

3.8 International Cooperation

Tanzania is a signatory to various international conventions in telecommunications and shall continue to cooperate with other countries and international bodies such as EAC, ITU, INTELSAT, RASCOM, WTO, etc.

3.9 Financing of the Telecommunication Sector

For sustainable economic growth and development, both local and foreign financial and non-financial institutions are important in facilitating the efficient mobilization and channeling of domestic and foreign capital into investments in the sector. The Government will continue to encourage active local participation through equity including joint ventures.

3.10 Legal Framework

The government will put in place a clear and transparent legal and regulatory framework that will ensure that the rights of sector entrepreneurs providing telecommunication services are protected. The legal framework shall promote private sector efforts to develop telecommunication systems and services in accordance with the accepted international practices.

3.11 Conclusion

The NTP underscores the objective for the telecommunications industry to become the prime mover for the Nation's sustainable, social and Economic development. The philosophy objectives and targets of the NTP are highlighted so as to enable all stakeholders understand and contribute their efforts to achieve the NTP objectives. The private sector's contribution in the industry's development is crucial. Efficiency and effectiveness are the two important criteria and basis to NTP to realize its vision.

GLOSSARY

1. **"Basic Telecommunication Service"** shall mean the emission, transmission or reception of electronic information in voice form (telephony) transported via a Public Switched Telephone Network (PSTN).
2. **"PSTN"** shall mean the Public Switched Telephone Network over which public local exchange, long distance and international fixed basic telephone, data, and video services of the United Republic of Tanzania are provided. This network is owned, operated, maintained and exploited by the PSTN Operators.
3. **"PSTN Operators"** shall mean Operators licensed by the Regulator to provide basic telecommunication services i.e. telephony in a Service Area in the United Republic of Tanzania.
4. **"Basic Telecommunication Network"** shall mean the collectivity of transmission systems, Switch Exchanges and supportive equipment over which the basic telecommunication service is provided.
5. **"Cellular Service"** shall mean the emission, transmission or reception of radio electronic impulses within the designated bandwidth via the use of a public Land Mobile Cellular radio/telephone service provided over the Cellular network.

6. "Customer Premises Equipment" shall mean the Equipment or Unit used by the Customer for the purpose of accessing the basic or non-basic telecommunications service.
7. "Customer" shall mean a legal or natural person who, in compliance with the terms and conditions of the Contract of service entered into with the licensee (the Operator), assumes the obligations of the said contract for the utilization of the service.
8. "Data Service" shall mean the emission, transmission or reception of electronic impulses in data form transported via a Public Data Communications Network.
9. "Emergency Services" shall mean services given to the Public free of charge as defined from time to time by the regulator in consultation with the licensee (the Operator) taking into account the laws of Tanzania as well as the applicable international standards and treaties.
10. "Licence" shall mean the legal document issued by the Regulator which sets forth the legal rights, duties and liabilities of the Licensee (the Operator) in the installation, maintenance, operation and exploitation of a public telecommunications service in the United Republic of Tanzania.
11. "Non-basic Telecommunication Service" shall mean the emission, transmission or reception of electronic information in data or voice forms (other than basic telecommunication service and Private Individual use)

transported via a Non-basic Telecommunication Network.

12. "Non-basic Telecommunication Network" shall mean the collectivity of transmission systems, Switch Exchanges and supportive equipment over which the non-basic telecommunication service is provided.
13. "Private Telecommunication Service" shall mean the emission, transmission or reception of electronic information in data or voice form transported via a Private (closed user group) Telecommunication Network.
14. "Private (Closed user group) Telecommunication Network" shall mean the collectivity of transmission systems, switch exchanges and supportive equipment, through which the Private (closed user group) telecommunication service is provided, which is not connected to the basic and non-basic telecommunication network.
15. "Regulator" shall mean the Regulatory Authority empowered by Law with the responsibility of managing the radio frequency spectrum and orbital slots, and regulating radio communication and telecommunication networks and systems in the United Republic of Tanzania. This Authority, created under the Tanzania Communications Act. No. 18 of 1993, is called Tanzania Communications Commissions (TCC).