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1. INTRODUCTION

The National Communications Authority (NCA) intends to implement a new ICT licensing framework in pursuit of its mandate as the supervisor of the communication services in the Federal Republic of Somalia. The new licensing framework is guided by the National Communications Law of 2017, which confers powers to issue licenses for the provision and operation of communications infrastructure and services within the borders of the Federal Republic of Somalia to the NCA. The main relevant specific provisions in the Communications Law are in Articles 3(1) and 41(1). The Communication Law also stipulates in Article 2(2a) that one of the main objectives of the Law is the facilitation and unification of communications services.

Hence deriving its authority in the relevant specific provisions in the Communications Law and the requirement for facilitation and unification of services in Article 2, the NCA hereby proposes to adopt Unified Licensing Framework (ULF) in the Federal Republic of Somalia.

Unified licensing embraces the principle of technology and service neutrality. It permits a licensee to offer multiple services, using any technology or infrastructure that is capable of delivering the desired services. The ULF will replace the existing grandfathered technology and service specific licenses, which were previously issued by the Ministry of Posts and Telecommunications Technology.

ULF offers more flexible, simplified and technology and service neutral form of licensing. It allows operators to use the most cost-effective technologies for their service offerings without exceeding the scope of their licenses. Simplification and streamlining of the licensing process reduces administrative costs for the NCA while lowering or containing levies on operators for licenses and other fees.

2. OBJECTIVES OF THE UNIFIED LICENSING FRAMEWORK

The purpose of the UL framework is to simplify the licensing process and provide a more conducive environment for market growth and improvement of the socio-economic welfare of
the society while considering the convergence of technologies. The framework will primarily achieve the following:

**Efficiency of Convergence:** multiple services would be delivered on single network or platform embracing convergence of networks, services and technologies. This factor will drive efficient use of networks through economies of scope;

**Technology Neutrality:** networks will not be distinguished by technology; rather they would be licensed as networks capable of delivering multiple and multimedia products;

**Service Neutrality:** no preference is given to any particular type of service or technology, while ensuring the use of common standards and protocols that enable interoperability; and

**Consumer Choice:** as more players and more applications and products are introduced in the market, consumers will be able to shop for suitable solutions.

3. **LICENSE CATEGORIES**

Under the UL Framework, the NCA will issue technology and service neutral licenses to ICT/telecommunications network operators and service providers in the Federal Republic of Somalia. The proposed ULF is classified into Individual Licenses and Class Licenses:

3.1. **Communications Infrastructure Provider (CIP) License**

This type of license shall be issued to licensees who own, operate or provide any form of physical infrastructure used principally for carrying service and applications and content. The infrastructure may include fixed links, radio communication transmitters, satellites and satellites station, submarine cable, fiber/copper cable, towers, and switches, base stations. The facilities are for own use or for availing to other licensed operators on commercial basis. Private telecommunications networks shall fall in this category and shall further be specified in the appropriate license type to distinguish them from major networks.

3.2. **Applications and Services Provider (ASP) License**

The ASP license is for non-infrastructure-based service providers who could provide all forms of services and applications to end users using infrastructure of Communication
Infrastructure Providers. The services and applications may be based on speech, sound, data, text and images and deliver functions to the end users. The services may include among others voice services, Internet Access, data services, mobile money services, MNVO services, IPTV and Value-Added Services. These service application providers typically use leased facilities from Communications Infrastructure Providers to offer services.

3.3. Communications Infrastructure and Services Provider (CISP) License

This license category allows operators to obtain combined license for communications infrastructure, services, and applications in one license. It is essentially a license that gives a licensee combined CIP and ASP license. This type of license eliminates the need for operators to go through multiple licensing procedures if they desire to provide multiple communications infrastructure and applications and services. Terms and conditions for this license will include all the terms and conditions for individual CIP and ASP Licenses.

4. Description of License Types in the Category of Communications Infrastructure Provider (CIP)

4.1. International Communications Infrastructure Provider License

The licensee or service provider has international scope of operation only and shall be licensed to provide network facilities for connectivity to destinations outside Somalia. International network facility will be connected to national network facility to facilitate seamless connectivity and conveyance of services, applications and content. The Terms and Conditions of the license will stipulate further details of operation; for instance, the licensee may provide only wholesale communication infrastructure which means they would only sell to other licensees, who will in turn sell to end users.

4.2. National Communications Infrastructure Provider License

A licensee with this type of license has national scope of operation and may connect to the infrastructure of International Communications Infrastructure Provider if there is need for connectivity to destinations outside Somalia. The Terms and Conditions of the
License will stipulate further details of operation, for instance, the license may be licensed to sell to other licensees or to retail consumers.

