Egypt Telecommunication Regulation Law

Translation
In case of divergent interpretation, the Arabic text shall prevail
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The National Telecommunication Regulatory Authority of Egypt

Egypt Telecommunication Regulation Law

Law No. 10 of 2003

PART 1 - General Provisions

Article 1: Terms

1. The Authority (the NTRA)

The National Telecommunication Regulatory Authority.

2. The Minister Concerned

The Minister in charge of telecommunication matters.

3. Telecommunication

Any mean for transmitting or receiving signs, signals, messages, texts, images or sounds of whatsoever nature whether through wired or wireless communication.

4. Telecommunication Service

Providing or operating telecommunication through whatsoever mean.

5. Telecommunication Network

The system or the group of integrated systems for telecommunication including any needed infrastructure.

6. The User

Any individual or juristic person who uses or benefits from Telecommunication Services.

7. <u>Telecommunication Service Provider</u>

Any individual or juristic person authorized by the NTRA to provide one or more of the Telecommunication Services.

8. The Operator

Any individual or juristic person authorized by the NTRA to construct and operate a Telecommunication Network.

9. Equipment

Any instrument, machine or device used or prepared to be used in Telecommunication Services.

10. <u>Telecommunication Terminal Equipment</u>

Telecommunication Equipment used by a User to connect with a Public or Private Telecommunication Network.

11. Infrastructure

All that is used or prepared to be used in telecommunication, including buildings, lands, structures, machines, equipment, cables, towers, poles, communication lines, systems and software.

12. Private Networks

Telecommunication systems providing Telecommunication Services to a single user using a Telecommunication Network without providing services to any other party.

13. Radio Waves

Electromagnetic waves used in providing Radio Telecommunication Services.

14. Frequency

Number of complete frequencies per second for a single Radio Wave.

15. Frequency Spectrum

Range of waves that can be used in wireless telecommunication as specified by the publications of the International Telecommunication Union (ITU).

16. Frequency Band

A part of the Spectrum, which starts with a specific frequency and ends with another one.

17. Interconnection

Connecting the licensed networks of two or more Providers with each other enabling connection between Users through whatsoever networks or services they use.

18. International Telecommunication Service

Telecommunication Service between Users in Egypt and abroad through international telecommunication portals.

19. National Security

All related to the Armed Forces, Military Production, Ministry of Interior and Public Security, National Security Authority, the Presidency and all Authorities related to these entities.

20. National Security Entities

Including the Presidency, the Ministry of Interior and the National Security Authority.

21. Rescue and Emergency Telecommunication Services:

Including ambulance, police, civil defense and fire department.

Article 2

Telecommunication Services shall be in compliance with the following rules:

- 1. Publicity of information
- 2. Protection of free competition
- 3. Provision of Universal Service
- 4. Protection of Users' rights

All of these shall be as clarified in this Law.

PART 2 - The National Telecommunication Regulatory Authority

Article 3

A national authority managing the Telecommunication utility shall be established and named "The National Telecommunication Regulatory Authority". The Authority shall have a public juristic personality; it shall be subordinated to the Minister Concerned and shall have its head quarters in Cairo and Giza.

The NTRA shall have the right to establish branches all over the Arab Republic of Egypt.

Article 4

The NTRA shall aim to regulate the Telecommunication Service and to enhance and deploy services in compliance with the most advanced technology means satisfying the Users' needs at the most appropriate prices. The NTRA shall also encourage national and international investment in this field within free competition rules, especially in the following:

- 1. Guaranteeing the provision of Telecommunication Services to all regions of the Republic including economic and development regions as well as urban, rural and remote areas.
- 2. Protecting National Security and the State top interests.
- 3. Guaranteeing the optimum usage of the Frequency Spectrum and increasing its returns according to the provisions of this Law.
- 4. Guaranteeing the compliance of the effective international agreements and resolutions issued by the international and regional organizations related to telecommunication which are approved by the State.
- 5. Monitoring the realization of the technical and economical efficiency programs for different Telecommunication Services.

Article 5

The NTRA shall, in regard of achieving its goals, have the right to take all the necessary actions, especially the following:

- 1. Setting up the strategies, programs, rules and management techniques according to its activity in compliance with the provisions of this Law and the resolutions issued for its execution, without limitation to the governmental rules and regulations.
- 2. Keeping up with the technical and technological advancement in the telecommunication field in compliance with health and environmental standards.

- 3. Preparing and publishing a report listing Telecommunication Services, names of Operators, Services Providers and the general rules for issuing licenses and permits.
- 4. Specifying the general rules binding Operators and Telecommunication Service Providers.
- 5. Specifying the standards and regulations for uneconomically feasible Telecommunication Services which shall be provided to all regions suffering shortage thereof and setting up Operators and Providers obligations for such services in accordance with the provisions of this Law.
- 6. Setting up the rules guaranteeing Users protection that will ensure telecommunication confidentiality, providing the most advanced services at most suitable prices ensuring high quality of these services and setting a system for users complaints reception, investigation and follow up with service providers.
- 7. Supervising institutions qualifying for getting international certificates in telecommunication in coordination with the National Telecommunication Institute (NTI).
- 8. Setting up the required rules for granting Equipment permits.
- 9. Setting up a National Numbering Plan for telecommunication and supervising its execution.

The NTRA shall have the competence for setting the technical rules for health and environmental safety that should be followed when installing, operating and using Telecommunication Networks and following up on its execution and operation in accordance with the standards set in agreement with the ministries and the concerned entities in the State.

