

# Telecoms & Media 2021

Contributing editors  
Alexander Brown and David Trapp



**Publisher**

Tom Barnes

tom.barnes@lbresearch.com

**Subscriptions**

Claire Bagnall

claire.bagnall@lbresearch.com

**Senior business development manager**

Adam Sargent

adam.sargent@gettingthedealthrough.com

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# Telecoms & Media 2021

**Contributing editors****Alexander Brown and David Trapp**

Simmons &amp; Simmons LLP

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Lexology Getting The Deal Through is delighted to publish the 22nd edition of *Telecoms & Media*, which is available in print and online at [www.lexology.com/gtdt](http://www.lexology.com/gtdt).

Lexology Getting The Deal Through provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique Lexology Getting The Deal Through format, the same key questions are answered by leading practitioners in each of the jurisdictions featured.

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Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

Lexology Getting The Deal Through gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to the contributing editors, Alexander Brown and David Trapp of Simmons & Simmons LLP, for their continued assistance with this volume.



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For further information please contact [editorial@gettingthedealthrough.com](mailto:editorial@gettingthedealthrough.com)

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# Egypt

Mohamed Hashish and Farida Rezk

Soliman, Hashish & Partners

## COMMUNICATIONS POLICY

### Regulatory and institutional structure

1 | Summarise the regulatory framework for the communications sector. Do any foreign ownership restrictions apply to communications services?

Egypt is one of the three largest economies in Africa and is strategically positioned at a crossroads between the East and West, making the country a significant player in international trade in the Middle East and Africa. Egypt is home to the Suez Canal, which connects the Mediterranean Sea with the Red Sea and is a key artery in global trade.

The total area of Egypt is 1,001,450 square kilometres, including 995,450 square kilometres of land and 6,000 square kilometres of water. According to the Egyptian Central Agency for Public Mobilisation and Statistics, the population reached more than 100 million people in 2020. Egypt is divided into 27 governorates, 217 cities and 4,617 villages. The governorates with the highest population are Cairo (10.8 per cent), Giza (8.6 per cent) and Sharqiyya (7.4 per cent).

The Egyptian government has been working hard to attract more foreign direct investment (FDI) to the country, and these efforts resulted in recognition of Egypt as one of the top five destinations globally for greenfield FDI in 2016. Also, in 2016, Cairo was named as one of the top 10 cities in the world to found a tech start-up.

According to the fDi Report 2020 issued by fDi Intelligence:

*Egypt replaced South Africa as the second-ranked destination by projects in the region, experiencing a 60 per cent increase from 85 to 136 projects.*

This ranking covers both the Middle East and African. Software and IT services are the top project sectors.

Further, Egypt also managed to top all ranked countries in the Middle East and African for capital investment in 2019 by acquiring 12 per cent capital investment with a total value of US\$13.7 billion.

The telecom sector in Egypt is mainly governed by Telecoms Law No. 10/2003. Also, there are several other key laws and regulations related to the telecom sector, including the following (as amended to date):

- Penal Code No. 58/1937;
- Presidential Decree No. 236/1985 approving the International Telegraph (currently Telecommunication) (ITU) Convention, which ITU Convention entered into force in Egypt as of 10 October 1985;
- Presidential Decree No. 379/1999 regulating the Egyptian Ministry of Communication and Information Technology (MoCIT);
- E-signature Law No. 15/2004 and its Executive Regulation;
- Economic Court Law No. 120/2008;
- Cybercrime Law No. 175/2018; and
- Personal Data Protection Law No. 151/2020.

The National Telecommunication Regulatory Authority (NTRA) is mainly empowered by the Telecoms Law to regulate and enhance telecommunication services in Egypt. In addition to the NTRA, other key entities are involved in the telecom sector:

- MoCIT is empowered by the Presidential Decree No. 379/1999 to, inter alia, expand, regularly develop and improve communication and information services as well as encourage investment in the telecoms sector based on the antitrust basis;
- the Information Technology Development Agency (ITDA) is empowered by the E-signature Law to, inter alia, promote and develop the information technology and communication industry, support small and medium-sized enterprises in using e-transaction and regulating e-signature services activities; and
- the Economic Court has executive jurisdiction over settling litigation related to the Telecoms Law.

### Authorisation/licensing regime

2 | Describe the authorisation or licensing regime.

