



L E S O T H O C O M M U N I C A T I O N S A U T H O R I T Y
A UNIFIED LICENCE

GRANTED BY

THE LESOTHO COMMUNICATIONS AUTHORITY

TO

VODACOM LESOTHO PTY (LTD)

**FOR PROVISION OF ELECTRONIC COMMUNICATIONS
NETWORKS AND SERVICES**

(In terms of Section 5(1) (d) of the Act)

Commencement Date:

01st June 2016

Expiry Date:

31st May 2036

T. 'Mokela
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T. 'Mokela

**CHIEF EXECUTIVE OFFICER
LESOTHO COMMUNICATIONS AUTHORITY**



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TERMS

1. The Lesotho Communications Authority (the "Authority"), in accordance with Section 5 (1) (d) of the Communications Act No. 4 of 2012 (the "Act"), hereby issues a unified licence to and authorizes **Vodacom Lesotho Pty (Ltd)** (the "Licensee") to construct, install, own, operate, maintain and make available electronic communications networks, and to provide all forms of electronic communications services within Lesotho.
2. The Licensee commits to the developments specified in **Annex A**.
3. The Licensee's electronic communication networks shall be located in and may operate from anywhere within the Kingdom of Lesotho and may be connected to such local and international networks as may be necessary to provide electronic communications services.
4. The Licensee may provide electronic communication services at both retail and wholesale levels.
5. The Licensee shall provide national coverage of its electronic communication networks and services.
6. This licence is renewed for a period of twenty (20) years with effect from 01st June 2016. Operations under this licence shall continue, unless it is revoked earlier in accordance with the terms and conditions set out below.
7. Notwithstanding paragraph [6] of these terms, the Authority may at any time suspend or revoke this Licence by giving ninety (90) days' notice in writing in any of the following circumstances:
 - a) If the Licensee agrees in writing with the Authority that this Licence should be suspended or revoked;
 - b) If any amount payable in terms of Condition [20] is unpaid thirty (30) days after the Authority has notified the Licensee that the payment is overdue, provided that such notification shall not be given earlier than fourteen (14) days after the date on which the payment is due;

- c) If the Licensee has failed to comply with a notice issued by the Authority under the Act, Rules, or the Regulations, pursuant to the terms of this Licence or technical standards, where the Authority has given the Licensee sixty (60) days within which to make representations in relation to the matters set out in the notice, and has taken any representations into account before taking further action;
 - d) If the Licensee is dissolved or enters into liquidation, bankruptcy or equivalent proceedings or makes a general assignment for the benefit of creditors; or
 - e) If the Licensee fails to notify the Authority of any of the events specified in Conditions [18] or [19].
8. After the end of the initial notice period, the Authority shall publish a notice stating that it intends to suspend or revoke this Licence and setting out the reasons on which this intention is based. Suspension or revocation shall take effect seven (7) days following publication of the notice.
9. The Authority may renew this Licence, upon application by the Licensee, for an additional period following the expiry of the Licence Term, provided that;
- (a) the Licensee has fulfilled its obligations set out in this Licence; and
 - (b) the Licensee has complied with the license renewal criteria set by the Authority.
10. The Licensee will be expected to submit an application for renewal to the Authority not less than two (2) years prior to the expiry of the License.
11. Any word, phrase or expression used in this Licence shall, unless the context requires otherwise, have the same meaning as it has in the Act.

12. Words importing the singular shall include the plural and vice versa, words denoting persons shall include bodies corporate and unincorporated associations of persons and vice versa.
13. This Licence is issued and held subject to the terms and conditions set out herein, provisions of the Act, Rules and Regulations adopted pursuant to the Act, and the provisions of such laws shall at all times supersede conditions set out in this Licence.
14. The Authority may upon reasonable grounds and in consultations with the licensee, modify the terms and conditions of this licence, if the modification is deemed necessary to achieve the objectives of the Act.
15. The Licensee shall:
 - a. not assign, delegate, transfer or encumber in any manner the rights, interests or obligations under this Licence without the prior, express and written consent of the Authority; and
 - b. have the discretion to appoint agents and/or sub-contractors to exercise any of its right and/or obligations under this license.

