# TELECOMMUNICATIONS LAWS OF THE WORLD

United Arab Emirates



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## UNITED ARAB EMIRATES



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#### **OVERVIEW OF LEGAL LANDSCAPE**

The United Arab Emirates ("UAE") is a regional business hub and, increasingly, a technology hub, for international telecommunications and ICT providers interested in the UAE and the wider Gulf region.

Many international telco operators have established branches either 'onshore' in the UAE, or in one of its purpose built 'free zones', such as Dubai Internet City or Dubai Media City. However, such branches are limited in what they can do, particularly within the UAE. For example, they cannot offer public telecommunications services in the UAE, as the UAE is effectively a closed market, limited by a policy of duopoly regarding infrastructure based services. At the time of providing this update there is one MVNO service provider currently offering services in the UAE through one of the existing network based operators. In order for international operators to provide services to entities in the UAE they will need to do so through contractual arrangements with one or both of the UAE's licensed operators in order to provide 'last mile' services in to the UAE.

### **KEY TELECOMMUNICATIONS LAWS, REGULATIONS AND POLICIES**

The United Arab Emirates has a Federal Telecommunication Law.

The Telecommunications Law:

- Establishes a regulatory authority, now called the Telecommunications and Digital Government Authority ("TDRA")
- Requires that a company hold a telecommunications licence in order to provide public telecommunications services and operate public telecommunications networks
- Makes the provision of unlicensed services punishable by fine or imprisonment

Arabic language prevails, although the TDRA's website publishes an English translation of the Telecommunications Law and Regulations.

The UAE currently has a policy of a duopoly market for public telecommunications services.

#### **REGULATORY BODIES OR AUTHORITIES**

The Telecommunications and Digital Government Regulatory Authority ("TDRA") regulates the telecommunications sector in

One of the TDRA's main prerogatives is to foster sustainable competition in the UAE's telecommunications sector. The UAE's TDRA is also involved in cyber security, and hosts the UAE's Computer Emergency Response Team, as well as managing an ICT development fund.

# TYPES OF TELECOMMUNICATIONS ACTIVITIES AND/OR PERSONS WHICH ARE **SUBJECT TO LEGAL AND REGULATORY REQUIREMENTS**

The UAE's Telecommunications Law defines 'Telecommunications Services' as:

"...the service of transmitting, broadcasting, switching or receiving by means of a Telecommunications Network of any of the following:

- Wired and wireless telecommunications
- Voice, music and other sounds
- Visual images
- · Signals used in radio and TV broadcasting
- Signals used to operate or control any machinery or apparatus
- · The installation, maintenance, adjustment, repair, replacement, moving or removal of apparatus which is or will be connected to a Public Telecommunications Network
- The construction maintenance and operation of networks for telegraph, telephone, telex, leased circuits, domestic and international data networks, Internet and Wireless Transmission
- Any other Telecommunications Services approved by the Board'

Entities that wish to provide Telecommunications Services in the UAE should be established in the UAE. However, apart from certain specific licenses that have been issued, and certain exceptions allowing the provision of certain limited "over the top" services (see our comments on VoIP in Key sanctions and penalties), the UAE government has a policy of duopoly for the provision of public telecommunications services, which means that in practice it is not possible to obtain such licenses.

# **OVERVIEW OF CONSENTS, LICENCES AND AUTHORISATIONS REQUIRED PRIOR TO** THE COMMENCEMENT OF TELECOMMUNICATIONS ACTIVITIES

A licence is required from the TDRA in order to provide public telecommunications services to and within the UAE.

Currently there are only two operators licensed to provide public telecommunications services to and within the UAE via telecommunications networks. There is currently one MVNO operator in the UAE, however the TDRA does not otherwise appear to be currently issuing further licences for public telecommunications services or networks.

A number of other licences have been issued to specific entities for specific purposes eg, for certain satellite services and PAMR

In March 2018 the TDRA published a Regulatory Policy regulating the provision of Internet of Things. This requires that IOT Service Providers should register with the TDRA.

# DOMICILE RESTRICTIONS PREVENTING THE OPERATION OF CERTAIN **TELECOMMUNICATIONS ACTIVITIES BY NON-DOMICILED ENTITIES**

Only entities that are established pursuant to a decision issued by the TDRA Board may hold a licence to provide Public Telecommunications Services within the UAE.

A number of international telecoms operators have established branch offices within free zones in the UAE in order to market their international services within the UAE, or to act as bases for their regional operations.

#### **EXISTENCE OF RELEVANT INTERCONNECTION/ROAMING REGULATIONS**

The TDRA does have powers to issue ex ante regulations and conduct ex post investigations.

The TDRA has conducted market reviews and has taken steps to issue ex ante regulation against the licensed operators.

#### TELECOMMUNICATION LAWS AND REGULATIONS AFFECTING CONSUMERS

The TDRA actively regulates consumer protection and has recently issued a consolidated and updated Consumer Protection Regulation, which can be found here.

#### **REGULATORY TAXES AND FEES**

Licensees are required to pay licence fees and royalties.

Certain corporate taxes do apply to 'on shore' entities in the UAE. Many free zones do not charge taxation for a specific period of time. Each company and individual should assess their tax obligations on a case-by-case basis.

On I January 2018 the UAE introduced a 5% Value Added Tax to goods and services in the UAE.

# KEY SANCTIONS AND PENALTIES IN THE CASE OF CONTRAVENTION OF **TELECOMMUNICATIONS LAWS AND REGULATIONS**

Provision of illegal public telecommunications services, including the provision of IOT Services without being adequately certified by the TDRA, and possibly the provision of VoIP services, can carry a risk of criminal prosecution, resulting in fines and imprisonment.

The UAE's licensed operators may also take steps to block access to certain services they consider to be in breach of the Telecommunications Laws.

The TDRA has taken issue in the past with certain OTT services that were not susceptible to lawful interception. However, since the Covid pandemic, the TDRA has relaxed its position on the provision of VoIP in the UAE to a degree, and has published a list of those service providers who may provide limited VoIP services here.

#### **KEY CONTACTS**



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