Under the Telecoms Law, no one is allowed to establish or operate any telecom network, provide any telecom service to third parties, transmit international calls or announce doing so unless a licence is obtained by the NTRA.

The term 'telecom' is defined by the Telecoms Law as 'any means of sending or receiving signs, signals, messages, texts, images or sounds of whatsoever nature and whether the communication is wired or wireless'.

The restriction above does distinguish between the different types of telecom services and includes one exception only for establishing or operating a private network that does not any use a wireless system.

In practice, telecom services are generally classified as follows:

Main service	Sub-service
Fixed services	Fixed telephony
	Virtual fixed telephony
	Access
International services	International gateway
	International submarine cable
Data services	Class A
	Class B
	Class C
	Global peering
	Registrar

Main service	Sub-service
Cellular	Mobile services
	Bulk SMS (one to many)
	VAS
	Wireless trunk
	Nilesat
	VSAT
Satellite services	GMPCS
	Navigation services (aviation/maritime)
Infrastructure leasing	Infrastructure
	Towers
AVL	
Accounting authorities	
Wireless institutes	

The licence of each telecom service allows the relevant licensees to provide such service within a very specific scope.

Generally, all licences are granted under a licence agreement with the NTRA noting that all licences for major services (eg, fixed telephony and cellular) are granted by the NTRA through a bidding process. However, the other licences may be granted by the NTRA upon request. This request is required to be assessed from a different perspective including, inter alia, the market demand and the financial and technical adequacy of the applicant.

Licences are granted for a period between one and 15 years, depending on the services that are the subject of such licences.

The NTRA applies a different fee structure for issuing licences for each type of service as per the following examples:

Service	Applicable fees and security
Wireless infrastructure leasing	<ul style="list-style-type: none"> <li>A one-time licensing fee of 50,000 Egyptian pounds;</li> <li>3% of the total annual revenues;</li> <li>a licence burden annual fee of 10,000 Egyptian pounds plus the inflation rate declared by the Central Bank of Egypt (CBE); and</li> <li>a performance bond of 500,000 Egyptian pounds.</li> </ul>
Registrar	<ul style="list-style-type: none"> <li>A one-time licensing fee of 50,000 Egyptian pounds;</li> <li>3% of the total annual revenues;</li> <li>a licence burden annual fee of 10,000 Egyptian pounds plus the inflation rate declared by CBE; and</li> <li>a performance bond of 20,000 Egyptian pounds.</li> </ul>
GMPCS	<ul style="list-style-type: none"> <li>No one-time licensing fee;</li> <li>3% of the total annual revenues;</li> <li>a licence burden annual fee of 1,000 Egyptian pounds plus the inflation rate declared by CBE;</li> <li>annual charges for the equipment of the licensee's subscribers; and</li> <li>a performance bond of 150,000 Egyptian pounds.</li> </ul>
Access	<ul style="list-style-type: none"> <li>A one-time licensing fee of 1 million Egyptian pounds;</li> <li>8% of the total annual revenues;</li> <li>a licence burden annual fee of 500,000 Egyptian pounds plus the inflation rate declared by CBE;</li> <li>annual charges for the equipment of the licensee's subscribers; and</li> <li>a performance bond of 50 million Egyptian pounds.</li> </ul>
Class A	<ul style="list-style-type: none"> <li>No one-time licensing fee;</li> <li>3% of the total annual revenues;</li> <li>a licence burden annual fee of 10,000 Egyptian pounds plus the inflation rate declared by CBE; and</li> <li>a performance bond of 500,000 Egyptian pounds.</li> </ul>