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DEFINITIONS AND INTERPRETATIONS

In this Licence, unless the context otherwise requires, the following terms shall have the following meanings:

“Act” means Communications Act, No. 4 of 2012;

“Authority” means the Lesotho Communications Authority established pursuant to the Act;

“Customer” means an end user of communications services;

“Electronic Communications Facilities” means any equipment used for radio communication or, as appropriate, the communication of information in the form of speech or other sound, data, text or images, by means of guided or unguided electromagnetic energy, including but not limited to any wire, cable, circuit, antenna, mast satellite stations earth station, cable landing station, radio apparatus, exchange buildings, data centre, international gateway;

“Electronic Communications Network” means any system of electronic communications facilities that enables or facilitates the provision of an electronic communications service, including without limitation satellite systems, fixed systems, mobile systems, fibre optic cables, electricity cable systems to the extent used for electronic communications services, and other transmission systems used for provision of electronic communication services;

“Electronic Communications Services” means any service provided by the Licensee to a third party to convey, transmit or receive information whether in the form of voice, data, sound, video, animation, visual or moving images, pictures, signals or a combination thereof through an electronic communications network and includes the provision of content and broadcasting services;

“Emergency Organisation” means the relevant police, fire, ambulance services or such organizations as may be designated by the government;

“Maintenance Services” means carrying out repairs and ensuring that terminal equipment, customer premises equipment, and other communications systems, functions and facilities and apparatus provided by the Licensee perform in accordance with manufacturers’ specifications, with Authority-set benchmarks, or with international standards;

“Public Emergency Call Service” means a communication service by means of which any member of the public may, at any time and without incurring any charge, by means of any communication apparatus which is lawfully connected to the electronic communication network and which is capable of transmitting and receiving unrestricted two-way voice telephone services, communicate as quickly as practicable with any of the emergency organizations for the purpose of notifying them of an emergency;

“Radio Communications” means electronic communications by means of radio frequency spectrum;

“Relevant Company” means the Licensee or parent undertaking of the Licensee;

“Roaming” means the ability of a mobile radio-communications customer to obtain or to maintain a connection while away from his normal home location; and

“Universal Service Fund” means a fund for provision and availability of essential Information and Communication Technology (ICT) services to all sections of society as provided by the Act.

CONDITIONS

1 PROVISION OF PUBLIC EMERGENCY CALL SERVICES

- 1.1. The Licensee shall provide Public Emergency Call Services which shall be provided free of charge to the public.
- 1.2. The Licensee shall ensure that a number designated by the Authority as a Public Emergency Call Number is available as the emergency call number so that any member of the public is able to access it.
- 1.3. The obligation in [1.1] shall not apply in the event that, in the Authority's view, it is not reasonable to require the Licensee to provide the service requested.

2 PROVISION OF CUSTOMER INFORMATION SERVICES

- 2.1 The Licensee shall establish and maintain efficient information services to assist any person to whom it provides electronic communications services to answer questions regarding connection, charges, and any other questions relating to the Licensee's services.
- 2.2 The obligation in Condition [2.1] shall not apply in the event that it is not, in the Authority's view, reasonable to require the Licensee to provide the service in the particular circumstances, including, but not limited to circumstances:
 - 2.2.1 Beyond the Licensee's control or;
 - 2.2.2 Where the provision of the service would expose any person engaged in its provision to undue risk to health or safety or;
 - 2.2.3 Where it is not reasonably practicable.

3 PROVISION OF MAINTENANCE SERVICES

- 3.1 The Licensee shall provide Maintenance Services, on the reasonable request of any person to whom it provides electronic communications services.
- 3.2 Condition [3.1] shall not apply in relation to any relevant system or apparatus, which is beyond economic repair or the components for which are no longer available.
- 3.3 The obligation in Condition [3.1] shall not apply in the event that it is not, in the Authority's view, reasonable to require the Licensee to provide the service in the particular circumstances, including, but not limited to circumstances:
 - 3.3.1 Beyond the Licensee's control or;
 - 3.3.2 Where the provision of the service would expose any person engaged in its provision to undue risk of health or safety or;
 - 3.3.3 Where it is not reasonably practicable.