Such standards shall be issued by resolutions from the concerned ministers and the heads of the aforementioned entities.

Article 7

Without prejudice to Article (44), the NTRA shall, in case of unavailability of appropriate local product and in accordance with its budget, have the right to import directly or indirectly, materials, equipment, spare parts, technical instruments, transport facilities and whatsoever is necessary for the execution of its activities. All of which shall be done in accordance with rules and terms of the NTRA internal regulations.

The NTRA financial resources shall consist of the following:

- 1. Funds assigned for it in the general budget of the State.
- 2. Annual fees for licenses and permits granted by the NTRA.
- 3. Charges for works, burdens and services rendered by the NTRA in connection with the licensee or other parties whether locally or internationally.
- 4. The percentage allocated by the Cabinet for the NTRA from Concession fees devolving to the Public Treasury when granting certain types of licenses, and upon the proposition of the Minister Concerned following consultation with the Minister of Finance.
- 5. The yield of investing the NTRA funds.
- 6. Fines and compensations imposed in accordance with the provisions of this Law.
- 7. Loans made in favor of the NTRA.
- 8. Grants, donations and subsidies to be accepted by the Board of Directors of the NTRA in light of its rules and resolutions in this regard and without prejudice to Article (44).

Article 9

The NTRA shall have an independent budget in accordance with the rules determined by its internal regulations and in compliance with the rules of the Unified Accounting System, without limitation to any governmental rules or regulations.

The fiscal year of the NTRA shall start and end at the same dates as for the fiscal year of the State.

The NTRA shall have a private bank account for the deposit of its resources. The budget surplus from one year to another shall be transferred to the Universal Service Fund except what may be allocated by the Cabinet in favor of the State upon proposition of the Minister Concerned following consultation with the Minister of Finance. Expenditure from the Universal Service Fund shall be done by a resolution from the Board of Directors on the following aspects:

- 1. Infrastructure projects required for establishing the Universal Service rule.
- 2. Reallocation of the Frequency Spectrum.
- 3. Projects of the Telecommunication and Information National Plan.

4. Indemnifying Telecommunication Operators and service providers for price differences between the approved economical price for the service and that which may be determined by the State in favor of the User.

Article 10

The NTRA Board of Directors shall allocate funds for scientific research and development studies related to the NTRA activities, whether undertaken by it or assigned to others, within the budget appropriation set for such purpose.

Article 11

The NTRA funds shall be considered as public funds. The NTRA shall, in regard of acquiring its rights, take all necessary administrative sequestration procedures in accordance with the provisions of Law No. 308 of 1955 regarding administrative sequestration.

Article 12

The NTRA shall be managed by:

A Board of Directors appointed by a decree from the Prime Minister and presided by the Minister Concerned and the membership of each of the following:

- 1. Executive President of the NTRA.
- 2. A chancellor from the Council of State chosen by the Head of the Council.
- 3. A representative of the Ministry of Defense chosen by the Minister of Defense.
- 4. A representative of the Ministry of Finance chosen by the Minister of Finance.
- 5. Four representatives of the National Security Entities.
- 6. A representative of the Radio and Television Union chosen by the Minister of Information.
- 7. Six members appointed by a decree from the Minister Concerned, three of them shall be experts on telecommunications and three shall be public figures representing the Users.
- 8. One of NTRA employees to be nominated by the Federation of Egyptian Workers.

Except for the Executive President of the NTRA, the Board of Directors membership duration shall be two years, renewable, and the membership remuneration shall be determined by a decree from the Prime Minister.

The Board of Directors shall have the right to constitute a committee or more among its members, on a temporary basis, to be assigned with some duties. The Board shall also have the right to delegate some of its powers to the Chairperson of the Board or the Executive President.

Article 13

The NTRA Board of Directors is the dominant authority over all of its affairs and disposition of its matter and shall take whatever decisions it considers necessary to achieve the goals it was established for. The Board of Directors shall handle its competencies as stated in this Law, especially in the following:

- 1. Approving the NTRA plans and activity programs within the State General Strategy.
- 2. Approving the administrative and organizational structure of the NTRA.
- 3. Setting up regulations and standards for technical quality, measuring standards and performance standards for all Telecommunication Services which lead to enhancement of performance and periodical follow-up on outcomes from applying such regulations, standards and measurements, along with observing the Health and Environment criteria.
- 4. Taking all the procedures necessary for implementing the plans and the proposals that guarantee the achievement of the goals determined by the Cabinet concerning the provision of appropriate Telecommunication Services in all regions of the Republic.
- 5. Approving, revising and modifying the Frequency Spectrum usage plan whenever necessary in accordance with the resolutions and recommendations of the International Telecommunication Union.
- 6. Setting up the rules and conditions for granting Spectrum Usage Licenses and regulating granting procedures.
- 7. Setting up the rules and conditions for granting special licenses for the establishment of Telecommunication Networks Infrastructure without prejudice to the provisions of the laws governing construction, urban planning, environmental and local administration, as well as the licenses for the operation and management of such networks, and the licenses for providing Telecommunication Services. Also issuing such licenses and monitoring their execution in accordance with the provisions of this Law in a manner that guarantees the rights of the Users, especially their privacy rights in accordance with the Law, and without disturbing the National Security, the State top interests, urban planning and health and environmental standards that are specified by the relevant Ministries and Heads of concerned entities.