Service	Applicable fees and security
Class B	<ul style="list-style-type: none"> <li>No one-time licensing fee;</li> <li>3% of the total annual revenues;</li> <li>a licence burden annual fee of 10,000 Egyptian pounds plus the inflation rate declared by CBE; and</li> <li>a performance bond of 150,000 Egyptian pounds.</li> </ul>
Global peering	<ul style="list-style-type: none"> <li>No one-time licensing fee;</li> <li>3% of the total annual revenues;</li> <li>a licence burden annual fee of 10,000 Egyptian pounds plus the inflation rate declared by CBE; and</li> <li>a performance bond of 200,000 Egyptian pounds.</li> </ul>
Bulk SMS (one to many)	<ul style="list-style-type: none"> <li>A one-time licensing fee of 500,000 Egyptian pounds;</li> <li>3% of the total annual revenues;</li> <li>a licence burden annual fee of 1,000 Egyptian pounds plus the inflation rate declared by CBE;</li> <li>annual charges for the equipment of the licensee's subscribers; and</li> <li>a performance bond of 500,000 Egyptian pounds.</li> </ul>
VAS	<ul style="list-style-type: none"> <li>An upfront royalty fee of 3 million Egyptian pounds;</li> <li>3% of the total annual revenues;</li> <li>a licence renewal fee of 1 million Egyptian pounds;</li> <li>a licences and liability fee of 20,000 Egyptian pounds; and</li> <li>a cash deposit guarantee of 500,000 Egyptian pounds.</li> </ul>
VSAT	<ul style="list-style-type: none"> <li>No one-time licensing fee;</li> <li>3% of the total annual revenues;</li> <li>frequency charges to be determined on a case by case basis;</li> <li>a licence burden annual fee of 1,000 Egyptian pounds plus the inflation rate declared by CBE; and</li> <li>a performance bond of 100,000 Egyptian pounds.</li> </ul>

**Flexibility in spectrum use**

3 | Do spectrum licences generally specify the permitted use or is permitted use (fully or partly) unrestricted? Is licensed spectrum tradable or assignable?

All spectrum licences generally specify the permitted use and are not tradable or assignable, fully or partly, under the Telecom Law unless prior approval is obtained from the NTRA. Also, all licence agreements include a change of control restriction, so that the licensee may not even merge with any third party unless prior written approval is obtained from the NTRA.

**Ex-ante regulatory obligations**

4 | Which communications markets and segments are subject to ex-ante regulation? What remedies may be imposed?

All licences are required, under the Telecoms Law, to include several ex-ante provisions concerning transparency, price control, cost accounting, accounting separation, access to and use of specific network facilities and non-discrimination.

For example, the NTRA has the right to review any audited financial statement including, inter alia, appointing an auditor other than the licensee's auditor to review the said financial statement. Further, each licensee is required to obtain an approval from the NTRA before applying tariffs or changing them.

**Structural or functional separation**

5 | Is there a legal basis for requiring structural or functional separation between an operator's network and service activities? Has structural or functional separation been introduced or is it being contemplated?

According to the Telecoms Law, all licensed operators are required to not support one service in favour of another service. All all licensed operators are required to comply with the ITU's recommendations and

international standards. That being said, if, for any reason, a structural or functional separation is required as per the NTRA's instructions, the ITU's recommendation or international standards, then the relevant operator should comply with this requirement.

The first time the NTRA introduced structural or functional separation was for Telecom Egypt to ensure its non-discriminatory behaviour.

### Universal service obligations and financing

**6** | Outline any universal service obligations. How is provision of these services financed?

According to the Telecoms Law, the provision of any telecom service must be based on four principles, one of which is the availability of the universal service.

The NTRA is required by the Telecoms Law to transfer its budget's surplus, except for the amount allocated to the state by the Cabinet of Ministers, to the Universal Service Fund on an annual basis. Any amounts to be transferred to the Universal Service Fund must be utilised on, inter alia, infrastructure projects required for the universal service, reallocation for the spectrum, indemnifying telecom services operators and providers for the price difference between the approved economical price for the services and that which may be determined in favour of the telecom consumers.

### Number allocation and portability

**7** | Describe the number allocation scheme and number portability regime in your jurisdiction.

There is a specific number allocation plan adopted by the NTRA, which is updated from time to time depending on the increase of telecom service subscribers in Egypt, whereby each operator has a dedicated first two-to-three digits. There are also dedicated numbers for emergency services (eg, ambulance, police and fire brigade).

There is also a mobile number portability regulation adopted by the NTRA whereby mobile subscribers may freely shift between operators without losing their numbers. This regulation includes several mandatory terms and conditions applied to both operators and subscribers.

### Customer terms and conditions

**8** | Are customer terms and conditions in the communications sector subject to specific rules?

Yes, all telecom services providers are required to have written contracts with their customers in Egypt. These written contracts are required to follow the form approved by the NTRA and cover, inter alia:

- the type of services that are subject to the customer agreement;
- the confidentiality requirement for the customers' data and communications;
- the terms of payment including interest, administrative fees, tax and any other burdens;
- the duration and its renewal;
- rights in case of default or termination; and
- the agreement is personal and may not be assigned to any third party without the approval of the licensed telecoms provider.

