

African telecoms client newsletter

The African telecoms client newsletter aims to highlight key regulatory developments in the telecoms sector across Africa.

This issue focuses on the March to May period, a period in which the Algerian state bought back control of telecoms operator OTA; Burkina Faso's regulator fined all the country's mobile operators for coverage and QoS failures; and Kenya issued its first Mobile Virtual Network Operator licences.

We hope that you will find the newsletter insightful.

Northern Africa

Algeria

23rd SICOM-International Communications, Computers and Office Technology trade show opens in Algeria

On 22 April 2014, the Algerian Minister of Post and Information Technology and Communication, Ms Zohra Derdouri and the Minister of Communication, Mr Abdelkader Messahel [opened](#) the 23rd SICOM-International Communications, Computers and Office Technology trade show.

The theme was "*In the era of iCloud and large data*": the exhibitors were looking at a number of issues, including technological development of Algerian companies and information security.

The trade show was considered a good opportunity to exchange work and discuss issues among operators in the sector. Algerian companies have already made significant progress in this area, and it is intended that Algeria should become part of an international organisation working to develop respect for, and preserve, computer security.

The 23rd SICOM had 135 exhibitors from domestic and foreign corporations.

Algerian state buys control of OTA

On 18 April 2014, VimpelCom [announced](#) that it and Global Telecom Holding S.A.E. (GTH) had signed a share purchase agreement for the sale by GTH of a 51% interest in Orascom Telecom Algérie (OTA), which includes Djezzy, the largest mobile-phone operator in Algeria, to the Fonds National d'Investissement ("FNI"), the Algerian

government's National Investment Fund, for a purchase consideration of USD 2.643 billion.

Government checks data centres ahead of elections

On 18 April 2014, Ms Zohra Derdouri, [inspected](#) a number of centres which specialise in Single-pair High-speed Digital Subscriber Line (SHDSL) access in the Wilaya area of Algeria. The intention of the visits was to supervise the systems which have been put in place for the forthcoming presidential elections.

The Minister noted that the networks have been checked to avoid interruptions during the election and that hotlines have been set up to resolve any problems. A security system has also been put in place to protect the network during the election period, so that any hacking attempts can be resolved swiftly.

Morocco

ANRT board meets to set future telecoms agenda

On 17 March 2014, the board of the *Agence Nationale de Réglementation des Télécommunications* (ANRT) held a meeting in Rabat. The meeting agenda included [discussion](#) of the achievements of the telecommunications industry, the implementation of the guidelines "*Note d'orientations générales*" for the development of telecommunications for 2013 (NOG 2013) as well as preparation of the new general guidelines 2014-2018.

At the opening of the 19th session, the head of the Government welcomed ANRT's strategic role in regulating the telecommunications sector in Morocco, including

contributing to sector developments, as well as guaranteeing the best conditions for the use, management and investment in telecoms. The meeting underlined the significant change experienced in the telecoms sector, including market penetration, usage rates and price; these changes are due to the development of new services and the regulation of prices in the sector. The number of users of fixed and mobile telephones had reached nearly 45 million by the end of 2013, with 6 million internet users. The average price of a call has also fallen to 0.41DH per minute.

The ANRT has been asked to increase its efforts in advancing the technology sector, including the development of high-speed internet access in Morocco and coverage levels across the country. The green light has also been given for tenders for the operation and licensing of fourth generation (4G) mobile services in Morocco.

Tunisia

INTT introduces number portability

On 24 April 2014, the *Instance Nationale des Télécommunications Tunisia* (INTT) [reported](#) that the new system of 'Number Portability' will be introduced, providing consumers with the opportunity to switch operators while retaining the same phone number.

The INTT believes that this will increase competition in the market as it will increase fluidity, making it easier for consumers to switch providers.

In order to guarantee and protect the rights of citizens and the development of real and fair competition in a liberalised telecommunications market, the INTT wishes to clarify that it has taken all necessary steps in accordance with the regulations for the implementation of service number portability as soon as possible.

INTT issues new guidelines to regulate off-net calls

On 24 April 2014, the INTT [released](#) revised guidelines to regulate the rates for Off-Net calls (between networks), and to reduce the rates charged for on-net calls (within the same network). The proposals are needed to ensure that on-net price discounts are not used as a form of predatory pricing by larger networks.

Western Africa

Burkina Faso

ARCEP fines ONATEL, Telecel and Airtel

On 23 April 2014, the President of the *Autorité de Régulation des Communications Électroniques et des Postes* (ARCEP), Mathurin Bako, held a press conference in which he [explained](#) the reasons behind the financial penalties imposed by the authority on the country's mobile phone operators. Penalties were imposed in response to breaches by three operators for failing to follow regulations concerning the coverage and quality of the network. ONATEL, Telecel and Airtel were all fined. The operators were reminded that further breaches could ultimately lead to the revocation of licences.