4 INTERRUPTIONS OF THE LICENSED SERVICES

- 4.1 Subject to Conditions [4.2] and [4.3] below, the Licensee shall not intentionally interrupt the operation of the electronic communications network (or any part thereof), in the normal course of business, nor may it in the normal course of business suspend the provision of any type of electronic communications service without having first notified the Authority in writing and having provided reasonable advance notice to persons affected by such interruption or suspension.
- 4.2 The provision in Condition [4.1] shall not apply if, in the Authority's view, the interruption or suspension is due to an emergency, national security, or circumstances beyond the Licensee's control.
- 4.3 The provision in Condition [4.1] shall not apply if, in the Authority's view, the interruption or suspension is to an electronic communications service supplied by the Licensee to a person whose system is endangering the integrity of the Licensee's electronic communications network.

5 PUBLIC EMERGENCIES

- 5.1 In the case of an emergency or local, regional or national crisis such as earthquakes, floods, riots, or similar events which require special attention on the part of the Licensee, the Licensee shall provide the necessary services to the Government giving priority to the activities required to overcome the emergency.
- 5.2 In case of an emergency or crisis being related to aspects of national security, the Licensee shall co-ordinate with the Commissioner of Police who shall make any request in writing and provide the necessary services in accordance with the instructions of the Authority or the competent entity indicated thereby in accordance with the relevant laws.

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- 5.3 The Licensee shall be entitled to reimbursement by the Government of its direct costs for the provision of the services mentioned in Conditions [5.1] and [5.2] above if such costs are reasonable and are shown to have been incurred.
- 5.4 For purposes of this Condition, a public emergency shall exclude early warnings and general information.

6 CHARGES

- 6.1 The Licensee shall continue to provide the services on the charges, terms and conditions applied by it immediately before the issue of this Licence.
- 6.2 The licensee shall provide services on charges, terms and conditions approved by the Authority.

7 QUALITY OF SERVICE REQUIREMENTS

- 7.1 The Licensee shall meet the quality of service standards as may be prescribed under the Rules from time to time issued by the Authority.

8 BILLING ACCURACY

- 8.1 The Licensee shall not render any bill in respect of any service unless every amount stated in the bill is correct and accurate.
- 8.2 The Licensee shall keep such billing records of customer accounts for the purpose of satisfying the Authority that the billing process does in fact capture true and correct customer charges. The Licensee shall retain the records for at least three (3) years from the date on which they came into being.

8.3 In order for the Authority to be satisfied that the billing process has the characteristics required as set out above, the Authority (or an independent auditor appointed by the Authority at its own discretion) may require the Licensee to:

8.3.1 Furnish the Authority with any information it requires;

8.3.2 On reasonable notice, allow the Authority (or any person authorized by the Authority) access to any relevant premises of the Licensee; and

8.3.3 On reasonable notice, allow the Authority (or any person authorized by the Authority) to examine or test the whole or any part of the billing process.

9 CUSTOMER SERVICE STANDARDS

9.1 The Licensee shall develop, publish and enforce guidelines for use by its personnel for handling enquiries and complaints from customers to whom it provides licensed services.

9.2 The guidelines relating to enquiries and complaints shall be published and be made available to customers at the commencement of service to such customers.

9.3 The Licensee shall keep and maintain statistics on enquiries and complaints made to the licensee's network services.

10 INTERCONNECTION, CO-LOCATION AND SHARING OF FACILITIES

10.1 The Licensees may enter into interconnection, co-location and facilities sharing agreements as may be prescribed by the rules which the Authority may from time to time adopt.

11 RESOURCES

- 11.1 Authority shall assign the Licensee reasonable and adequate numbering and spectrum resources to enable the Licensee to provide services and ensure continued quality of service.
- 11.2 The Licensee shall continue to operate under and be bound by any numbering plan approved by the Authority prior to the issue of this Licence (the "Initial Numbering Plan"), unless and until the Authority has prescribed a new numbering plan amending or replacing the Initial Numbering Plan.
- 11.3 The Licensee shall fulfill any requirements which the Authority prescribes from time to time in relation to numbers.

12 RADIO-COMMUNICATIONS

- 12.1 The Licensee shall install its own network or lease facilities from other network operators.
- 12.2 Prior to using any radio-communication apparatus in the running of communication networks or the provision of communication services, the Licensee must obtain approval from the Authority of such radio-communication apparatus.
- 12.3 The Licensee shall ensure that the radio-communication apparatus constituting the electronic communications Facilities is designed and constructed, maintained and used, so that its use does not cause any undue interference.
- 12.4 Except as provided for in Condition [12.5], the Licensee shall not permit any person to use any electronic communications Facility or part thereof unless the person is under the control of, and authorized by, the Licensee.
- 12.5 In an emergency, the Licensee may authorize a person who is not under the control of the Licensee to use any electronic communications facility.