- 8. Approving specifications and technical standards of Telecommunication Equipment and setting the rules and procedures regulating their import, sale and usage.
- 9. Approving the National Numbering Plan for Public Telecommunication Services and modifying it whenever necessary.
- 10. Approving internal regulations related to technical, financial and administrative matters, purchases and warehouse regulations, and others related to NTRA activities, without limitation to governmental rules and regulations.
- 11. Approving the NTRA personnel regulations regarding hiring, salaries, allowances, remunerations, promotions, penalties, dismissal and other personnel matters in consideration of productivity standards without limitation to the governmental rules and regulations and without breach of employees acquired rights.
- 12. Setting up health care, social, cultural and sports systems for the NTRA personnel without breach of employees acquired rights.
- 13. Setting up a system for control and follow-up to determine performance rates according to economic criteria.
- 14. Approving the annual budget and closing account of the NTRA.
- 15. Approving loans necessary for financing NTRA activities.
- 16. Accepting grants, donations and subsidies in light of the rules and resolutions resolved by the Board in this regard and without prejudice to the provisions of Article (44).
- 17. Set the conditions and rules necessary for granting licenses to establish and manage Telecommunications Educational Institutes qualifying graduates to obtain Radio Telegraph and Telephone Certificates, as well as other recently adopted certificates for Operators of Radio Equipment in accordance with systems determined by the International Organizations concerned in the Telecommunication field. Also setting the rules regulating the issuance, granting and cancellation or modification of these certificates, and setting curricula and examination procedures as well as controlling and supervising the educational technical aspects in these institutes, without prejudice to other powers prescribed in this respect for the Ministry of Education concerned.
- 18. Looking into whatever may be suggested by the Chairperson or the Executive President to the Board.

All regulations stated in this Article are to be issued by virtue of a resolution by the Minister Concerned.

The Board of Directors shall convene by an invitation from its Chairperson at least once every month and whenever necessary. The meeting shall be deemed valid with the presence of the majority of its members. Resolutions of such meetings shall be resolved by the majority of votes of attending members and in case of equal votes the Chairperson shall have the casting vote.

The Board shall have the right to invite to the meetings those whose experience is seen to be needful without having their votes counted.

Article 15

The NTRA shall have an Executive President who is to be appointed for a period of two renewable years and have his financial matters set by a resolution from the Prime Minister upon a proposal from the Minister Concerned. The Executive President shall be responsible of the NTRA technical, administrative and financial affairs and activities before the Board. He shall in particular have the right to:

- 1. Implement resolutions of the Board of Directors.
- 2. Assist in the management of the NTRA, handling its matters and supervising its work flow.
- 3. Submit periodical reports to the Board of Directors on the NTRA activities, its work flow and its achievements in accordance with the set plans and programs, and determine performance impediments and propose solutions for avoiding them.
- 4. Undertake any tasks or missions assigned by the Board of Directors.
- 5. Other powers as determined by the internal regulations of the NTRA.

The Executive President shall have the right to delegate some of his powers to one or more NTRA managers.

Article 16

The Executive President shall temporarily replace the Chairperson of the Board in case of his absence or vacancy of position.

Article 17

The Executive President shall represent NTRA before the judicial system and in its affairs with third parties.

The following committees shall be formed upon a resolution from the Minister Concerned and shall be presided by the Executive President or whoever representing him:

- 1. Frequency Regulation Committee: This Committee shall include representatives from the Presidency Telecommunication Department, Ministry of Defense, Ministry of Telecommunication, Ministry of Interior, National Security Entities and Radio and TV Union, in addition to three members to be nominated by the Concerned Minister. The Committee shall regulate the Frequency Spectrum.
- 2. Users' Rights Protection Committee: This Committee shall include representatives from Telecommunication Services Users and Societies concerned with consumers' rights protection. The Committee shall extend consultations related to protection of the Users' rights.
- 3. Telecommunication Industries Committee: This Committee shall have representatives from entities working in the telecommunication field as well as other concerned bodies and shall extend consultations related to the telecommunication industry.

The NTRA Board of Directors shall have the right to invite any representative of any of these committees to attend its sessions whenever studying recommendations suggested by any of the committees.

Article 19

All entities and companies working in the telecommunication field shall provide the NTRA with whatever requested of reports, statistics or information related to its activities except for matters related to National Security.

Article 20

The NTRA shall replace The Telecommunication Regulatory Authority (TRA) established by the Presidential Decree No. 101 of 1998 in all its rights and obligations. All employees of the Telecommunication Regulatory Authority shall be transferred to the NTRA in their same capacity and job positions without the need to take any further procedure.

Pending issuance of the regulations stated in Article (13), the existing rules and regulations of the (TRA) shall continue to be applied, without prejudice to the provisions of this law.

Part 3 - Licenses and Permits

Section I - Licenses

Article 21

It is prohibited to establish or operate Telecommunication Networks, provide Telecommunication Services, by-pass international telephone calls or announce any of these without obtaining a license from the NTRA in accordance with the provisions of this Law and its executive resolutions.

However, no license shall be required to be obtained from NTRA to establish or operate a Private Telecommunication Network that does not use radio telecommunication systems.

The licensed Operator shall notify the NTRA of the Private Networks established on his Infrastructure.

The NTRA resolutions regarding licenses shall be published in the Official Gazette or any of the widespread daily newspapers at the expense of the licensee, provided that publishing includes all licensing conditions.

Article 22

Applying for any of the licenses mentioned in Article (21) shall be by filling the application forms issued by the NTRA and accompanied by data and documents specified by the NTRA, especially those proving the technical and financial capability of the applicant. Applications shall include the suggested basis for pricing of services and methods of calculation.

