

# TANZANIA COMMUNICATIONS REGULATORY AUTHORITY

## POSTAL LICENSING PROCEDURES

### 1. INTRODUCTION

Licensing as a regulatory mechanism aims to promote effective competition in supply of services which in turn benefits consumers in terms of tariffs and good quality of services. In general postal services means a system for the collection, dispatch conveying, holding and delivery of postal articles by or through public postal licensee. A courier service means a specialized service for the speedy collection, conveyance and delivery of postal articles other than letters. A letter means a form of written communication in the nature of current and personal correspondence and includes postcards. While the collection, conveyance and delivery of letters are part of the reserved areas of the Public Postal Licensee, the courier market segment is open for competition.

### 2. LICENSING PROCESS

Courier firms, freight and forwarders, transport firms can apply for courier operating licence. The Tanzania Communications Regulatory Authority uses the following licensing procedures for the various postal operators and service providers:

#### 2.1 APPLICATION

Any person or entity wishing to start courier business will have to apply for a licence from the Authority. An applicant will make payment of the prescribed non-refundable application fee of ten thousand shillings for domestic categories and fifty thousand for international courier operation. The applicant will be required to fill in the application form and return it to the Authority.

#### 2.2 IMPORTANT CONDITIONS FOR ALL APPLICANTS

Upon receipt of an application, the Authority shall check the following details: -

##### **(a) Documents**

- (i) A Certified copy of business licence;
- (ii) Must be registered with the Tanzania Revenue Authority for Tax purposes;
- (ii) A Certificate of incorporation or registration. Must be registered as a company in Tanzania and at least owned 35% locally;
- (iii) Business plan for the proposed services (Not applicable for smaller categories);
- (iv) Service performance plan – projection of quality of services targets;
- (v) Adequate means of transport.

## **(b) Operating premises**

The premises earmarked for courier business should be permanent with the following facilities:-

- (i) Well built acceptance and delivery counters;
- (ii) Secure storage facilities;
- (iii) Well ventilated/air-conditioned lobby for customers waiting for service;
- (iv) Must have a monitoring technique for mail movement preferably computer tracing and tracking system.

## **(c) Human Resources**

Human Resources is of utmost importance for any postal or courier operator because it will assist the firm/company to abide by confidentiality and integrity values. It is absolutely necessary for any licensee to observe the inviolability of the secrecy of any correspondence.

## **(d) Compensation to customers**

A customer will have the right to compensation in case a postal article will be lost or misplaced within the operator's network or system. The Authority requires an applicant to produce a compensation plan including any insurance arrangement for enhancing security of postal articles.

## **3 ISSUANCE OF LICENCE**

- (i) The TCRA will send a team of inspectors to the applicant's premises to verify contents of the application form.
- (ii) The Authority having been satisfied that the applicant has met the above conditions (in 2 above) will advise the company of the category and licence fee payable.
- (iii) Upon receipt of licence fee, the Authority issues the licence certificate with conditions of licence.
- (iv) Licence processing is expected to take not more than thirty days.

## **4. LICENCE CATEGORIES**

The Authority issues two types of postal licenses, which are:

- (i) Public Postal Licence which was issued to the Tanzania Posts Corporation in January 1994. The Licence is valid for 25 years but is subject to payment of annual operating licence fee in terms of royalty.

- (ii) Postal Courier Licenses which are issued to other operators. Duration and fees payable to the Authority vary according to licence category as shown in the table below:

Licence category	Annual Licence fee (Tanzanian Shilling)	Licence duration
International Couriers – Handling of exports and imports of courier items in Tanzania	10 million	4 years
East Africa Couriers – Courier operations within the borders of East African countries	2.5 million	3 years
Domestic Couriers – Courier operations within the borders of the United Republic of Tanzania	2.0 million	1 year
Intracity Couriers – For collection, conveyance and distribution/delivery of courier items within one town	1.0 million	1 year
Intercity Couriers - For collection, conveyance and distribution/delivery of courier items within and between two towns	0.3 million	1 year

### **Achievement of the licensing strategy**

- The licensing structure has among other things expanded the revenue base of the Authority since more firms have obtained operating licenses.
- The system has attracted more firms, which are operating within a small market segments.
- The structure is minimizing the chances of illegal courier operations in the country.

**ISSUED BY:  
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