

## **Federal Decree-Law No. (3) of 2003 Regulating Telecommunications**

**We, Zayed bin Sultan Al Nahyan, President of the United Arab Emirates,**

- After having reviewed the Constitution; and
- Federal Law No. (1) of 1972 on the Competences of the Ministries and the Capacities of the Ministers, as amended; and
- Federal Law No. (7) of 1973 regarding wireless systems and communications, as amended; and
- Federal Law No. (7) of 1976 establishing the State Audit Institution, as amended; and
- Federal Law No. (8) of 1984 regarding commercial companies, as amended; and
- Federal Law No. (5) of 1985 promulgating the Civil Transactions Code, as amended; and
- Federal Law No. (3) of 1987 promulgating the Penal Code; and
- Federal Law No. (1) of 1991 regarding the Emirates Telecommunications Corporation; and
- Federal Law No. (10) of 1992 promulgating the Law of Proof in Civil and Commercial Transactions; and
- Federal Law No. (18) of 1993 promulgating the Code of Commercial Practice; and
- Federal Law No. (7) of 1999 promulgating the Pensions and Social Security Code; and
- Based on the recommendations put forward by the Chairman of the Cabinet, approved by the Cabinet,

**Hereby promulgate the following Decree-Law:**

### **Part One**

### **Definitions**

### **Article (1)**

In this Decree-Law the following words and expressions shall have the meaning set out opposite unless the context shall require otherwise:

**State** : United Arab Emirates.

<b>Government</b>	: Government of the United Arab Emirates.
<b>Government Entities</b>	: Federal ministries, local departments and public authorities, entities, corporations and agencies which are subject to Government control including the Armed Forces, Police and State Security Forces but excluding commercial companies and establishments even if the Government owns the company or establishment or holds an interest therein.
<b>High Committee</b>	: Committee appointed to oversee the telecommunications sector in accordance with Article (2) of this Decree-Law.
<b>Authority</b>	: The General Authority for Regulating the Telecommunications Sector and the Digital Government.
<b>Board</b>	: Board of Directors of the Authority.
<b>Chairman</b>	: Chairman of the Board of Directors of the Authority.
<b>Board Members</b>	: Persons appointed as Members of the Board in accordance with this Decree-Law.
<b>General Manager</b>	: General Manager of the Authority.
<b>Implementing Regulations</b>	: Implementing Regulations issued in accordance with this Decree-Law.
<b>Regulated Activities</b>	: Operating a public telecommunications network and providing telecommunication services to subscribers in addition to any other activities the High Committee specifies in accordance with this Decree-Law.
<b>Licenses</b>	: ETISALAT and corporate entities to which the High Committee grants licenses in accordance with this Decree-Law and its implementing regulations.
<b>License</b>	: Authorization issued in accordance with this Decree-Law and its implementing regulations, permitting the Licensee to carry on any of the regulated activities.
<b>Interconnection</b>	: Linking of electronic communications networks used by the same or a different undertaking in order to allow the users of

one undertaking to communicate with the users of the same or another undertaking, or to access services provided by another undertaking.

**Interconnection Agreement** : Agreement by which interconnection is established in accordance with the guidelines and terms issued by the Authority.

**Telecommunications Network** : System consisting of one or more communications equipment or devices that transmit, broadcast, convert, or receive a telecommunications service by electrical, magnetic, electromagnetic, electrochemical or electromechanical means or other means of communication.

**Public Telecommunications Network** : Telecommunications network through which public telecommunications services are provided to subscribers by Licensees in accordance with this Decree-Law.

**Private Telecommunications Network** : Telecommunications network operated strictly for the benefit of a certain entity or group of entities under a single ownership in order to serve their own particular needs.

**Telecommunications Services** : Delivering, broadcasting, converting or receiving, through the Telecommunications Network, the following:

1. Wire and wireless communications.
2. Voice, music and other audio material.
3. Viewable images.
4. Signals used for transmission with the exception of public broadcasts.
5. Signals used to operate and control any machinery or equipment.
6. Installing, maintaining, adjusting, repairing, replacing, moving or removing equipment that will be linked to or interconnected within a public telecommunications network.

7. Constructing, maintaining and operating telegraph, telephone and telex networks, local and international leased circuits and data transmission services, the Internet and wireless transmission services.
8. Any other telecommunications services approved by the High Committee.

Telecommunications services do not include public broadcasts.

- Public Telecommunications Services** : Any telecommunications service generally provided to subscribers or to a group of subscribers for a fee.
- Wireless Transmission** : Sending and receiving electromagnetic energy that can be used to deliver information, messages, voice and visible images or to operate or control machinery or equipment.
- Telecommunications Equipment** : Equipment that is manufactured or designed to send, receive and deliver telecommunications services through a dedicated telecommunications network.
- Etisalat** : Emirates Telecommunications Corporation regulated by Federal Law No. 1 of 1991 regarding the Emirates Telecommunications Corporation.
- Private Land** : Land owned, granted or leased to an entity other than a government entity.
- Public Land** : Any land, other than private land, which is under the control or ownership of a government entity.

## Part Two

### High Committee Overseeing the Telecommunications Sector

#### Article (2)

A committee called the "High Committee Overseeing the Telecommunications Sector" shall be set up to oversee the telecommunications sector. The Committee shall be comprised of 3

members, including the Chairman, and shall represent the office of the President of the UAE and the office of the Vice-President of the UAE and Ruler of Dubai and the Cabinet. The members shall be appointed by federal decree and shall be paid remuneration for serving as members on the Committee. The High Committee shall have all the powers necessary to carry out its functions under this Decree-Law.