Decision regarding an application for license shall be taken within a period not exceeding 90 days from the date the applicant submitted all requested documents to the NTRA, otherwise the application shall be considered rejected.

Article 23

The NTRA shall issue the licenses stated in Article (21) in accordance with the rules and procedures stated in Article (22) and the resolutions executing this Law.

The Board of Directors shall determine the fees for issuing such licenses and the rules and procedures for collection.

Article 24

The Board of Directors shall determine the limits which, if exceeded, shall result in the occurrence of monopolistic practices in any of the fields regulated by this Law. The Board of Directors shall set the rules that should be applied to confront such practices.

The license shall determine the licensee's obligations including, in particular, the following:

- 1. The type of the service and the used technology.
- 2. Duration of license.
- 3. The specific geographical boundaries for providing the service, coverage plan by wire/radio and stages of implementation.
- 4. Measurements of the quality and the efficiency of the service.
- 5. Commitment to provide uninterrupted service and abiding by the procedures to be adopted in case of disconnection or suspension of the service.
- 6. Determining the price of service, methods of its collection and the obligation of publicizing such information.
- 7. Making the services available to the public without discrimination.
- 8. Abiding by the NTRA National Numbering Plan.
- 9. Considering Universal Service Obligations.
- 10. Providing rescue and emergency call services free of charge and providing subscribers' directory. All of this shall be in accordance with the type of the licensed service.
- 11. Commitments related to National Security restrictions.
- 12. Commitments related to health and environmental safety, constructional and planning technical rules that should be applied in accordance with the standards set in coordination with the State Ministries and entities concerned.
- 13. Contributing to scientific research and training.
- 14. Commitment to pay the charges set by the NTRA for burdens sustained towards the verification of the licensee's fulfillment of his obligations as well as deposits and all periodical dues.
- 15. Providing all information and data requested by the NTRA in connection with the license.
- 16. Settlement of financial penalties and compensations.
- 17. Providing services in the frame of free competition rules.

- 18. Setting a system for receiving and investigating complaints and clearing efficiently the faults.
- 19. Guaranteeing confidentiality of Telecommunications as well as for licensees' customers calls and setting rules to ensure such confidentiality.

The NTRA shall determine the services considered as basic services for operating and providing Licensed Telecommunication Services and shall set their prices in consideration of the studies and recommendations submitted to the NTRA by the applicant.

In case the Cabinet sets the price of any of these services to be less than the approved economical price, the Operators and Service Providers shall be compensated for the difference from the Universal Service Fund. In the event of shortfall of the Universal Service Fund, it shall be supported by the State upon a proposal by the Minister Concerned, consulting with the Minister of Finance and with approval of the Cabinet.

Article 27

The NTRA shall have the right to give the licensee consent to operate or offer certain Telecommunication Services at less than the approved prices for a limited period. In case of breach of the rules of free competition or the quality of the service, the NTRA shall cancel such approval.

Article 28

In order to achieve Interconnection, different Telecommunication Services Providers shall abide by the following:

- 1. Enunciating the technical specifications and data of the offered services that may be required for achieving interconnection to enable any of the Service Providers to become aware thereof.
- 2. Concluding agreements to achieve Interconnection with reasonable terms that do not discriminate between any of the Service Providers, provided that such agreements are submitted to the NTRA for approval, or joining agreements already concluded and approved by the NTRA in this respect.
- 3. Submitting the data necessary to establish and prove the extent of harm occurred to the Service Provider as a result of an act by any subscriber in another Service Provider Network, upon a petition filed by the Service Provider claiming damages and following approval of the NTRA.

The NTRA shall set the rules and conditions to achieve Interconnection in case of disagreement between Service Providers at the request of any of them.

In the event of any dispute arising between Service Providers with regard to Interconnection agreements between them, such dispute shall be referred to the NTRA in order to issue a decision therein in accordance with the provisions of such agreements. The NTRA decision shall be made without discrimination between any of the Service Providers or in the interconnection costs to be born by them. The decision of the NTRA shall take into consideration Interconnection charges, costs of technical Interconnection and the cost of providing Services which shall not exceed what is to be considered reasonable investment revenue.

The NTRA shall, when studying any of the disputes, have the right to request any of the parties to submit the necessary documents or data. The decision issued by the NTRA in the dispute shall be conclusive.

The Minister Concerned shall issue a resolution determining the rules and regulations for the proceedings of such disputes.

It is prohibited to file any action before a Court of Law regarding such disputes except after a resolution is issued by the NTRA or after 60 days have lapsed from the date of submission, whichever is shorter.

Article 30

Providers of more than one Licensed Telecommunication Service shall not subsidize any of these services in favor of other service. This prohibition is applicable even if the subsidized service does not require a license or even if the subsidy is allocated to a certain product related to the provided service.

The Board of Directors shall have the right, in consideration of the rules stated in Article (2), to exempt a certain Telecommunication Service Provider from such prohibition provided that such exemption is issued by virtue of a justified time-limited resolution.

Article 31

The licensee is prohibited in all cases, to waive his license for establishing or operating a network or for providing Telecommunication Services to any other party except with a prior written consent from the NTRA, according to the conditions to be determined by the Board of Directors.

Article 32

The NTRA shall prepare a system for registering the following:

- 1. Names of the licensees to establish or operate Telecommunication Networks or providing Telecommunication Services.
- 2. Licensing charges.

- 3. Price of the licensed services.
- 4. Interconnection agreements between Service Providers.
- 5. All other information related to Telecommunication Networks and Services.

Whoever is concerned shall, upon written request, have the right to be informed about the mentioned registered data.

