

## POSTAL SERVICE LICENSING REGULATIONS



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Decree no. 67/2016 of 30 December has been published and approves the Postal Service Licensing Regulations. These Regulations establish the procedures for licensing the activity of providing postal services operated under a system of freedom of competition<sup>1</sup>. The aim of approving these Regulations is to respond to the needs that have resulted from the development of the sector and to stimulate competition and improve the quality of postal services.

The Regulations apply to any public or private entities that provide postal services on a national, provincial, inter-provincial or international level.

The provision of postal services includes the acceptance, processing, transport and distribution of post, and it thus ensures that the needs of the general population and public and private entities for postal services are met<sup>2</sup>.

1 Article 5 of Law no. 1/2016 of 7 January (the law that created the Postal Service) provides for access to the market on an equal basis, in the provision of postal services, as a way of guaranteeing the liberalisation of postal services. This principle is without prejudice to the specific rules that govern the provision of the universal service and the activities and services which, for reasons of public order and safety or the general interest, may be reserved to determined postal service providers. Postal services operators are also prohibited from engaging in individual or concerted acts that distort competition (see article 25 of the Law cited above). 2 As stated in article 1(1) of the said Law. The Mozambique National Institute of Communications (*Instituto Nacional das Comunicações de Moçambique* - INCM)<sup>3</sup> is the Postal Sector Regulatory Authority and the entity responsible for granting licences to carry on postal activity within 30 days of the date of receipt of the application.

The services subject to licensing are the: (i) postal service of sending correspondence, including addressed and unaddressed advertising materials, whether or not sent by express post; (ii) postal service of sending books, catalogues, newspapers and other periodic publications; (iii) postal service of sending registered correspondence and correspondence with a declared value, including the judicial service of summonses and notifications; (iv) postal packages service including registered packages and packages with a declared value.

3 The INCM also has powers of supervision and control over postal activity with the aim of protecting consumer rights and guaranteeing the effective application of the rules, regulations and directives of the sector (see article 28 of the said Law).





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Licences are valid for a period of 10 years and may be renewed for equal and successive periods. The renewal of the licence is subject to meeting certain mandatory conditions, including compliance with the obligations of the licence itself, compliance with any tax and social security obligations, and payment of the regulatory fees.

The licence may also be cancelled, revoked, amended or transferred under the terms explained below.

The licence may be cancelled upon a request from the licence holder, with at least 60 days' notice before the date on which the licence holder intends to suspend the service. The licence may also be cancelled at the initiative of the licensing body if the licence holder fails to comply with the obligations under the licence.

The licence will be revoked when, among others, any of the following situations arises: (i) termination of the activities without justification for a period exceeding six months; (ii) dissolution or insolvency of the company; (iii) use of the postal services for unlawful purposes; (iv) repeated infringements; and (v) provision of false declarations to obtain the licence. The licence is updated at the initiative of the Regulatory Authority, at any time, in accordance with the principles of pursuing the public interest, or upon request of the licence holder, without prejudice to payment of compensation for any losses resulting from any changes made to the licence.

The licence may be transferred upon prior authorisation of the Regulatory Authority. For this purpose, the entity acquiring the rights over the licence must be legally qualified to take on those rights, otherwise the request for transfer will be denied.

Finally, the Regulations make the following provisions on postal service licence fees: licensing fee (domestic and international coverage – 200,000 meticais; inter-provincial coverage – 100,000 meticais; provincial coverage – 50,000 meticais); and an annual fee which is set at 1% of gross revenue. The annual fee is paid upon issuance of the postal licence in a single instalment.

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