### **Article (3)**

The High Committee shall in particular:

1. Issue the implementing regulations of this Decree-Law
2. Determine the overall policy of the telecommunications sector in the UAE and oversee its enforcement
3. Issue general directives and instructions on matters relating to the telecommunications sector in the interest of national security or international relations
4. Issue decisions, rules, regulations and directives for the enforcement of this Decree-Law and its implementing regulations including decisions approving the establishment of corporate entities that intend to operate in the telecommunications sector, fixing fees for the services and facilities that will be provided to Licensees and determining the authority responsible for collecting such fees
5. Issue, renew, cancel and suspend licenses in accordance with this Decree-Law and its implementing regulations
6. Fix fees for the licenses it issues
7. Fix fees for permits, approvals and services which the Authority will secure or provide in accordance with this Decree-Law or its implementing regulations
8. Other functions entrusted to it under this Decree-Law

The High Committee may delegate some of its functions to the Authority.

### **Article (4)**

The High Committee will be allocated appropriate funds in the State Budget in order to meet its financial requirements and obligations.

## **Article (5)**

The High Committee shall decide upon internal regulations for its activities and the conduct of its meetings as well as conditions, provisions, and the remuneration payable to assisting staff. The High Committee is not subject to audit requirements enforced by the State Audit Institution under the law establishing it.

## **Part Three**

### **The General Authority for Regulating the Telecommunications Sector and the Digital Government**

#### **Section One**

#### **Establishment of the Authority**

## **Article (6)**

An independent authority called the "The General Authority for Regulating the Telecommunications Sector and the Digital Government" shall be established to carry out the responsibilities and functions entrusted to it under this Decree-Law and its implementing regulations.

## **Article (7)**

The Authority shall have an independent legal personality with full authority and capacity to perform legal acts in accordance with this Decree-Law, including the capacity to contract, acquire and lease movable and immovable assets and sue. The Authority shall enjoy financial and administrative independence with respect to all its affairs.

## **Article (8)**

The Authority shall have its headquarters in Abu Dhabi and a branch office in Dubai. The Board of Directors may open other offices inside the UAE.

## **Article (9)**

The Authority shall conduct its activities in accordance with this Decree-Law and its

implementing regulations. The Authority shall have the power to issue regulations pertaining to financial and administrative matters, contracts and purchases, staff and staff disciplinary procedure without having to comply with the applicable laws, decisions, rules and regulations of the Government.

### **Article (10)**

- a. The Authority shall be managed by a Board of Directors, whose formation and competences shall be determined pursuant to a Federal Decree, for a term of 4 years – renewable for similar periods; and the Board shall have the following competences:
  1. Issue the implementing regulations after being approved by the Cabinet.
  2. Prepare the State’s Telecommunications Sector’s supreme policy, submit it to the Cabinet for approval, and pursue its execution after being approved.
  3. Issue any general guidelines or instructions related to the Telecommunication Sector, based upon the requirements of the national security or international relations, after being approved by the Cabinet.
  4. Issue the resolutions, rules, regulations, and instructions related to implementing the provisions of this Law and its implementing regulations, including resolutions incorporating legal persons operating in the Telecommunications Sector, determine fees of services and facilities provided to the licensees, and the entity to which these fees shall be sent to.
  5. Issue, extend, cancel, or suspend licenses in accordance with the provisions of this Law and its implementing regulations.
  6. Determine the fees of licenses, permits, approvals, and services issued, provided, or supplied by the Authority in accordance with the provisions of this Law, its amendments, and its implementing regulations.
  7. Issue internal regulations related its activity.
  8. Any other competences entrusted to him in accordance with the provisions of this Law and its implementing regulations.
- b. The Authority shall have a Director General, appointed pursuant to a Federal Decree, and the latter shall be the Authority’s legal representative as well as the person responsible

between the Board of Directors for managing daily activities; the implementing regulations shall determine his competences.

### **Article (11)**

#### **(Repealed by Federal Decree-Law No. 5 of 2008)**

The High Committee may decide to remove a director prior to the end of his term of office for any of the following reasons:

1. The Director has been convicted of a felony or misdemeanor that constitutes a breach of honor or trust.
2. Disciplinary reasons.
3. Inability to perform his duties due to health reasons.

### **Section Two**

#### **Functions, Powers and Responsibilities of the Authority**

### **Article (12)**

The Authority is responsible for overseeing the telecommunications sector and Licensees in accordance with this Decree-Law and its implementing regulations and the directives issued by the High Committee. The Authority shall make appropriate recommendations to the High Committee about the general policy of the sector. At the end of each financial year the Authority shall submit to the High Committee a report on its activities during the preceding year.