Any violation of the requirements above will result in a penalty from the NTRA as per the Penalties Regulation. For example, in 2016, the NTRA imposed a penalty of 250,000 Egyptian pounds to Etisalat Misr for not complying with this mandatory requirement.

### Net neutrality

**9** | Are there limits on an internet service provider's freedom to control or prioritise the type or source of data that it delivers? Are there any other specific regulations or guidelines on net neutrality?

The provision of telecom services in Egypt must always be based on transparency; therefore, internet services providers may not control or prioritise the type or source of data they deliver.

The Administrative Courts rendered a judgment ordering the NTRA to block pornographic content; however, the NTRA challenged this judgment on the basis that the Telecoms Law does not grant this power to the NTRA.

However, the Cybercrime Law of 2018 allows the competent authorities in Egypt to block any website that is broadcast from Egypt or abroad if that website contains any statements, digits, images, videos or any other advertising material that is deemed a crime under the Cybercrime Law. This blockage is subject to judicial review within 24 hours.

### Platform regulation

**10** | Is there specific legislation or regulation in place, and have there been any enforcement initiatives relating to digital platforms?

Digital platforms are mainly regulated by the following:

- the Telecoms Law;
- Law No. 180/2018 regarding press, media and the Supreme Council of Media (SCoM) Regulation (the Media Law) and its Executive Regulation; and
- the SCoM Decree No. 26/2020, issuing the SCoM Licensing Regulation (the Media Licensing Regulation).

Digital platforms may not be created unless a licence is obtained from the SCoM and that licence also requires an approval from the NTRA.

According to the Media Licensing Regulation, companies carrying out any business activity related to creating digital or satellite platforms must be owned by the state with a minimum authorised capital of 50 million Egyptian pounds.

### Next-Generation-Access (NGA) networks

**11** | Are there specific regulatory obligations applicable to NGA networks? Is there a government financial scheme to promote basic broadband or NGA broadband penetration?

There is no specific well-developed regulation yet applicable to NGA networks. However, our law firm obtained the first-ever authorisation from the NTRA for using a wide area network or Multiprotocol Label Switching in Egypt.

The main general regulatory requirement that is currently adopted by the NTRA is to have NGA networks implemented by a licensed provider of Class A services.

### Data protection

**12** | Is there a specific data protection regime applicable to the communications sector?

There are two main laws in Egypt governing the use, collection, storage, transfer and protection of personal data in Egypt as follows.

### Data Protection Law No. 151 of 2020 (the Data Protection Law)

The Data Protection Law applies to any personal data that is subject to any electronic processing whether partially or entirely.

The Personal Data Law shall not apply to any personal data that is being:

- saved by natural persons for third parties and that is processed for personal usage only;
- processed for official statistics purposes or in the application of laws or regulations in Egypt;
- exclusively processed for media purposes and provided that the said personal data is correct and accurate and not to be used for any other purposes without prejudice to any applicable press and media regulations in Egypt;
- related to judicial seizure record, investigations and lawsuits;
- held by the National Security Authorities; and
- held by the CBE and the entities that are subject to its control and supervision except for money transfer and forex companies provided that they take into account the rules established by the CBE regulating personal data.

It is worth noting that any entity that is subject to the Data Protection Law is required to legitimise its position with the provisions of the said Data Protection Law within a year starting from the issuance date of its Executive Regulation, which has not yet been issued.

#### **Anti-Cybercrimes Law No. 175 of 2018 (the Anti-Cybercrimes Law)**

According to Article No. 2 of the Anti-Cybercrimes Law, any person, whether a natural or legal person, that uses, collects, or processes personal data whether a natural or legal person shall maintain the privacy of the data stored and not disclose same without an order of a relevant judicial authority.

Further, any IT services provider shall retain and store users' data for at least 180 days continuously including identification, the content of services' system, communication traffic, terminals and any other data required by the NTRA.

In addition to the Data Protection Law and the Anti-Cybercrimes Law, few other laws deal with special nature personal data such as the Telecom Law, whereby telecom services providers are required to ensure and maintain the confidentiality of any customer's data.

#### **Cybersecurity**

**13 | Is there specific legislation or regulation in place concerning cybersecurity or network security in your jurisdiction?**

Yes, the Cybercrime Law concerns any person providing, directly or indirectly, users with any information technology and telecom service including, inter alia, processing or data storage. These providers are required to retain and store users' data continuously for at least 180 days, including identification, the content of the services' system, communication traffic, terminals and any other data required by the NTRA.