12.6 The Licensee shall permit a person authorized by the Authority to have access to any station and to inspect or test any facility at any reasonable time or when an emergency situation exists, for the purpose of verifying compliance with the terms of the Licence, or investigating sources of radio-interference.

12.7 The Licensee shall restrict the operation of, or close down and cease to operate, the Station or any Radio-communication Apparatus immediately upon receipt of and in accordance with the order of the Authority to that effect.

13 PRIVACY AND CONFIDENTIALITY

13.1 The Licensee shall use all reasonable endeavors to ensure the privacy and confidentiality of information, including call records and business secrets obtained in the course of its business from any person to whom it provides services and any person with whom it has an interconnection agreement by establishing and implementing reasonable procedures for maintaining confidentiality of such information.

13.2 The Licensee shall not use or allow use of any apparatus which is capable of recording, silently monitoring, or intruding into transmission of any messages unless the licensee complies with Condition [13.4] below.

13.3 The Licensee shall make every reasonable effort to inform the parties to whom or by whom a live speech telephone call is transmitted before recording, silently monitoring or intrusion into such call has begun that the call is to be or may be recorded, silently monitored or intruded into.

13.4 The Licensee may deviate from provisions of Conditions [3.1, 3.2 and 3.3] only to comply with a court order and shall maintain a record of all requests and court directives indicating how they were implemented. The Licensee shall furnish to the Authority such information on request.

14 PROHIBITION OF UNDUE DISCRIMINATION

- 14.1 Without prejudice to the obligations imposed on the Licensee under this Licence, the Licensee shall not (whether in respect of the rates or other terms and conditions applied or otherwise) show undue preference to, or exercise undue discrimination against, particular persons or persons of any class or description regarding the provision of the licensed Services.
- 14.2 The Licensee may be deemed to have shown undue discrimination if it unfairly favours to a material extent a business carried on by it in relation to the provision of the Licensed Services so as to place at a significant competitive disadvantage persons competing with that business.
- 14.3 The Authority shall determine any question relating to whether any act done or course of conduct by the Licensee amounts to undue preference or undue discrimination.

15 FINANCIAL REQUIREMENTS

- 15.1 The licensee shall keep records in accordance with International Financial Reporting Standards.
- 15.2 Within ninety (90) days of the end of the Licensee's financial year, the Licensee shall deliver to the Authority its balance sheet, profit and loss statements, cash flows and other related statements as of the end of such financial year. The submission shall include certification by independent auditors stating that such financial statements fairly present the financial position of the Licensee as at the dates indicated and were prepared in accordance with International Financial Reporting Standards.
- 15.3 The Authority may request the Licensee to submit further accounting information.

16 REQUIREMENT TO PROVIDE INFORMATION

- 16.1 The Licensee shall submit to the Authority such periodic reports, statistics, statement of operations and other data, as the Authority may from time to time direct. The Authority shall have the right to request additional specific information as may be necessary and the Licensee shall provide such information.
- 16.2 In making a request for information, the Authority shall balance its regulatory and enforcement obligations under the Act against the burden imposed on the Licensee in procuring and furnishing such information.
- 16.3 The Authority shall have the right to publish information which it received under this Condition unless, following representations by the Licensee, it is satisfied that the information is of such confidential nature that its disclosure would have a material adverse effect on the Licensee's business.

17 INSPECTION

- 17.1 The Licensee shall grant unhindered access to all its premises, facilities, installations, files and records to all officers authorized by the Authority for inspection purposes.
- 17.2 The Licensee shall provide details of its premises, facilities, installations and networks in such format and at such times as may reasonably be requested by the Authority from time to time.

18 NOTIFICATION OF CHANGE IN SHAREHOLDING

- 18.1 The Licensee shall notify the Authority if any entity becomes a parent undertaking or controlling entity in relation to the Licensee.