4.3. Regional Communications Infrastructure Providers

The service provider is licensed to build local networks or own private network. A local network shall be confined to a city, town or village if it is meant to serve the public. Otherwise it shall be confined to ownership and use by a business/company (i.e. Private Network). Non-private network Licensees could provide wholesale or retail connectivity. The Terms and Conditions of the License will stipulate further details of operation, for instance, the license may be licensed to sell to other licensees or to retail consumers.

5. Description of License Types of Applications and Services Provider (ASP) Licenses

5.1. Applications and Service License

This license type defines the services and applications to be carried in communications infrastructure and covers among others voice, data, Internet, SMS and other services. GMPCS and MVNO services fall in this license type. Licensee can operate at both national and international scope. However, licensees who seek to provide services to other licensed operators only are issued wholesale application and service license, which shall then define the wholesale application and service.

5.2. Value Added Services License

This license type is specifically designed to accommodate Small Medium and Micro Enterprises and those licensees who buy from other licensees to sell to end users. The licensees provide value-add to applications and services obtained from other Licensees and they also provide Internet based applications and services.

6. Class Licenses

6.1. Terminal Equipment Providers

This class license is classified into:
a) Class A: Big companies who manufacture and distribute Telecommunications terminal equipment’s, installations and Maintenance.
b) Class B: Small companies who resells Telecommunications terminal equipment’s, installations and Maintenance.

6.2. Private Very Small Aperture Terminals (VSAT)
This class license includes the VSAT operated through foreign hub operators.

6.3. Onetime Authorization (Class License)
This is a onetime authorization class license; it includes the Global mobile Personal Communications by satellite and dot SO sub domain name registrar service providers.
## 7. Summary of Licensing Categories

<table>
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<tr>
<th>License Category</th>
<th>License Type</th>
<th>Services</th>
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<tbody>
<tr>
<td>Individual License</td>
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</table>
| Communications Infrastructure Provider (CIP)           | International Communications Infrastructure | - International gateway (Satellite/Terrestrial)  
- Cable transit  
- Satellite Hub System  
- Uplink Satellite Broadcasting Stations |
|                                                      | National Communications Infrastructure | - Public Fixed Systems  
- Public Land and Mobile Cellular Systems |
|                                                      | Regional Communications Infrastructure | - Broadcasting Signal Distributor  
- Public Internet Networks  
- Public Radio Trunking Systems  
- Local Loop Networks (Fixed and wireless access systems)  
- Private Networks |
| Applications and Services Provider (ASP)              | Applications and Services            | - National fixed and mobile applications and services  
- International Services (voice/data/text)  
- MVNO Services (voice/data/text)  
- GMPCS Services  
- Satellite Service |
|                                                      | Value Added Services                 | - All Services and Applications carried over Regional Networks  
- Internet Service on Regional Networks  
- VOIP Services offered on Private Networks  
- Premium Rate Services  
- Credit Card Validation Service  
- Other web based public |
| Communications Infrastructure and Services Provider (CISP) | Combined CIP and ASP Infrastructure, Applications, and Services | All of the above |

<table>
<thead>
<tr>
<th>Class License</th>
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<tbody>
<tr>
<td>Terminal Equipment Providers License</td>
<td>Installation, Maintenance and distribution license</td>
<td>Installation, Maintenance and Distribution of Telecommunications Equipment</td>
</tr>
<tr>
<td>VSAT Services Providers License</td>
<td>VSAT Services License</td>
<td>VSAT Networks to provide Communications Services</td>
</tr>
<tr>
<td>One Time Authorization</td>
<td>DotSo Domain Registrar License</td>
<td>DotSo Registrar Services</td>
</tr>
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Table 1: License categories, Tiers and Coverage
10. Conclusion
The proposed ULF is in line with the articles of 3, 2(a) and 41 of National Communications Law with the modern licensing communication sector and does not hinder its progress and development but promotes innovation and simplicity. This model is the most applicable to current market structure, in which big companies can get one license with multiple services, while small and medium sized operators can get a smaller scale license for a specific service and limited coverage. The terms and conditions of the licenses will promote effectively development of the ICT sector and foster the growth of the sector in the Federal Republic of Somalia.
Appendix B: Consultation Procedures

1. NCA is asking the public for its comments on the licensing documents that are part of this consultation. These documents have been developed based on a range of options and suggestions. Any submissions received in response to any of these documents will be carefully considered by NCA when finalizing its position in respect of licensing.

2. Unless otherwise marked as confidential, NCA will be posting all comments to this consultation on its website at www.nca.gov.so. NCA prefers to receive submissions that are not marked as confidential. However, we accept that a submitter may sometimes wish to provide information in confidence. In these circumstances, submitters are asked to clearly identify any material that they consider confidential and provide a written explanation for the confidentiality claim. Any confidential information should be provided as part of a separate annex to a response document. NCA will have the final determination in respect to all claims for confidential treatment.

3. All comments and other communications regarding this consultation should be submitted in the following manner: comments@nca.gov.so