### **Article (13)**

When carrying out its functions in accordance with this Decree-Law and its implementing regulations, the Authority shall strive to attain the following objectives:

1. Provide the widest possible range of nationwide telecommunications services to those who desire them
2. Ensure that the telecommunications sector provides high quality and efficient services to subscribers



3. Ensure that Licensees comply with performance quality standards and satisfy the terms of their licenses
4. Foster, promote and develop the telecommunications and information systems industry in the UAE
5. Work towards developing and modernizing telecommunications systems in the UAE through establishing a training and qualification system as well as relevant educational institutes and procuring the needed technology and state of the art equipment and facilities related to telecommunications

### **Article (14)**

Subject to Articles (3) and (12) of this Decree-Law the Authority shall be solely responsible for issuing regulations, directives, decisions and guidelines in relation to the following:

1. Charges and fees collected by Licensees in the manner directed by the High Committee.
2. All matters related to use and interconnection within telecommunications networks, telecommunications services provided by Licensees and Licensees' rights to use resources and to request right to share essential infrastructure including terms related to the costs of interconnection and the right to use and share resources and time slots, rules governing the negotiation and completion of agreements between those concerned with the above matters and rules for the resolution of disputes between the parties to such agreements.
3. Terms and standards of services provided to subscribers by Licensees including, quality assurance standards for services and terms regarding the provision of services and the resolution of subscribers' complaints and disputes, subscriber information access, use of information by subscribers and subscriber billing.
4. Specifications of the equipment used by Licensees including technical standards and classes of equipment.
5. Importing, manufacturing, using and operating telecommunications equipment and approvals concerning such equipment.
6. Devising a numbering plan that establishes a framework for the allocation and portability of numbers.
7. Frequency spectrum allocated to the telecommunications sector under this Decree-Law

- including the allocation, reallocation and use of such frequencies.
8. Terms for providing, setting up and operating directory assistance.
  9. Guidelines on preventing the "jamming" of telecommunications in the UAE by radio and electrical signals and other means.
  10. Qualifying persons to install, connect, modify and service telecommunications equipment.
  11. Publication of notices related to telecommunications equipment.
  12. Other responsibilities that may be entrusted to it by the High Committee.
  13. Proposing and preparing strategies, policies and legislation related to the integrated digital development of the Emirates' Government, including digital networks, systems, programs, services and platforms; and monitoring the implementation of these following their approval by the Cabinet.
  14. Proposing, preparing and implementing systems and guides related to digital government services, including the standards of usage and optimization for information technology and telecommunications projects by federal government bodies.
  15. Coordinating programs and projects of the Emirates' Government in the field of technology and digital development, and providing technical advice to the various federal government bodies to ensure an advanced digital environment.
  16. Preparing, implementing and managing programs and projects of digital transformation for services of the Emirates' Government in coordination with certain bodies, and in accordance with the best scientific practices of designing, developing and providing the services.
  17. Establishing and managing the digital governmental enablers including the systems, networks and digital governmental infrastructure of the Federal Government – in accordance with the best advanced technical solutions, programs and specifications – so as to enhance the efficiency and effectiveness of the Federal Government's digital systems and programs, and to support integration and interconnection between the different systems.
  18. Establishing technical standards and specifications for the digital government and filing reports to the Cabinet on the extent to which the federal government bodies comply with

these standards and requirements, so as to enhance efficiency and integration.

19. Coordinating with certain bodies in the State to ensure that the digital governmental systems and enablers, the networks, and the digital governmental infrastructure of the Federal Government comply with the standards and requirements, so as to enhance their readiness to address and meet risks and threats.
20. Developing and implementing governmental programs to improve the quality and efficiency of digital governmental services, and the provision of an exceptional and seamless customer experience.
21. Developing and implementing an integrated system to monitor and evaluate the performance of the digital services of the Emirates' Government in order to improve the quality and efficiency of the services, and the provision of an exceptional and seamless customer experience.

### **Section Three**

#### **Financial Affairs**

#### **Article (15)**

The financial year of the Authority shall be from 1st January to 31st December in each year. The first financial year of the Authority shall begin on the date on which this Decree-Law takes effect and end on the 31st of December of the next following year.

#### **Article (16)**

The Authority shall have an independent budget. The High Committee shall issue the budget for the first financial year and the General Manager shall prepare the budget for each subsequent year for it to be approved by the Board of Directors then issued by the High Committee.

#### **Article (17)**

The financial resources of the Authority consist of the following:

1. Allocations made to the Authority in the State Budget.

2. Fees the High Committee charges for licenses in accordance with this Decree-Law, its implementing regulations and regulations issued pursuant thereto.
3. Fees the High Committee charges for services which the Authority provides and permits and approvals it grants in accordance with this Decree-Law, its implementing regulations and the decisions of the High Committee.
4. Other revenue derived from the activities of the Authority.
5. Other financial resources approved by the High Committee.

### **Article (18)**

The Authority shall collect the fees the High Committee charges for the licenses the High Committee issues and the permits, approvals and services the Authority grants and provides in addition to fees payable for frequency spectrum.

### **Article (19)**

The Authority may, with the approval of the High Committee, borrow funds from the Government, banks and financial institutions in the UAE and elsewhere. The Authority has the right to issue debentures and loan agreements according to the terms specified by the Board of Directors pursuant to the decision of the High Committee.

### **Article (20)**

The Authority may undertake investments in the forms approved by the Board of Directors.

### **Article (21)**

The Authority and its activities shall be exempt from all taxes and Government fees.

### **Article (22)**

The Authority is not subject to audit requirements enforced by the State Audit Institution under Federal Law No. (7) of 1976, as amended. The State Audit Institution shall have no involvement or concern with the day to day activities of the Authority, the resolutions of its

Board of Directors and the policies which the High Committee decides and the Authority enforces.

### **Article (23)**

1. The Board of Directors shall appoint an independent auditor, registered with the relevant authorities in the UAE, to audit the Authority's accounts and prepare an audit report.
2. Once approved by the Board of Directors, the Authority shall submit a copy of its audited accounts to the High Committee together with the auditor's report.