#### **Big data**

**14 | Is there specific legislation or regulation in place, and have there been any enforcement initiatives in your jurisdiction, addressing the legal challenges raised by big data?**

Unfortunately, there is no special regulation yet for big data. However, it is within the NTRA's ongoing strategy to regulate it.

#### **Data localisation**

**15 | Are there any laws or regulations that require data to be stored locally in the jurisdiction?**

Consumer Protection Law No. 181/2018 and its Executive Regulation require all providers of services and products in Egypt, except for the entities that are subject to the supervision of the CBE and the Egyptian

Supervisory Authority, to have all advertising, data, information, documents, invoices, receipts, contracts including e-documents with the consumer to be in Arabic or a bilingual or multilanguage form, providing that the Arabic language must be one of these languages.

#### **Key trends and expected changes**

**16 | Summarise the key emerging trends and hot topics in communications regulation in your jurisdiction.**

No one can deny the rapid international transmission into the fintech space. The banking sector in Egypt, being a country that witnessed two revolutions in 2011 and 2013, was affected by such rapid transmission as well. This was more than enough for the Egyptian government, upon a request by the CBE, to propose a new entire draft for the Banking Law. This new Banking Law was prepared based on, inter alia, advice rendered by international consultancy firms, a comparative study for other countries' laws, international standards, Basel Framework, recommendations of the Organisation for Economic Co-operation and Development, the World Bank Group and the International Monetary Fund as well as the recommendations made by the banks that are registered with the CBE.

Under the new Banking Law, no one is now allowed to carry out any activity of operating a payment system or providing a payment system unless a prior licence is obtained by the CBE. This new restriction is applied to all persons, whether natural or juristic persons, carrying out such activity inside Egypt or providing such services abroad to any residents in Egypt except for stock exchanges, futures exchanges, securities settlement systems, licensed central clearing, depository and registry systems, custodian banks, and internal systems of the Egyptian Ministry of Finance that do not include payment, collection, set-off or clearance of payment.

### **MEDIA**

#### **Regulatory and institutional structure**

**17 | Summarise the regulatory framework for the media sector in your jurisdiction.**

The media sector is governed by various laws and regulations, including the following:

- Investment Law No. 72/2017 and its Executive Regulation;
- the Media Law;
- Prime Minister Decree No. 411/2000 establishing the Media Public Free Zone (MPFZ); and
- the Media Licensing Regulation.

Most of the key media projects in Egypt operate inside the MPFZ, which is a public free zone governed by regulated by various directives of the Chairman of the General Authority for Investment (GAFI).

All projects operating under the Investment Law are qualified by a large number of investment incentives.

For any media project to be qualified for operation inside MPFZ, this project must, in general, take a specific legal form and must comply with the Arab Media Ethical Charter and MPFZ's Business Controls and Principles.

The services generally allowed to operate inside the MPFZ include, inter alia, radio, television, information broadcasting, e-content production and marketing. The MPFZ may also authorise hotels, banks, and malls to operate inside the MPFZ to provide their services to the licensed media projects.

According to the Media Law and the Media Licensing Regulation, which was published on 13 May 2020, the Supreme Council of Media (SCoM) is empowered, inter alia, to:

- receive notification for establishing Egyptian newspapers or non-Egyptian newspapers that are issued or distributed in Egypt;
- grant licences to visual, audio or digital channels that either registered in Egypt with GAFI or non-Egyptian channels that are being broadcast from Egypt;
- determine and apply the rules and requirements protecting the audience in Egypt;
- grant licences to broadcast relay stations, websites, digital and satellite platforms, fibre satellite distribution and content distribution;
- authorise the importation of satellite and internet broadcasting devices; and
- authorise the importation of non-Egyptian prints.

**Ownership restrictions**

**18** | Do any foreign ownership restrictions apply to media services? Is the ownership or control of broadcasters otherwise restricted? Are there any regulations in relation to the cross-ownership of media companies, including radio, television and newspapers?

According to the Media Law and the Media Licensing Regulation, which was published on 13 May 2020, foreign ownership restrictions apply to holding the majority stake or any stake giving the right to manage any Egyptian satellite or terrestrial television, as well as any Egyptian digital, wired or wireless station. However, non-Egyptian satellite and terrestrial television as well as non-Egyptian digital, wired and wireless stations may be licensed to operate in Egypt providing an approval is obtained from the SCoM. This approval requires, inter alia, operating inside a specific media area, the ability to block any content involving, inter alia, violence, suicide, self-harm or nudity.

