

**STATEMENT BY THE MINISTER OF TRANSPORT,
COMMUNICATIONS AND INFRASTRUCTURAL
DEVELOPMENT, HON N T GOCHE (MP), ON THE NEW
LICENCE FEES FOR MOBILE TELECOMMUNICATIONS
OPERATORS, 29TH MAY 2013**

With the advent of the liberalization of the telecommunications era, the Government issued mobile licences to two privately owned operators, Econet Wireless and Telecel Zimbabwe in 1998. The licences were for 15 year tenure, and the basic licence fee for each licence was set at US\$100 million. In addition, operators also paid Annual Licence Fees, Spectrum Fees and made a contribution to the Universal Services Fund, whose objective is to extend services to rural and other under-served areas.

In line with the terms and conditions set out in their licences, the affected operators have applied for their renewal. In this regard, over the last few months, the Government has been seized with a review process for the licence fees payable, as well as other terms and conditions of the licences.

Specifically, my Ministry and the Ministry of Finance have held consultations with the players in the industry and other interested stakeholders. Comparative studies were also done, both at regional and international level to enable the Government to come up with an informed decision which meets Government's expectations but also allows for the industry to flourish. I am now pleased to announce that the licence fees for the renewal of the mobile licence has been set at US\$137.5 million for a 20 year tenure.

In addition, operators will pay an annual licence fee (2% of audited annual gross turnover), and contribute to the Universal Services Fund (0.5% of audited annual gross turnover). They will also pay frequency spectrum fees in accordance with their different requirements of that limited national resource.

The scope of the licence will remain substantially the same as the current licence. This means the licences will cover the range of services that are commonly referred to as 2G through to 3G. Services beyond that will require formal licence adjustments.

These licensing conditions will apply to all mobile operators in the country as and when their licenses come up for renewal. I am, therefore, pleased to announce that already one of the operators whose licence expires on 10th July 2013, Econet Wireless, has had its application for renewal approved by the regulator, POTRAZ, and a new 20-year licence issued on the terms and conditions that I have just referred to.

Hon N T Goche (MP)

MINISTER OF TRANSPORT, COMMUNICATIONS AND INFRASTRUCTURAL DEVELOPMENT