## **Part Four**

### **Reorganization of the Telecommunications Sector**

#### **Section One**

#### **Etisalat**

#### **Article 24**

Etisalat no longer has the only monopoly on delivering wire and wireless communications and operating, maintaining and developing the public telecommunications system in the UAE and providing such communication services between the UAE and other countries, which it had originally been granted by Article (4) of Federal Law No. (1) of 1991 regarding the Emirates Telecommunications Corporation. The High Committee shall be responsible for levying and revising the fees which are payable to the Government for services and facilities provided by ETISALAT in accordance with the applicable laws, regulations and decisions in force at the date of issue of this Decree-Law.

### **Article (25)**

Subject to any applicable transitional provisions in this Decree-Law, ETISALAT may not carry out functions formerly exercised under Federal Law No. (1) of 1991 regarding the Emirates Telecommunications Corporation which conflict with the powers, functions and responsibilities of the High Committee or the Authority referred to in this Decree-Law and its implementing regulations.

### **Article (26)**

The Emirates Investment Authority shall be entrusted, as of the enforcement date of this Decree-Law's provisions, with the responsibility of representing the government in the institutions and companies in which the government has a share in the telecommunications sector and of exercising the necessary powers, unless the laws incorporating it or its bylaws stipulate otherwise.

### **Article (27)**

ETISALAT shall, within 90 days from the date on which this Decree-Law comes into force, amend its Articles of Association and the regulations incorporated within as necessary to be consistent with this Decree-Law and any regulations or decisions issued by the High Committee.

## **Section Two**

### **Licensed Corporate Entities**

#### **Article (28)**

The High Committee shall decide upon the classes of regulated activities for which licenses may be issued and the criteria that must be met by applicants.

A license may only be issued to a corporate entity that has been set up under a decision issued by the High Committee. The corporate entity may, after obtaining the approval of the High Committee, set up subsidiaries to engage in specific regulated activities.

#### **Article (29)**

Save for the provision granting UAE nationality to companies incorporated in the UAE, the provisions of Federal Law No. (8) of 1984 regarding commercial companies, as amended or replaced, shall not apply to corporate entities which are licensed in accordance with this Decree-Law to the extent of matters specifically provided for in their memoranda and articles of association approved by the High Committee. The relevant authorities shall handle the process of registering those entities.

### **Article (30)**

Licensees shall accommodate special needs and requirements by contributing to the provision of such telecommunications services and equipment and ensure non-discrimination when providing the same.

### **Article (31)**

Regulated activities may only be carried out after obtaining a license or exemption in accordance with this Decree-Law or its implementing regulations.

### **Article (32)**

The High Committee shall determine the form and content of licenses issued in accordance with this Decree-Law. Licenses are required to contain information on the duration of their validity and any mandatory terms designated by the High Committee.

### **Article (33)**

The license application should be filled out using the standard form and submitted to the Authority as soon as complete and all the information required by the High Committee is attached. The Authority will review the application and forward the results of its review and recommendations to the High Committee within 30 days of submission.

### **Article (34)**

The High Committee will then decide whether or not to grant a license to the applicant. The Committee's decision will be final and binding on the applicant. The decision may not be contested by appeal or any other process.

### **Article (35)**

The license granted under this Decree-Law shall not exempt the Licensee from obtaining such licenses and permits as may be required by any other Government entity to enable the Licensee to commence activity.

## **Section Three**

### **Exemptions**

#### **Article (36)**

The High Committee may, at its discretion:

1. Exempt a Licensee from the requirement to comply with the conditions of his license for a specific period of time according to the terms stated in the exemption decision.
2. Grant some or all Licensees or Licensees of a particular category the benefit of a general exemption from the requirement to comply with the conditions of their licenses for a specific period of time under such terms as stated in the exemption decision.

The High Committee may revoke, amend or extend any special or general exemption granted under this Article.

#### **Article (37)**

1. Individuals and corporate entities, including Government entities, shall not be allowed to provide telecommunications services through public telecommunications networks to customers and subscribers without having first obtained a license from the High Committee in accordance with this Decree-Law. The guidelines on constructing and operating private telecommunications networks shall be explained in the implementing regulations and the decisions of the High Committee.
2. Persons covered by the preceding paragraph must comply with the conditions and requirements related to the use of frequencies allocated to them under this Decree-Law.

## **Part Five**

### **Networks, Equipment & Numbering**

#### **Section One**

#### **Network Interconnection & Resource Sharing**

#### **Article (38)**

The Authority shall do all things necessary to facilitate the interconnection of telecommunications networks and ensure that the parties concerned comply with the



interconnection agreements. The Authority shall have all the powers necessary to carry out this task.

### **Article (39)**

1. Any dispute arising between parties to an interconnection agreement shall be referred to the Authority by one party for its final determination.
2. The Authority shall resolve disputes referred to it under this Article in the manner described in the implementing regulations.

### **Article (40)**

1. A Licensee may request the Authority to determine any dispute that arises between him and another Licensee regarding shared resources and infrastructure. The Authority shall then determine the dispute.
2. The Authority may conduct an appropriate investigation and request any information it deems to be essential for determining a dispute referred to it under this Article.
3. The Authority's decision with regard to the dispute may prescribe steps for the parties to follow or specify the conditions which the Licensee may include in resource share proposals or require either party or both to conclude a resource sharing agreement according to the terms specified in the decision.

The Authority's decision shall be final and binding on all the parties.