- 18.2 The Licensee shall notify the Authority of any change in the proportion of shares held in a Relevant Company by any person, the acquisition of any shares in a Relevant Company by a person not already holding shares, and the proportion of such shares held by that person immediately before acquisition if, by reason of that acquisition or change, the total number of shares in that Relevant Company held by that person together with any shares held by any nominee or trustee for that person immediately after the change or acquisition exceeds fifteen percent (15%) of the total number of voting shares in that company.
- 18.3 In any case referred to in Condition [18.1] or [18.2] above, notification shall be given by a date which is thirty (30) days prior to the taking effect of such change or acquisition, as the case may be, or as soon as reasonably practicable.
- 18.4 In the event that the Authority disapproves of the change in shareholding, it shall notify the Licensee within thirty (30) days of receipt of notification. The Authority may within sixty (60) days of notifying the Licensee of its disapproval, having taken into account representations made by interested parties, and giving reasons for its decision, prohibit the change in shareholding where it believes it is in the public interest to do so.

19 PRE-NOTIFICATION OF JOINT VENTURES

- 19.1 The Licensee shall notify the Authority not later than sixty (60) days before the taking effect of any agreements or arrangements to which this Condition applies, giving particulars of the agreements or arrangements.
- 19.2 The agreements and arrangements are:
- 19.2.1 An agreement with any person for the establishment or control of anybody corporate for the purpose of:
- 19.2.1.1 The running of a communication system which requires a Licence under the Act;

- 19.2.1.2 Providing communication services in Lesotho which necessarily involves control over all or a portion of such a system;
 - 19.2.1.3 The production of communication apparatus for supply in Lesotho where that production could lead, in the Authority's view, to a monopoly situation, which would not otherwise exist in relation to the supply of communication apparatus of any description in Lesotho.
- 19.2.2 An agreement for the establishment of a partnership for any of the purposes and circumstances mentioned in [19.2.1] above.
- 19.2.3 Any other agreement or arrangement in the nature of a joint venture for the purpose of running a communication system which requires a Licence under the Act or for the purpose of providing communication services in Lesotho which necessarily involves controlling all or a portion of such a system.
- 19.3 Conditions [19.2.1] and [19.2.2] apply in relation to an agreement or arrangement for the establishment or control of a body corporate or partnership where the Licensee has or is to have not less than 20 percent of the voting power in an organ controlling that body.
- 19.4 In the event that the Authority disapproves of the arrangements referred to above, the Authority shall inform the Licensee in writing within thirty (30) days after such notification. The Authority may, within sixty (60) days of giving notice of its disapproval, having taken into account representations made by interested parties and giving reasons for its decision, prohibit the parties from entering into such arrangements where it believes it is in the public interest to do so.

20 LICENCE FEES

- 20.1 The Licensee shall pay to the Authority such fees as are prescribed by the Rules.

21 PROVISION OF SERVICES THROUGH CONTRACTORS OR AGENTS

- 21.1 Licensee may exercise any rights permitted in this License or pursuant to the Act through agents, dealers, subcontractors, or licensed service providers acting under and for the Licensee.
- 21.2 The Licensee shall be responsible for the acts and omissions of its agents, dealers, subcontractors and licensed service providers in relation to acts or omissions done under Condition [21.1] above.

22 UNIVERSAL SERVICE OBLIGATIONS

- 22.1 The Licensee shall pay fees into the Universal Service Fund in line with the Act.
- 22.2 The licensee shall meet any other Universal Service/Access obligations as required by the Authority from time to time subject to reasonable compensation from the above-mentioned fund.

23 INTERNATIONAL OBLIGATIONS

- 23.1 The Authority may designate the Licensee to participate in and be signatory to operating agreements relating to international telecommunication organizations to which Lesotho is a party.
- 23.2 The Licensee may on its own accord participate in international telecommunication organizations as a Sector Member, Private Sector Member, or Associate Member and shall notify the Authority of such participation.

24 ROAMING AGREEMENTS

- 24.1 The Licensee is authorized to enter into roaming agreements with mobile communication Service Operators in Lesotho and other countries for the provision of mobile communication Services.
- 24.2 In entering into roaming agreements with mobile communication Service Operators in other countries, the Licensee shall comply with all applicable international treaties and bilateral agreements now or hereafter binding upon the Government of Lesotho as well as any rules which may be adopted by the Authority from time to time concerning roaming.