**Licensing requirements**

**19** | What are the licensing requirements for broadcasting, including the fees payable and the timescale for the necessary authorisations?

According to the Media Law and the Media Licensing Regulation, which was published on 13 May 2020, a licence from the SCoM is required for any company to be in a position to operate a broadcast relay station in or to Egypt. This licence requires the following:

- payment of 250,000 Egyptian pounds to the SCoM;
- obtaining an approval from the NTRA; and
- incorporation of a company in a form of a sole person company, limited liability company or joint-stock company with a minimum authorised capital of 5 million Egyptian pounds.

If the licence request is accepted, it should be valid for five years, renewable upon a request at least six months before the end of the said five years.

**Foreign programmes and local content requirements**

**20** | Are there any regulations concerning the broadcasting of foreign-produced programmes? Do the rules require a minimum amount of local content? What types of media fall outside this regime?

According to the Media Law and the Media Licensing Regulation, which was published on 13 May 2020, a licence from the SCoM is required for any company to be in a position to operate and distribute recorded or live content in Egypt, whether through satellite or the internet. This licence requires the following:

- payment of 500,000 Egyptian pounds to the SCoM for the company and 50,000 Egyptian pounds for each website; and

- incorporation of a company in a form of sole person company, limited liability company or joint-stock company with a minimum authorised capital of 50 million Egyptian pounds;

If the licence request is accepted, it should be valid for five years, renewable upon a request at least six months before the end of the said five years.

All content must, inter alia:

- comply with the Egyptian Constitution, applicable laws, regulations and professional codes and ethics; and
- be stored for at least one year and hosted by a server that is located at a secure location in Egypt, which location may not be changed without prior approval from the SCoM.

**Advertising**

**21** | How is broadcast media advertising regulated? Is online advertising subject to the same regulation?

The Media Law and the Media Licensing Regulation, which was published on 13 May 2020, differentiate between Egyptian and non-Egyptian media advertising companies as follows:

For Egyptian media advertising companies:

- a licence is required from the SCoM;
- non-Egyptians may not hold any majority stake or any other stake that allows them to manage the company;
- incorporation of a company in a form of sole person company, limited liability company or joint-stock company with a minimum authorised capital of 100,000 Egyptian pounds for holding websites, 5 million Egyptian pounds for general or news television stations, 2 million Egyptian pounds for specialised television stations, 15 million Egyptian pounds for each broadcasting station and 2.5 million Egyptian pounds for each electronic, television station or channel; and
- shareholders must subscribe to at least 35 per cent of the company's capital.

For non-Egyptian media advertising companies:

- an approval is required from the SCoM;
- this approval requires, inter alia, operating inside a specific media area, the availability of blocking any content involving, inter alia, violence, suicide, self-harm or nudity; and
- payment of the licensing fee as per the following table.

Fee (Egyptian pounds)	Type of media
1 million	General and news media
500,000	Specialised media
100,000	general website
3 million	<ul style="list-style-type: none"> <li>• social networking or promoting individual's websites</li> <li>• audio, video and text service on demand websites; and</li> <li>• goods, products and services marketing websites.</li> </ul>
100,000	Any other website



### Must-carry obligations

- 22 | Are there regulations specifying a basic package of programmes that must be carried by operators' broadcasting distribution networks? Is there a mechanism for financing the costs of such obligations?

The Media Law and the Media Licensing Regulation, which was published on 13 May 2020, do not yet specify any must-carry obligations or a mechanism for financing the cost of such obligation.

### Regulation of new media content

- 23 | Is new media content and its delivery regulated differently from traditional broadcast media? How?

New media contents are subject to the same regulation as advertising.

### Digital switchover

- 24 | When is the switchover from analogue to digital broadcasting required or when did it occur? How will radio frequencies freed up by the switchover be reallocated?

The digital switchover started in Egypt in 2013. The National Telecommunication Regulatory Authority is empowered under the Telecoms Law to reallocate and manage radio frequencies.

### Digital formats

- 25 | Does regulation restrict how broadcasters can use their spectrum?

No.