### **Article (41)**

ETISALAT and its affiliated entities shall, at the request of the Authority, provide connections to Licensees who seek interconnection and shared access to telecommunication resources and infrastructure at the most convenient interconnect point specified by the Authority, in a fast, efficient and economical manner. The Authority shall in particular:

1. Comply with regulations, directives and licensing conditions concerning interconnection and resource and infrastructure sharing issued pursuant to this Decree-Law or its implementing regulations.
2. Offer and provide interconnection and shared access to telecommunications resources

and infrastructure at today's most favorable terms and conditions including those related to cost and quality unless otherwise provided in regulations issued pursuant to this Decree-Law and its implementing regulations.

3. Provide the facilities, resources and information required for interconnecting and sharing infrastructure to Licensees and their affiliated companies under conditions and quality standards equivalent to those ETISALAT provides to itself or to its affiliated entities or companies.

## **Section Two**

### **Equipment Permits**

#### **Article (42)**

The Authority will be solely responsible for issuing permits and licenses for telecommunications equipment that is part of the telecommunications network or is used within the network or used to provide telecommunications services, as further described in the implementing regulations of this Decree-Law and the directives issued to the Authority by the High Committee.

Telecommunications equipment may not be used, sold, offered for sale or linked to any telecommunications network except with the permission of the Authority.

#### **Article (43)**

Government entities in the UAE shall be exempt from the requirement to obtain a permit from the Authority in order to use telecommunications equipment.

## **Section Three**

### **Numbering Administration**

#### **Article (44)**

The Authority shall distribute line switches, telephone numbers and supported functions to Licensees in accordance with this Decree-Law and its implementing regulations and the conditions laid down by the Authority in a decision taken after obtaining the approval of the

High Committee.

## **Part Six**

### **Regulation & Distribution of Frequencies**

#### **Article (45)**

#### **(Repealed by Federal Decree-Law No. 5 of 2008)**

The Ministry of Communications shall allocate sufficient and adequate frequency spectrum to meet the demand by existing and new telecommunication service providers.

#### **Article (46)**

1. A committee – called the “Coordination Committee” – shall be formed pursuant to a resolution issued by the Cabinet or whom it delegates, chaired by the Director General and the membership of representatives of the Authority in addition to representatives of the Armed Forces, Ministry of Interior, State Security Service, and the National Media Council. Representatives of other entities may be included, when necessary, pursuant to a resolution issued by the Board of Directors.
2. The Coordination Committee shall be responsible for developing a national plan for the frequencies allocated for telecommunications services, for the Board of Directors’ approval, which aims to ensure the efficacy of the frequency spectrum and its use, without any jamming or interference; and the Authority may, from time to time, request the Coordination Committee to review and amend the plan when necessary.

#### **Article (47)**

The national frequency plan must be consistent with international regulations related to utilization of frequency spectrum and international and regional conventions to which the UAE is party. The key aims of the national frequency plan shall be as follows:

1. Providing an orderly method for allocating frequency bands to provide telecommunications services through telecommunications networks, based on a recommendation from the High Committee.

2. Adjusting in the distribution of spectrum among existing users in order to allow for the development of new services.
3. Reallocating frequency spectrum upon the expiry of frequency spectrum permits and licenses.

#### **Article (48)**

The Authority shall have the competence of distributing, allocating, and cancelling the frequency spectrum, and said distribution shall be in compliance with the national frequency plan in accordance with the objective procedures and standards determined pursuant to regulations issued by the Authority.

#### **Article (49)**

The Authority shall, within a period of 9 months after this Decree-Law has come into force and after notifying the Ministry of Communications and the Coordination Committee, prepare and publish a plan for the reallocation of the frequency spectrum used to provide telecommunications services among existing Licensees.

#### **Article (50)**

No person may establish or use a wireless transmission station or install or use a wireless transmission device without first obtaining a frequency spectrum license from the Authority in accordance with this Decree-Law, its implementing regulations or the regulations and directives of the Authority.

#### **Article (51)**

A person who is applying for, or seeking to renew a frequency spectrum license, shall pay the fee specified in this Decree-Law, its implementing regulations, or the decisions, regulations or directives issued pursuant thereto.

**Part Seven**  
**Operation and Protection of Telecommunications Networks and Lines**

**Section One**

**Network Operation**

**Article (52)**

Government entities shall grant persons licensed to operate public telecommunication networks within their respective jurisdictions, the right to freely occupy and use public land including the right of way and entry on public land, to enable them to carry out the activities specified in their licenses. These rights consist of the right to:

1. Erect buildings and other installations.
2. Install equipment.
3. Assemble, lay out, upgrade and maintain public telecommunications networks and place and lay out telecommunications cabling above or beneath the ground surface.

**Article 53**

Article (52) of this Decree-Law does not apply to public lands occupied by Government entities and designated by the High Committee.

**Article (54)**

A person licensed to operate a public telecommunications network may, after obtaining permission from the High Committee based on the coordinated advice of the relevant Government Entities, remove or relocate trees and other plants in the following circumstances:

1. Where it is difficult or impossible for the Licensee to install or service overhead cabling.
2. Where the path of transmission or reception of signals by the Licensee's equipment will be materially obstructed.
3. Where the Licensee will be hindered or prevented from assembling, upgrading or operating a public telecommunications network.

Trees and plants may be removed and relocated to the extent, and only to the extent,

necessary to enter public land for the purpose of carrying out essential work.

### **Article (55)**

Persons licensed to operate public telecommunications networks shall be exempted from paying fees and taxes on public lands and roads used for any of the purposes described in Article (52) of this Decree-Law.

