



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INFORMATION, COMMUNICATION
AND INFORMATION TECHNOLOGY
TANZANIA COMMUNICATIONS REGULATORY
AUTHORITY



Ref. No: EB.32/160/01/68

12th June, 2023

Managing Director,
Net Solutions Limited,
P. O. Box 22039.
11104 DAR ES SALAAM.

DECISION ON COMPLIANCE ORDER

*(Pursuant to the Compliance Order hearing on 11th April 2023 at TCRA
Headquarters, Dar es Salaam)*

1. INTRODUCTION

- 1.1 On 15th day of December, 2020 Tanzania Communications Regulatory Authority (hereinafter referred to as the "Authority") issued to Net Solutions Limited (hereinafter referred to as the "Licensee"), a Regional Application Services Licence for the provision of internet services.
- 1.2 Among the licence conditions, the Licensee is obliged to comply with the relevant provisions of the Acts, Regulations, licence conditions, Authority's directives and any other law of Tanzania.
- 1.3 Pursuant to section 6(1) of the Electronic and Postal Communications Act, Cap. 306, R. E. 2022) requires any person or a company who wishes to operate any electronic communications system or offer postal communications, electronic communications or content services to apply to the Authority for a licence.
- 1.4 In accordance with Table One of the First Schedule to the Electronic and Postal Communications (Licensing) Regulations 2028 as amended in 2022 by GN No. 65, building and operating a fiber optic cable network is within the scope of a Network Facilities Licence.
- 1.5 Between December 2022 to January 2023, the Authority carried out an audit and assessment of the Licensee's sites and it was revealed that the Licensee is operating beyond the scope of its licence by building and operating fiber optic cable network in Dar es Salaam region without having Network Facilities Licence.

2. COMPLIANCE ORDER

That on 31st day of March 2023, the Authority issued a Compliance Order requiring the Licensee to submit a written explanation and appear before the Authority **at TCRA Headquarters 8th Floor on 12th day of April, 2023 at 10:00 am** to show cause as to why the Authority should not take Legal and regulatory actions for the Licensee's breach of the Law, Regulations and Licence Conditions.

3. COMPLIANCE ORDER HEARING

The Licensee in compliance with the order, appeared before the Authority on the date and time set for the hearing represented by Mr. Stephen Mapunda- Managing Director.

4. LICENSEE'S DEFENCE

- 4.1 In their defence, the Licensee presented a written defence through a letter dated 11th April 2023 and made an oral submission to the Authority. The Licensee stated that, they do not build and operate fiber optic cable network in Dar es Salaam. That, they sometimes use fiber optic cables for data connection to overcome UTP cable limitations within buildings particularly to cover a distance of more than 100 Metres.
- 4.2 The Licensee further informed the Authority that, in some locations, the fiber optic cables are used as an extension to connect the second client from the first client.
- 4.3 That, the fiber optic cable extension is normally a small installation which does not require a permit from Government Authorities. The Licensee further explained to the Authority that only about 10% of their clients are connected with fiber optic cables and it is within the Kinondoni district only.
- 4.4 The licensee admitted the presence of fiber optic cable in their office building in Dar es Salaam City centre, however, they are leased from different Service Providers including TTCL, Zantel (currently MIC Tanzania PLC), Aptus Solutions Limited and the NICTBB. The leased fiber optic cables are for the provision of connectivity for the last mile within Dar es Salaam City Centre. NICTBB is used for the provision of internet services outside the Dar es Salaam region.
- 4.5 The Licensee also claimed the presence of old fiber optic cable owned by Zantel (currently MIC Tanzania PLC) which are no longer in use. The licensee agreed


5.4 Thus, the licensee is regarded as the owner of the fibre optic cable which were present in their office building at Dar es Salaam City Centre, without having a relevant Network Facilities Licence.

6 **DECISION**

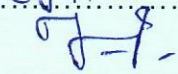
NOWHEREFORE, after considerations of the licensee's non-compliance, their defence and the fact that the Licensee is an experienced operator well aware of the requirement of law and license conditions, the Authority, by virtue of Section 114 of the Electronic and Postal Communications Act (Cap 306 R.E. 2022) and Section 48(3) of the Tanzania Communications Regulatory Authority Act (Cap 172 of Laws of Tanzania), hereby issues orders to Net Solutions Limited as follows:

- 6.1 To pay a fine of Five Million Tanzania Shillings Only (5,000,000/=) for having constructed fibre optic cables in Dar es Salaam Region without a license from the Authority contrary to Law, Regulations and License conditions;
- 6.2 To make an application to upgrade their license if they so desire to continue with operating network facility in Dar es Salaam; and
- 6.3 To implement all the above orders within thirty (30) days from the date of this order.

TAKE NOTICE that, upon failure by Net Solutions Limited to implement the above orders, further legal and regulatory action will be taken without further notice.


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Dr. Jabiri K. Bakari
DIRECTOR GENERAL

Order served upon and received by **Net Solutions Limited** on this 13th day of June 2023.

Name: STEPHEN MAPUNDA
Signature: 
Designation: MANAGING DIRECTOR



(This Order is issued in duplicate. Sign both copies and retain your copy while the other copy is to be returned to the Authority to authenticate due service of the Order.)