### Media plurality

- 26 | Is there any process for assessing or regulating media plurality (or a similar concept) in your jurisdiction? May the authorities require companies to take any steps as a result of such an assessment?

The Media Law and the Media Licensing Regulation, which was published on 13 May 2020, do not yet specify any process of media plurality in Egypt.

### Key trends and expected changes

- 27 | Provide a summary of key emerging trends and hot topics in media regulation in your country.

The Media Licensing Regulation entered into force in Egypt on 14 May 2020. It does not yet involve any practice in Egypt and includes several provisions that need clarification on how they will be applied in reality.

## REGULATORY AGENCIES AND COMPETITION LAW

### Regulatory agencies

- 28 | Which body or bodies regulate the communications and media sectors? Is the communications regulator separate from the broadcasting or antitrust regulator? Are there mechanisms to avoid conflicting jurisdiction? Is there a specific mechanism to ensure the consistent application of competition and sectoral regulation?

According to Antitrust Law No. 3/2005, the Egyptian Competition Protection Authority (CPA) is the competent regulator for antitrust. However, there has been a dispute between the CPA and the National Telecommunication Regulatory Authority (NTRA) regarding jurisdiction over any antitrust issue related to the telecoms sector.

## SOLIMAN, HASHISH & PARTNERS LAW FIRM

### Mohamed Hashish

m.hashish@shandpartners.com

### Farida Rezk

f.rezk@shandpartners.com

Degla Plaza Building (75/77)

199 St.

Degla

New Maadi

Cairo

Egypt

Tel: +202 2516 2131

www.shandpartners.com

The Media Law also grants the Supreme Council of Media (SCoM) the power to guarantee freedom of competition and to prevent dominance practices within the media sector. This is similar to the provisions included in the Telecoms Law and, given that the Media Law was just issued, we are not sure if there will be a dispute between the CPA and the SCoM as there has been between the CPA and the NTRA.

However, in all cases, the Egyptian administrative litigation courts have the jurisdiction to order which authority is the competent one.

### Appeal procedure

- 29 | How can decisions of the regulators be challenged and on what bases?

All decisions of the regulator are subject to the review of the administrative litigation courts if these decisions are not in line with the applicable laws or reasonable. The administrative litigation courts have the jurisdiction to assess the validity or legality of each decision.

Further, in case of a dispute between the NTRA and any licence, the licensee may resort to arbitration under most of the telecom licence agreements.

### Competition law developments

- 30 | Describe the main competition law trends and key merger and antitrust decisions in the communications and media sectors in your jurisdiction over the past year.

The most famous dispute within the telecom sector was between Vodafone International, being the major shareholder holding 55 per cent of Vodafone Egypt's share capital, and Telecom Egypt, being a competitor to Vodafone Egypt and a shareholder holding 45 per cent of the same company.

Vodafone International signed a formal memorandum of understanding for selling its shares in Vodafone Egypt to the Saudi operator STC in January 2020. However, Telecom Egypt claimed that it has the right of first refusal over the shares that are subject to this contemplated sale, whose claim was officially raised to both the ECA and the NTRA based on several antitrust concerns. However, this transaction was not completed and Vodafone announced that it will remain holding its shares in Vodafone Egypt.

**Coronavirus**

- 31 | What emergency legislation, relief programmes and other initiatives specific to your practice area has your state implemented to address the pandemic? Have any existing government programmes, laws or regulations been amended to address these concerns? What best practices are advisable for clients?

After the suspension of schools and universities as a precautionary measure amid the coronavirus crisis, the Minister of Communications and Information Technology agreed with telecom providers Etisalat, Orange, Telecom Egypt and Vodafone to provide free access to websites of the Ministry of Education that provide the necessary educational content to complete the education process remotely while removing the additional financial burden on families. Moreover, the state bore the cost of a 20 per cent increase in the monthly download capacities for home internet use to support distanced learning.

Further, Telecom Egypt created hotlines in collaboration with the Ministry of Health regarding coronavirus health concerns.

Additionally, the Wasel mobile application was launched to address coronavirus questions from the deaf and individuals with impaired hearing.

To maintain peace and security, in March 2020, the Egyptian Prime Minister ordered legal action against anyone spreading false information regarding the coronavirus outbreak that disturbs public peace or harms the public. On 22 March 2020, the Ministry of Interior publicised that a woman in Damietta was detained for posting a video on her Facebook account spreading false rumours about the covid-19 outbreak.

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