### **Article (56)**

The High Committee may issue regulations allowing Licensees to enter upon private land and any buildings and structures erected thereupon for any of the purposes described in Article (52) of this Decree-Law. Relevant guidelines and conditions will be explained in the implementing regulations.

## **Section Two**

### **Protection of Telecommunications Lines and Networks**

#### **Article (57)**

Persons carrying out work in close proximity to utility lines, wires, cables, equipment and installations belonging to a Licensee shall take all measures and precautions necessary to avoid damaging such lines, wires, cables, equipment and installations.

#### **Article (58)**

In case of work that will obstruct or in any way interfere with utility lines, wires, cables, equipment or installations belonging to the Licensee, the person or undertaking performing the work shall promptly notify the Licensee and the Authority and wait until a representative of the Licensee has arrived to assess how the work should be performed with full regard to safety and to avoiding interference with such lines, wires, cables, equipment and installations.

## **Article (59)**

In addition to the penalties provided in this Decree-Law and in any other law, a person who causes damage to any utility lines, wires, cables, equipment or installations belonging to the Licensee shall be liable to pay compensation at the amount specified in regulations issued by the Authority.

## **Part Eight**

### **Transitional Provisions**

## **Article (60)**

The High Committee shall grant a company owned by ETISALAT a temporary license authorizing the company to continue to carry out the regulated activities it carried out on the date on which this Decree-Law came into force until such time as it obtains a license in accordance with this Decree-Law and its implementing regulations.

## **Article (61)**

ETISALAT shall continue to use the frequency spectrum assigned to it by the Ministry of Communications in accordance with the applicable objectives, rules and conditions prescribed in this regard until such time as the Authority reallocates the frequency spectrum in accordance with this Decree-Law and issues a frequency license to ETISALAT.

## **Article (62)**

ETISALAT shall, within 90 days from the date on which this Decree-Law comes into force, provide the Authority with the following:

1. Copies of all licenses and permits related to specific classes of equipment as defined therein and current permits related to ETISALAT equipment and other relevant documents issued by ETISALAT under Federal Law No. (1) of 1991 regarding the Emirates Telecommunications Corporation.
2. Copies of all decisions and regulations containing the technical specifications of the telecommunications equipment provided by ETISALAT under the law mentioned in the

preceding paragraph.

3. Other information within ETISALAT's possession or control which the Authority might need in order to evaluate the current position of the telecommunications sector in the UAE.

### **Article (63)**

The Ministry of Communications shall, within 90 days from the date on which this Decree-Law comes into force, provide the Authority with any information and documents it requests for the purpose of evaluating the current position of the telecommunications sector in the UAE.

### **Article (64)**

ETISALAT shall, within 60 days from the date on which this Decree-Law comes into force, deliver to the Authority all books, records, logs, databases, documents and other information related to its activities which is within ETISALAT's custody or control and is required by this Decree-Law to be delivered to the Authority or the High Committee, or is considered by the Authority to be essential to be able to carry out its responsibilities under this Decree-Law and its implementing regulations. ETISALAT may keep copies of any of the documents previously mentioned for the purpose of carrying out certain functions under this Decree-Law with the approval of the Authority.

### **Article (65)**

1. The High Committee shall, on a date of its choosing, issue appropriate directives for the transfer of assets and rights from ETISALAT to the Authority in such manner as the High Committee shall deem necessary to enable the Authority to carry out the responsibilities it has inherited from ETISALAT under this Decree-Law. This provision applies to ETISALAT and third parties.
2. The directives may provide for the imposition of penalties in the event of breach of its provisions and for compensation to be paid to ETISALAT, as appropriate. The High Committee's decision shall be binding and final.



### **Article (66)**

The High Committee is solely responsible for resolving any dispute that may arise concerning the application or interpretation of the directives it issues under Article (65) of this Decree-Law.

### **Article (67)**

If so requested Government Entities shall take all necessary measures to facilitate the registration and transference of title to the assets and rights that are transferred from ETISALAT to the Authority in accordance with the directives issued by the High Committee under Article (65) of this Decree-Law.

### **Article (68)**

The High Committee may delegate ETISALAT to carry out some of the Authority's responsibilities under this Decree-Law for a period not exceeding 1 year from the date on which this Decree-Law comes into force. ETISALAT shall ensure when carrying out those responsibilities that it maintains proper records and regularly updates the Authority about its activities. ETISALAT shall, in particular, furnish the Authority with copies of all documents pertaining to those activities on request.

### **Article (69)**

Current ETISALAT decisions and regulations which list and determine the technical specifications of telecommunications equipment licensed for use in the UAE shall remain in full force when this Decree-Law takes effect until they expire or the Authority decides to cancel them or take other appropriate steps with regard thereto.

### **Article (70)**

1. Licenses and permits issued by ETISALAT under Articles 4(f), 10-1 and 10-2 of Federal Law No. (1) of 1991 regarding the Emirates Telecommunications Corporation or issued by the Ministry of Communications under Federal Law No. (7) of 1973 regarding wire and

wireless equipment and communications, as amended, shall remain in force (except to the extent that their terms conflict with the provisions of this Decree-Law) until they expire or the Authority replaces them with new permits in accordance with this Decree-Law.

