

Summarised Telecommunications Market Structure Under the Unified Licensing Framework

	Market segments	Licence period (Yrs)	Licence application fee	Initial licence fee	Annual operating fee
1. NATIONAL NETWORK FACILITIES PROVIDERS					
1a	TIER 1	15 years	KSh. 10,000	KSh. 15 Million	0.5% of Annual Gross Turnover or KSh 5 million whichever is higher
1b	TIER 2	15 years	KSh. 10,000	KSh. 15 Million	0.5% of Annual Gross Turnover or KSh 1 million whichever is higher
1c	TIER 3	15 years	KSh. 10,000	KSh. 200,000	0.5% of Annual Gross Turnover or KSh 200,000 whichever is higher
2. INTERNATIONAL NETWORK FACILITIES PROVIDERS					
2a	Submarine Cable Landing Licence	15 years	KSh. 10,000	KSh. 15 Million	0.5% of Annual Gross Turnover or KSh 5 Million whichever is higher
2b	International Gateway Licence	15 years	KSh. 10,000	KSh. 15 Million	0.5% of Annual Gross Turnover or KSh 5 Million whichever is higher
3. NON – INFRASTRUCTURE BASED SERVICE PROVIDERS					
3a	Applications Service Providers	15 years	KSh. 10,000	KSh. 100,000	0.5% of Annual Gross Turnover or KSh 100,000 whichever is higher
3b	Content Service Providers	15 years	KSh. 10,000	KSh. 100,000	0.5% of Annual Gross Turnover or KSh 100,000 whichever is higher
4. TERMINAL EQUIPMENT PROVIDERS					
4a	Telecommunications Terminal Equipment Contractors	15 years	KSh. 1,000	KSh. 15,000	KSh 6,000
4b	Telecommunications Technical Personnel	15 years	KSh. 500	KSh. 2,000	KSh 500
5. PRIVATE VERY SMALL APERTURE TERMINALS (VSAT)					
5a	Operated Through Vsat Hub Operators Licensed In Kenya	15 years	KSh. 1,000	N.A.	KSh 6,000 per VS AT Terminal
5b	Operated Through Foreign Vsat Hub Operators	15 years	KSh. 1,000	N.A.	KSh 200,000 per VS AT Terminal
6. ONE TIME AUTHORISATION					
6a	GMPCS Landing Rights Authorization	15 years	KSh. 10,000	US \$ 12,500	Not applicable
6b	Business Process Outsourcing	Open	KShs 10,000 (Registration fees)		Not applicable



Communications
Commission
of Kenya

Procedure for Licensing Telecommunications Operators/Service Providers

Opening your world



Introduction

The Communications Commission of Kenya (CCK) is the regulatory authority for the communications sector in Kenya. Its regulatory mandate spans the fast growing telecommunications, broadcasting, IT (e-commerce) and postal/courier industries, including managing the country's frequency spectrum.

CCK is mandated to license all communications systems and services in the country. In executing this and its other responsibilities, CCK is guided by the provisions of the relevant statutes, including the *Kenya Communications Act, 1998*, *Kenya Communications (Amendment) Act, 2009*, and the *Kenya Communications Regulations, 2001*. These legal documents are available in hardcopy at the Government Printer: www.governmentpress.go.ke

Commercial telecommunications licensees are authorized to set up/provide services to third parties in accordance with the licence terms and conditions.

CCK issues commercial licences on a first-come-first-served basis and the turnaround time is 135 days.

Unified Licensing Framework

The Commission has in place a Unified Licensing Framework (ULF) which is technology and service neutral. Under the Unified Licensing regime, the ICT market is structured in three main licence categories.

These are: (i) Network Facilities Provider (ii) Application Service Provider (iii) Content Service Provider

In addition, investors who wish to land a submarine cable in Kenya require a Submarine Cable Land licence. In the same vein, those interested in providing international voice/data services are required to get a licence for International Systems and Services.

An investor may be issued with multiple commercial licences under a single name, provided that he/she maintains separate accounts for each licence.

Telecommunications licensing requirements

The licensing process commences with the submission of a duly completed application form. Application forms are available at www.cck.go.ke Page two of each application form details the requirements for acceptance of an application for each type of licence. In general, all applicants for commercial licences should meet the following conditions:

- Be registered in Kenya with the Registrar of Companies as a company, sole proprietor or a partnership,
- Have a duly registered office and permanent premises in Kenya,
- Provide details of shareholders and directors,

- Registered companies are required to have at least 20% local shareholding on or before the end of three years after receiving a licence,
- Provide evidence of compliance with tax requirements.

The list of telecommunications licences offered by CCK and the related fees are attached at the end of this brochure.

Telecommunications licensing procedures

An application is deemed to have been received when CCK accepts the application fees and issues a receipt. Applications sent by post are treated as correspondences unless/until licence application fees are received.

Once an application is accepted, it undergoes processing which may include publication in the Kenya Gazette in accordance with the law. At the conclusion of the licensing process, an applicant is advised of the outcome in writing.

Post-licensing issues

If CCK approves an application for a telecommunications licence, the applicant is given a maximum of six (6) months within which to take up the offer, failing which he/she may be required to apply afresh if still interested with the licence. On taking up the offer, the licence must be put into operation within 12 months from the date of issuance.

It is a requirement that all electronic communications systems be type approved by CCK before they are activated. Further, CCK inspects all networks before they are put into operation.

Commercial communications licences cover authorization for setting up systems and/or providing services to third parties. These licences are not tied to any rollout resources such as radio spectrum, numbering (including ENAM) and/or way-leaves. Investors are advised to seek such resources separately upon receipt of the licence.

Investors are encouraged to familiarize themselves with the licensing terms and conditions available on sample licences posted at our website.

For more enquiries, please contact:

The Director/ Licensing, Compliance and Standards

P.O. Box 14448, Nairobi 00800. Tel. +254 20 4242000, Fax: +254 20 4451866

email: info@cck.go.ke