Article 33

The Telecommunication Network Licensee shall have the right to enter into agreements with other licensees to use his network paths in return of an agreed and reasonable price.

In case of failing to reach agreement and there is no other alternative, the matter shall be referred to the NTRA in order to issue its final decision in this regard.

Article 34

The licensee who is to establish a Telecommunication Network or provides Telecommunication Services shall, if necessary, have the right to use the components of another licensee's Telecommunication Network or Service, upon agreement amongst them and in return for a fair charge.

In case they fail to agree, the matter shall be brought to the NTRA in order to issue its final decision in this regard.

Article 35

The licensee who is to establish a Telecommunication Network shall have the right to lay cables, or install overhead wires, to erect poles, towers or to make installations nearby roads, streets and public squares, water paths or railways, after obtaining all required approvals, licenses and permits from the Armed Forces and the concerned entities, with due consideration to environmental and health standards and conditions prior to starting such installations. This shall also apply to the maintenance of these structures or to the modification of their paths.

Article 36

The licensee shall take all the necessary precautions for protecting existing constructions and utilities while constructing, maintaining or modifying his network. The licensee shall be obliged to restore damages on his own expense, and to compensate for any damage or destruction to such constructions or utilities.

Article 37

Construction of any Telecommunication Network shall be made in accordance with a health and environmental impact assessment, applying environmental administration

systems and commitment to protect trees implanted nearby the roads, land and surroundings.

Article 38

Determining a telecommunication project as being of public interest and expropriation of realties for such purposes shall be resolved by a Presidential Decree, upon a proposal from the Minister Concerned in accordance with the provisions of Law No. 10 of 1990 regarding expropriation of realties for public interest.

Article 39

Neither the owner nor holder of the reality or anyone having an interest thereof shall, without lawful justification, have the right to object to any of installation and connections required for providing the occupants with Telecommunication Services. This shall also apply to all the works required for maintenance or operation of such installations and connections, with due consideration to environmental, health and constructional safety rules.

Article 40

The licensee and the realty usufructuary shall, upon an agreement and for a fair charge included in such agreement, have the right to erect structures or conduct installations that are licensed to one of the Telecommunication Networks, Telecommunication Service provider or audio and video broadcasting services inside, above or beneath the realty, provided that such works do not endanger the safety of the realty, neighboring or adjacent realties or their occupants.

The execution of such works shall be suspended in case of filing a judiciary action in respect thereof, pending issue of final court ruling in this respect.

Article 41

The licensee who is to establish a Telecommunication Network or provide Telecommunication Services shall, while implementing any of the works mentioned in Articles (39) and (40), be obliged to implement them in a manner that does not endanger the safety of the realty, neighboring or adjacent realties, their occupants or third parties.

Article 42

The entity authorized to grant licenses for construction of buildings shall not have the right to permit the construction of buildings exceeding 50 meters in height, raise or modify such buildings without consulting the NTRA. Such entity shall notify the NTRA of buildings being constructed, raised or modified in excess of the aforementioned height.

A space vacant of buildings shall be left around Radio and Television Transmission Centers in a circle having the transmitter mast or tower at its center and a radius of not less than one and a half times the mast or tower height, and without prejudice to the right of compensation.

Article 43

Provisions of Articles (39), (40), (41) and (42) shall apply to all realties owned by Public or Private Law persons.

Section II - Permits

Article 44

It is prohibited to import, manufacture or assemble any Telecommunication Equipment without a license from the NTRA according to the standards and specifications approved by it.

The NTRA shall obtain consent from the Armed Forces, the National Security Authority and the Ministry of Interior before importing, manufacturing, assembling, possessing or using for its favor and before it grants authorizations to the units of the administrative authorities of the State including ministries, authorities, municipal administrative units and organizations, entities, companies of all types, individuals and others, with respect to Telecommunication Equipment specified by a resolution from the Minister of Defense in coordination with National Security Entities.

Provisions of the first paragraph shall not apply to equipment used in radio and television broadcasting of the Radio and television Union provided that the Union shall obtain the consent mentioned in the second paragraph in accordance with the provisions stated therein.

Article 45

Telecommunication Terminal Equipment of the types approved by the NTRA and radio and television receiving equipment approved by the Radio and Television Union may be allowed without obtaining license from the NTRA, if accompanied by a person coming from abroad for personal usage.

The provision of the foregoing clause shall not apply to other radio Telecommunication Equipment except those specified by the NTRA after obtaining consent from the Armed Forces and National Security Entities.

Article 46

It is prohibited to import used Telecommunication Terminal Equipment for the purpose of trading.

Licensed Public Networks Operators shall, after obtaining consent from the NTRA, have the right to prevent connection of the service to Telecommunication Terminal Equipment if it is established that such equipment have caused damage to the licensed network.

Article 48

The NTRA shall, without prejudice to the provisions of Article (44), determine the rules and the procedures for approving any type of equipment and granting permits for importing, manufacturing, usage, trade and marketing of Telecommunication Equipment and Sets. It shall also determine the conditions, durations and charges for obtaining such permits.

The NTRA shall issue the permit or refuse to issue such permit within a period not exceeding 90 days from the date it receives all documents required for issuing the permit.

Importers, manufacturers, users, possessors of and traders in Telecommunication Sets and Equipment for which permits need to be lawfully granted for the purpose of exercising the activities prescribed in the first clause of this Article, shall harmonize their situation by obtaining the necessary permits from the NTRA within six months from the date of coming into force of this law.

