

Kenya defines licensing framework for liberalized sector

The Communications Commission of Kenya (CCK) released on 8 September 2004 a new licensing framework for international voice, data and Internet traffic, which legalizes voice over Internet protocol (VoIP). The policy announcement follows the end of Telkom Kenya's five-year exclusivity period on 30 June 2004. With the new framework, the Government seeks to create opportunities for new players in providing various communications services and to address the challenges arising from technological convergence.

Under the new framework, the CCK will eliminate its previous practice of conducting auctions to award licenses and will provide equal opportunities for all players by issuing new licenses upon request. Applicants will only need to demonstrate adequate capacity to provide the related services. The licensing framework will be effective immediately and will enable the following reforms:

- Unrestricted licenses for Internet backbone and gateway operators, broadcast signal distributors, and commercial VSAT operators
- Cellular mobile operators (GSM) may build and operate their own international gateways
- Public data network operators may establish international gateways
- All new licensees and public data network operators may carry any form of data, including voice

The framework does not consider eliminating limits to cellular mobile or local loop licenses. However, the Government is about to issue a third cellular license and plans to restart the cancelled licensing process for a second national operator (SNO). In addition, the CCK intends to adopt a unified and technology neutral licensing framework within the next five years. It would consolidate all licensing categories into network facilities, applications services and content services, and allow provision of any service using any technology.

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Source: Communications Commission of Kenya

Post Exclusivity Regulatory Strategy: Licensing Approach, Market Reorganization and Introduction of New Entrants, 8 September 2004
(<http://www.cck.go.ke/new/strategy.htm>)