2. The Authority shall determine the extent to which those licenses and permits are consistent with this Decree-Law.

## **Part Nine**

### **Penalties**

#### **Article (71)**

A penalty of imprisonment for a period not exceeding (2) years and a fine not less than AED (50,000) Fifty Thousand Dirhams and not exceeding AED (1,000,000) One Million Dirhams or either of these two penalties shall be imposed on:

1. Whoever Carries out any of the regulated activities without being licensed or exempted from the need to obtain a license in accordance with the provisions of this Law.
2. Whoever purposely alters, destroys, or conceals any document or information required by the board or Authority in accordance with the provisions of this Law.
3. Whoever fails to implement a status regulation, in accordance with the provisions of this Law, within the timeframe stipulated in Article (81) of this Law.

#### **Article (72)**

A penalty of imprisonment for a period not exceeding (1) year and a fine not less than AED (50,000) Fifty Thousand Dirhams and not exceeding AED (1,000,000) One Million Dirhams or either of these two penalties shall be imposed on:

1. Exploits telecommunications equipment to cause disturbance or annoyance to others or for any other illegal purpose.
2. Illegally copies, discloses, or distributes the content of a telephone call or text message or any of the telecommunications services – whether he was an employee of a licensee or affiliated with it in a manner that enables him to have exposure to the content of a telephone call or text message or any of the telecommunications services.

3. Violates the provisions of Article (50) of the Law.

### **Article (72) BIS (1)**

A penalty of imprisonment for a period not exceeding (1) year and a fine not less than AED (50,000) Fifty Thousand Dirhams and not exceeding AED (1,000,000) One Million Dirhams or either of these two penalties shall be imposed on:

1. Whoever purposefully accesses, in an illegal manner, the telecommunications network or sabotages any of the telecommunications services.
2. Whoever illegally exploits any of the telecommunications services.

### **Article (72) BIS (2)**

Whoever eavesdrops on the content or substance of phone calls – without the prior permission from the competent judicial authorities – shall be punished with imprisonment and a fine or either of the two penalties.

### **Article (72) BIS (3)**

Whoever exploits or uses telecommunications services to abuse, annoy, hurt others' feelings, or for any other illegal purpose, shall be punished with imprisonment for a period not exceeding (1) year and a fine not exceeding AED (50,000) Fifty Thousand Dirhams.

### **Article (72) BIS (4)**

Whoever uses forgery or fraud with the aim of obtaining telecommunications services, subscribing to it, or providing it to others, shall be punished with imprisonment and a fine that does not exceed AED (1,000,000) One Million Dirhams or either of the two penalties.

It shall be considered an aggravated instance if any of the preceding acts were performed with the aim of committing a crime.

### **Article (72) BIS (5)**

Whoever provides a third party with any of the telecommunications services without

obtaining the documents determined by the implementing regulations, shall be punished with imprisonment and a fine that is not less than AED (50,000) Fifty Thousand Dirhams and does not exceed AED (1,000,000) One Million Dirhams or either of the two penalties.

### **Article (73)**

The penalty shall be a jail term of not more than 1 year and a fine of not more than AED 1,000,000 or either for a person who:

1. Knowingly makes, uses, sells, or offers to sell telecommunications equipment for connection to a telecommunications network that is not licensed or approved in accordance with the provisions of any of the enforced laws.
2. Purposely breaches Article (57) of this Law and his actions result in damage to lines, wires, cables, equipment or installations that belong to a Licensee or are under the management or control of a Licensee.

### **Article (74)**

The penalty shall be fine of not less than AED 50,000 and not more than AED 1,000,000 for a person who:

1. Makes, distributes, offers, or provides telecommunications equipment for use in the UAE that is inconsistent with the regulations, directives, instructions and decisions issued by the Authority under this Decree-Law or its implementing regulations.
2. Refuses to allow telecommunications equipment under his control to be inspected or examined in accordance with this Decree-Law, its implementing regulations or the regulations, decisions and instructions issued pursuant thereto, or refuses to grant concerned officials entry to his premises in accordance with this Decree-Law or its implementing regulations.
3. Knowingly employs or hires an individual who is not qualified to install, connect, modify or service telecommunications equipment in accordance with the rules laid down by the Authority.
4. Provides a description or publishes a notice regarding telecommunications equipment with the intention of advertising the availability of the equipment in commerce or work

without regard to the directives imposed by the Authority.

5. Breaches this Decree-Law, its implementing regulations or the regulations, decisions, directives or rules issued pursuant thereto.

### **Article (75)**

After obtaining prior approval from the Authority, a Licensee may place under surveillance any equipment or other thing which he reasonably suspects of being used in a manner contrary to Article (72) of this Decree-Law.

### **Article (76)**

A confiscation order will be issued for any wire or wireless equipment, or other devices or hardware used in a manner contrary to this Decree-Law, its implementing regulations or the regulations, decisions, instructions and rules issued pursuant thereto. The Court may further order that the equipment, hardware and devices be destroyed if necessary.

### **Article (77)**

Crimes committed by corporate entities will be subject to the corresponding penalty provision applicable to the crime under this part of the Decree-Law.

### **Article (78)**

The application of the penalties described in this Decree-Law shall be subject to any severer penalty provided by any other law.

### **Article (79)**

In case of repeated offence, the above punishment terms shall be doubled.

### **Article (79) BIS (1)**

Whoever violates any provision of this Law's provisions or its implementing regulations, or any regulations, resolutions, instructions, or rules issued pursuant to it, shall be punished with

a fine that is not less than AED (50,000) Fifty Thousand Dirhams and does not exceed AED (200,000) Two Hundred Thousand Dirhams.

### **Article (79) BIS (2)**

The Board of Directors may impose administrative fines on licensees in the event of their violation of the provisions of the law, its implementing regulations, decisions, regulations, policies or instructions issued by the Board of Directors or the Authority.