Part 4 - Frequency Spectrum Management and Usage Licensing

Article 49

The Frequency Spectrum is a limited natural resource and the NTRA is the entity responsible for regulating and managing all matters related to it in accordance with the provisions of this Law.

Article 50

The NTRA shall, in consideration of the issued publications of the International Telecommunication Union, set the Frequency Spectrum Plan so as to realize its optimum use, the utmost yield of its usage and allow the provision of advanced Radio Telecommunication Services. Such plan shall be presented to the Frequency Regulation Committee in order to undertake its obligations in accordance with the provisions of this Law.

Article 51

It is prohibited to use a Frequency or a Frequency Band without obtaining a license from the NTRA. The NTRA shall specify the conditions and rules for granting such licenses. The rules and procedures necessary to be followed in applying for the license shall be announced.

The license shall be issued within a period not exceeding 90 days from the date of submission of all necessary documents with due consideration to the requirements of the Armed Forces and National Security Entities.

The licensee shall only use a Frequency or a Frequency Band in accordance with the license conditions. In case of breach of such conditions, the NTRA shall have the right to cancel such license.

Provisions of this Article shall not apply to Frequency Bands exclusively allocated by the International Telecommunication Union for services provided by the Radio and Television Union.

Provisions of this Article shall also not apply to the existing networks used by the Radio and Television Union for transmission and distribution of its radio and television programs.

Article 52

It is prohibited to possess, install or operate any Radio Set within the State except after having the consent of the NTRA and in accordance with the terms and conditions it specifies.

The provision of the previous clause shall not apply to radio and television broadcasting sets of the Radio and Television Union which operate within the Frequency Spectrum Band exclusively allocated for such purpose.

In such case, the Radio and Television Union shall notify the NTRA of the possession, installation or operation of the aforementioned sets.

Article 53

The NTRA shall determine and announce the fees for licensing of Frequency or Frequency Band usage for various Radio Telecommunication Services. All Frequency Spectrum Users shall have to settle such fees.

Provisions of the previous clause shall not apply to Frequency Bands exclusively allocated by the International Telecommunication Union for Radio and Television services. It shall neither apply to the existing Radio and Television Union networks used for program transmission and distribution.

Article 54

The NTRA shall, for the purpose of providing new Telecommunication Services according to recognized international rules, have the right to vacate Frequency Bands from occupants in exchange for fair compensation and shall also grant these occupants a period of not less than a year, for executing such evacuation.

The evacuation of Frequency Bands occupied by the Armed Forces and the National Security Entities, Frequency Bands exclusively allocated by the International Telecommunication Union for services provided by governmental entities and Frequency Bands of existing networks of the Radio and Television Union allocated for the transmission and distribution of radio and television programs shall be effected upon agreement between the NTRA and any of these entities in return of a fair reasonable compensation to be agreed upon.

Article 55

The NTRA shall have the right to use all the means, which enable to detect unauthorized frequency usage and to verify that the licensing conditions are complied with. The NTRA shall also have the right to inspect authorized Radio Equipment to verify their compliance with the licensing conditions. This shall be done in coordination with the Armed Forces and National Security Entities in order to ensure non-infringement to their applied systems.

Article 56

The NTRA shall after obtaining the consent of the Armed Forces and National Security Entities, have the right to exclude certain types of Radio Equipment from the need to be licensed for Frequency usage and it shall announce such types and their specifications.

The licensee shall not have the right to waive his Frequency usage License to a third party except with a prior consent from the NTRA.

Article 58

The NTRA shall prepare, manage and update a database containing the Frequency Spectrum Users Database, and such database shall be classified in order to protect the privacy of the Users.

Article 59

The NTRA shall, within a period not exceeding six months from the date this Law is effective, revise all the existing Frequency Usage License conditions and shall have the right to modify them in accordance with the plan laid for the optimum use of the Frequency Spectrum, and it shall also have the right to evaluate the licensees' state of affairs in light of such modification.

All Frequency Spectrum Users shall, as of the effective date of this Law, submit complete data about the Frequency Band assignments they are using to the NTRA within a period of three months of such date, and the NTRA shall grant them Frequency Usage License in compliance with the conditions it determines and in accordance with their actual needs and the Frequency Spectrum Management Plan.

Part 5 - Egyptian Company for Telecommunication (Telecom Egypt)

Article 60

The NTRA shall issue – free of charge – and up to 31 December 2005 one license for each activity or service provided by Telecom Egypt established according to Law No. 19 of 1998, whether such activity or service was directly provided by the Company or through other companies established by the Company with others as long as it owns the majority in the capital.

Such exemption of fees shall not apply to Frequency Usage License fees or Mobile Telephone Services License fees.

Telecom Egypt shall, during the period mentioned above, have the exclusive right to establish, operate and exploit international transmission networks between Egypt and any other country through international gateways via submarine and terrestrial cables, microwave links and satellites for fixed services and provide Telephone, Fax, Telex and Telegraph Services over such networks.

The NTRA Board of Directors shall have the right to issue a resolution enabling Telecom Egypt to exclusively perform some other activities and services which are being carried out only by Telecom Egypt at the date of applying this Law. This shall be effective within a limited period determined by the resolution without violation to the acquired rights of other licensed companies.

In all cases, Telecom Egypt shall undertake to provide the Telecommunication Services, exclusively offered by it, to whoever is requesting it in accordance with its available technical capabilities.

Article 61

Telecom Egypt shall, after obtaining the necessary license from the NTRA, have the right to provide new Telecommunication Services, and in that case, it shall have the same rights and obligations of Providers of such services, in accordance with the rules issued by the NTRA in this regard.

Article 62

The capital of the company shall be divided into equal nominal shares and the Company Statute shall determine the nominal value of each share, provided that it shall not be less than ten pounds and shall not exceed one thousand pounds.

Article 63

Upon a decree from the Cabinet, shares can be offered for sale at a partial value of the Company capital provided that the greater part of the capital remains State owned. The

Company employees shall have priority to acquire a percentage of the offered shares in the order of (5%).

Part 6 - National security and General Mobilization

Article 64

Telecommunication Services Operators, Providers, their employees and Users of such services shall not use any Telecommunication Services encryption equipment except after obtaining a written consent from each of the NTRA, the Armed Forces and National Security Entities, and this shall not apply to encryption equipment of radio and television broadcasting.

With due consideration to inviolability of citizens private life as protected by law, each Operator and Provider shall, at his own expense, provide within the telecommunication networks licensed to him all technical potentials including equipment, systems, software and communication which enable the Armed Forces, and National Security Entities to exercise their powers within the law. The provision of the service shall synchronize in time with the availability of required technical potentials. Telecommunication Service Providers and Operators and their marketing agents shall have the right to collect accurate information and data concerning Users from individuals and various entities within the State.

Article 65

The TRA shall, in cooperation with the Armed Forces and the State concerned entities, prepare a prior plan for the operation of Telecommunication Networks to be implemented during natural and environmental disasters and periods of general mobilization according to the provisions of Law No. 87 of 1960 regarding general mobilization and any other cases related to National Security. Such plan shall be updated periodically in order to secure Defense and National Security. The Operators and telecommunications Service Providers shall commit themselves to implement such plan.

Article 66

The NTRA shall coordinate with the Armed Forces and the National Security Entities when preparing the Frequency Spectrum Usage Plan or the National Numbering Plan and when revising or modifying them.

Article 67

The State competent authorities shall have the power to subject to their administration all Telecommunication Services and networks of any Operator or Service Provider and call operation and maintenance employees of such services and networks in case of natural or environmental disasters or during declared periods of general mobilization in accordance with the provisions of Law No. 87 of 1960 or any other cases concerning National Security.

Obligations of Telecommunication Services Operators or Providers shall be reduced to the extent any of their obligations has been affected, directly or indirectly, as a result of executing the provisions of Articles (65) and (67).

Telecommunication Operators and Providers shall have the right for suitable indemnity for damages liable to occur as a result of subjecting the Telecommunication Services in application of the provisions of Article (67) of this law.

Article 69

Employees assigned by NTRA, the Armed Forces and National Security Entities may, upon a resolution by the Minister of Justice in coordination with the Concerned Minister, be considered judicial officers regarding crimes committed in violation of this law as related to their positions' scope of work.

Part 7 - Penalties

Article 70

Without prejudice to other more severe penalties prescribed in the Penal Code or any other law, crimes stated in the following articles shall be liable to the penalties prescribed therein.

Article 71

Whoever premeditatedly demolishes any part of the Telecommunication Networks, Infrastructure, buildings, constructions or any of the telecommunication lines, or make it wholly or partially unusable in any way that results in disconnection of telecommunication, even if temporarily, shall be liable to prison confinement and to a fine of not less than fifty thousand pounds and not exceeding one hundred thousand pounds.

If any of the deeds referred to in the previous clause occurs as a result of negligence or inadvertence, the penalty shall be confinement to prison for a period not exceeding six months and a fine of not less than five hundred pounds and not exceeding one thousand pounds, or either penalty.

In all cases, the court shall, automatically pass a ruling obliging the perpetrator to pay the value of whatsoever has been demolished or damaged or the costs of restoration, without prejudice to the right of indemnity.

Article 72

Whoever carries out any of the following acts without obtaining a license from the NTRA according to the provisions of this law shall be liable to prison for a period of not less than six months and not exceeding five years and a fine of not less than fifty thousand pounds and not exceeding five hundred thousand pounds, or either penalty:

- 1. Establishing or operating Telecommunication Networks.
- 2. Establishing Telecommunication Networks Infrastructure.
- 3. Providing Telecommunication Services.
- 4. By-passing international telephone calls by any means whatsoever.

A ruling shall be issued confiscating all equipment, sets and connections used in perpetrating such crimes. A ruling shall also be passed obliging the convict to pay suitable compensation in the case prescribed in item 4 of this article.

Whoever perpetrates any of the following deeds during the performance of his job in the field of Telecommunications or because of it shall be liable to a penalty of confinement to prison for a period of not less three months and a fine of not less than five thousand pounds and not exceeding fifty thousand pounds, or either penalty:

- 1. Annunciation, publishing or recording the content of any Telecommunication message or part of it without any legal basis.
- 2. Hiding, changing, obstructing or altering any or part of Telecommunication message that he might have received.
- 3. Refraining from sending any Telecommunication message after being assigned to dispatch it.
- 4. Divulging without due right any information concerning Telecommunication Networks Users or their incoming or outgoing communication.

Article 74

Whoever waives his Radio Frequency Usage license before obtaining the NTRA approval shall be liable to a penalty of confinement to prison for a period of not less than three months and a fine of not less than twenty thousand pounds and not exceeding one hundred thousand pounds, or either penalty. In addition such license shall be revoked.

Article 75

Whoever divulges, publishes or spreads any information obtained by virtue or because of his position about an entity working in the telecommunication field, shall be liable to a penalty of confinement to prison and a fine not less than twenty thousand Pounds and not exceeding one hundred thousand pounds or either penalty, in case such acts result in unfair competition between the entities working in this field.