The Cabinet shall issue a resolution on the schedule of violations and fines imposed on licensees provided they do not exceed (10,000,000) ten million dirhams for each violation.

### **Article (80)**

Subject to any applicable transitional provisions in this Decree-Law, Federal Law No. (1) of 1991 regarding the Emirates Telecommunications Corporation shall be amended as follows:

3. Articles (10), (11), (12), (13), (14), (15), (16), (17), (18), (19), (40), (42), (43), (44), (45), (46) and (48) shall be repealed.
4. Article (1) shall be amended by deleting the following words and expressions and their definitions:
  - a. Minister.
  - b. Telecommunications Equipment.
  - c. Schedule.
  - d. Utility Lines.

3. Article (24) of Federal Law No. (1) of 1991 shall be amended by adding at the beginning the following:

"Subject to the regulations, directives, decision and rules issued by the General Authority for the Regulation of the Telecommunications Sector."

4. The second paragraph of Article (41) of Federal Law No. (1) of 1991 shall be amended to read as follows:

"The Articles of Association shall be adopted pursuant to a resolution of the Board of Directors. The Articles of Association shall be amended or replaced by decision of the High Committee Overseeing the Telecommunications Sector."

5. Articles (4), (21), (25), (31), (33) and (47) of Federal Law No. (1) of 1991 shall be replaced by the following text:

#### **Article (4)**

1. ETISALAT shall deliver wire and wireless communications and operate, maintain and develop the telecommunications system in the UAE and provide such communication services between the UAE and other countries. In order to attain its objectives, ETISALAT shall undertake, among others, the following functions:
  - a. Constructing, maintaining and operating telegraph, telephone and telex networks, and local and international leased circuits and data transmission services.
  - b. Constructing, maintaining and operating video transmission networks, excluding public broadcasts.
  - c. Managing, delivering, leasing and dealing in telephone services.
  - d. Planning, constructing, and acquiring transmission and reception stations for use in connection with ETISALAT's activities.
  - e. Providing consultation and training in the area of wire and wireless communications.
  - f. Preparing, printing and distributing telephone directories, business directories (The Yellow Pages), publications, information, data and other material pertaining to the telecommunications services and support activities provided by ETISALAT for purposes related to media, commerce, advertising or otherwise.
2. Without prejudice to the attainment of its principal objectives, ETISALAT will be entitled to seek out, on the advice of the Board, investment opportunities in the commercial, financial or service sectors that will give ETISALAT good yield and profit, in accordance with the applicable laws in force in the UAE.
3. For the purpose of attaining the objectives mentioned in this Article ETISALAT shall:
  - a. Conclude contracts and agreements.
  - b. Establish companies, enter into partnerships or acquire interest in companies and partnerships in accordance with the applicable laws in force in the UAE.

### **Article (21)**

Based on the regulations issued by The General Authority for Regulating the Telecommunications Sector and the Digital Government, the Board shall determine the fees payable for the services provided by ETISALAT, the guidelines and conditions for the provision of those services and the form of contracts made between ETISALAT and users.

### **Article (25)**

ETISALAT shall be managed by a Board of Directors comprising the Minister of State for Finance & Industry as Chairman and 9 members. The High Committee Overseeing the Telecommunications Sector shall appoint 5 members to serve as Government representatives on the Board and the shareholders shall appoint the remaining members. Members are appointed for 3 years and may be appointed or nominated more than once in accordance with the Articles of Association.

### **Article (31)**

Each shareholder in ETISALAT is entitled to attend meetings of the General Assembly to discuss matters listed on the agenda and direct questions to the members of the Board which must provide good, detailed answers that do not oppose ETISALAT's interests. A shareholder may ask the General Assembly to review an answer he is not satisfied with and the General Assembly's decision will be final and enforceable. The Minister of State for Finance & Industry shall represent the Government at the General Assembly.

### **Article (33)**

ETISALAT shall comply with the general policy set by the High Committee Overseeing the Telecommunications Sector and with any specific or general directives the Committee may issue in this regard.

### **Article (47)**

The Board shall issue the administrative and financial set of rules by which ETISALAT will be



run and shall fix the terms of employment of ETISALAT staff in a manner consistent with the decisions issued by the High Committee Overseeing the Telecommunications Sector

### **Article (81)**

All corporate entities carrying on regulated activities at the date on which this Decree-Law comes into force will have 90 days to amend their positions in accordance therewith. The High Committee may decide to extend this deadline for further periods of similar duration.

### **Article (81) BIS**

The Authority, for the purpose of achieving its tasks, control violations related to the provisions of this Law; and the Authority's employees – who are determined pursuant to a resolution issued by the Minister of Justice in agreement with the Authority – shall have the capacity of judicial officers in relation to the crimes committed in violation of the Law's provisions, its implementing regulations, resolutions, regulations, or instructions issued pursuant to it – each in his own jurisdiction.

### **Article (82)**

All provisions contrary to this Decree-Law shall be repealed.

### **Article (83)**

The High Committee shall issue the implementing regulations and other regulations, decisions and directives as necessary to implement this Decree-Law.

## **Article (84)**

This Decree-Law shall be published in the Official Gazette and shall take effect from the date of publication.

**Zayed bin Sultan Al Nahyan**

**President of the United Arab Emirates**

Issued by Us at the Presidential Palace in Abu Dhabi,

On: 20 – Ramadan – 1424 A.H.

Corresponding: 15 – November – 2003 AD