Article 76

Without prejudice to the right for suitable indemnity, a penalty of confinement to prison and a fine not less than five hundred pounds and not exceeding twenty thousand pounds or either penalty shall be inflicted on whoever:

- 1. Uses or assists in using illegitimate means to conduct telecommunication correspondence.
- 2. Premeditatedly disturbs or harasses a third party by misusing Telecommunication Equipment.

Subject to the provision of the last clause in article (48) of this law, a penalty of confinement to prison for a period of not less than one year and a fine of not less than twenty thousand pounds and not exceeding fifty thousand pounds or either penalty shall be inflicted on whoever carries out any of the following deeds without obtaining a permit therefor from the competent authorities:

- 1. Importing or manufacturing any of the Telecommunication Equipment for the purpose of marketing in the country.
- 2. Possessing, installing, or operating any radio Telecommunication Set. This penalty shall not apply in the case of radio sets for which the NTRA issues a General License permitting the use, assembly, or operation of such sets, subject to the provisions of article (44) of this law.

The penalty shall be multiplied in its lowest or highest limits in case of recurrence.

The penalty shall be confinement to jail if the importing, manufacturing, or possession without permit occurs with the aim of disturbing National Security.

In all cases, the court shall pass a ruling confiscating the equipment and sets subject of the crime.

Article 78

A penalty of confinement to prison for a period not exceeding six months and a fine of not less twenty thousand pounds and not exceeding fifty thousand pounds or either penalty shall be inflicted on whoever, without due right, premeditatedly intercepts or causes interference to radio waves assigned to third parties.

The court shall in addition pass a ruling confiscating the equipment and sets used in perpetrating the crime.

Article 79

A penalty of confinement to prison and a fine of not less than twenty thousand pounds and not exceeding fifty thousand pounds or either penalty shall be inflicted on whoever infringes the provisions of article (42) of this law.

The court may, in addition, pass a ruling ordering the removal of the works executed without authorization and which resulted in damages to the paths of the Telecommunication networks. Infringement shall be removed by the violator within the period determined therefor by the administration concerned. In case of negligence or inactiveness the administration concerned or whoever it assigns, shall accomplish such removal, and in all cases it shall take place at the expense of the violator.

A penalty of confinement to prison for a period not exceeding three months and a fine of not less than five thousand pounds and not exceeding twenty thousand pounds or either penalty shall be inflicted on whoever violates the provisions of Articles (30) and (39) of this law.

Article 81

A penalty of confinement to prison and a fine of not less than ten thousand pounds and not exceeding one hundred thousand pounds shall be inflicted on whoever violates any of the provisions of article (64) of this law.

The court shall, in addition, pass a ruling temporarily suspending the license pending provision, by the violator, of the equipment, systems, and Telecommunication software and programs referred to in that article.

Article 82

A penalty of confinement to prison shall be inflicted on whoever infringes the summons orders prescribed in article (67) of this law.

The penalty shall be confinement to jail if the crime takes place in time of war or in the cases for which general mobilization is declared according to the provisions of law no. 87 of 1960 on General Mobilization.

In all cases, the court shall pass a ruling temporarily suspending the license pending execution, by the violator, of the summons order issued to him.

Article 83

A penalty of confinement to prison and a fine of not less than twenty thousand pounds and not exceeding two hundred thousand pounds or either penalty shall be inflicted on every service provider who fails to abide by the health and environmental safety standards and conditions or the construction measures referred to in articles (6, 35, 36, and 37) of this law. The court shall, in addition, pass a ruling ordering the removal of the causes of the violation. Such removal shall be accomplished by the violator within the period determined therefore by the administration concerned. In case of negligence or inactiveness, the administration concerned or whoever it assigns shall execute such removal, and in all cases it shall be done at the expense of the violator.

Article 84

A fine penalty of not less than ten thousand pounds and not exceeding fifty thousand pounds shall be inflicted on whoever infringes the commitment prescribed in articles (19,21 "third clause", 28 "items 1 and 3", and 59 "second clause") of this law. In case of recurrence, the penalty shall be multiplied in its minimum and maximum limits.

A fine penalty of not less than twenty thousand pounds and not exceeding two hundred thousand pounds shall be inflicted on any Telecommunication service provider or operator who violates any condition of the license granted thereto, or infringes the technical quality controls or the standard measures of performance quality for the licensed Telecommunication services.

Whoever infringes the Telecommunication services rates as approved by the NTRA shall be liable to a fine penalty equivalent to tenfold the amount charged in excess to those rates. The fine shall recur by the number of users in whose respect the infringement has taken place.

Article 86

The same penalties as prescribed for the deeds perpetrated in violating the provisions of this law shall be inflicted on the person in charge of actual management of the juridical person, if his awareness of these deeds is established, and that his default on the duties imposed on him by such management has contributed to the perpetration of the crime.

The juridical person shall be jointly liable for the settlement of the sentenced financial penalties and compensations as ruled by the court.

Final provisions

Article 87

Provisions of Articles (5 "item 8", 21, 24, 39, 40, 42, 43, 44 "first clause", 48, 51 "first clause", 53 and 59) of this law shall not apply to the Armed Forces, National Security Entities and Companies of the National Authority for Military Production in regard of Telecommunication Equipment that are related to National Security requirements.

Also the provisions of Articles (59) of this law shall not apply to the Radio and Television Union, and the provisions of Articles (51) and (53) shall not apply to rescue and emergency services and other services provided by the Services Organizations of the State