ARCEP releases market report for Q1 2013

ARCEP has [released](#) its communications market report on the fixed, mobile and broadband markets for the first quarter of 2013. The report provides information on the electronic communications market in Burkina Faso.

Côte d'Ivoire

Regulator holds meeting with sector players

On 24 April 2014, the Director General of the *Telecommunications Regulatory Authority of Côte d'Ivoire* (ARTCI) [invited](#) economic operators to attend meetings held at the headquarters of ARTCI, located in Marcory Anoumabo.

The corporations invited to attend are those carrying out activities relating to: transport and distribution of mail and parcels; transfer of money; and email/SMS.

Ghana

NCA finds Glo Mobile only operator to offer good quality of service

On 30 March 2014, the National Communications Authority (NCA) published the [results](#) of its [Cellular Mobile Consumer Satisfaction Survey](#). According to the survey, Glo Mobile was the only mobile operator in the country to offer a good quality of service (QoS) in 2012/2013. The regulator has set a benchmark of 85% for billing performance and inquiry services, 90% for supplementary services and 75% for overall QoS. MTN and Vodafone failed to meet any of the

stipulated benchmarks. Tigo, Airtel and Expresso met only one of the benchmarks, which was overall QoS. The survey was commissioned in September 2012 and the report was finalised in September 2013 after data collation, analysis and verification.

Mobile voice and data subscriptions grow

The NCA has published [monthly mobile voice subscription](#) and [mobile data share trends](#) for the month of March 2014. The latest figures show growth for MTN, Vodafone and Expresso for mobile subscriptions and growth for MTN, Vodafone and Tigo for mobile data. MTN remains the largest operator in the market with 45% of all the country's mobile subscriptions.

Nigeria

NCC publishes latest compliance information

The Nigerian Communications Commission (NCC) has [published](#) its latest report of its Compliance Monitoring Enforcement programme. The report lists six enforcement items for which the NCC gave approval for implementation. They include SIM registration, frequency interference, illegal operation, promotion and lottery, telephone billing, and cybercafé operation. The NCC has directed cybercafé operators to maintain a database for all their customers in order to tackle the increasing wave of cybercrimes orchestrated through cybercafés.

Separately, the NCC reported that it had been discovered that Space Multimedia Telecoms Limited was involved in the provision of certain telecoms services, including Vehicular Tracking Services, Internet Services, Sales and Installation of telecoms equipment, without the necessary authorisation from the NCC.

Nigeria to auction 3.5GHz spectrum

On 10 April 2014, the Executive Vice Chairman of the NCC, Dr Eugene Juwah, [announced](#) plans to auction spectrum in the 3.5GHz band. The spectrum is expected to be licensed on a state-by-state basis in the states where it is available, which means that winners of the spectrum licence will operate within the state or states where the licence is situated. The NCC has asked interested candidates to submit applications of interest to enable it come up with a timetable for the auction. The NCC recently completed a 2.3GHz spectrum auction that saw the emergence of Bitflux as winner.

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Senegal

11th FRATEL Seminar on third generation (3G) and fourth generation (4G) licences

On 15 and 16 April 2014, the 11th FRATEL Seminar on third generation (3G) and fourth generation (4G) licences [was held](#) in Dakar. It was attended by over 200 participants, representing 16 members of the francophone regulatory network of telecommunications regulation and stakeholders.

The objectives for telecoms licensing procedures were addressed and considered to be: technical availability (coverage), affordable prices for consumers (competition), revenue for the state, and innovation.

Dial M Lamine, of Senegal, stated that these objectives have been combined for the award of 3G licences, preceded by two preliminary steps: external studies and experimentation phases.

The conference also addressed issues such as necessary frequency bands. Senegal contributed to the discussions on the development of frequency plans at global and regional levels needed for efficient spectrum management and optimum operating bands.

Southern Africa

Gabon

Airtel secures 10 - year 3G/4G licence

On 20 March 2014, the Regulatory Authority for Electronic Communications & Posts (ARCEP) finally awarded Airtel Gabon a 10-year 3G/4G mobile licence. ARCEP president Lin Mombo made the award two months after the adoption by the Council of Ministers of a draft decree granting the authorisation, "subject to compliance with specified associated costs and terms of reference". *Agence Ecofin* reported that the fee payable is XAF 5.5 billion (USD 11.53 million).

Kenya

Kenya licenses new MVNOs

On 11 April 2014, the Communications Commission of Kenya (CCK) [issued](#) Mobile Virtual Network Operator (MVNO) licences to three companies - Finserve Africa Limited, Zioncell Kenya Limited and Mobile Pay Limited. The three newly licensed operators will be hosted on the

Airtel Network. The MVNOs are obligated to provide services within the set Quality of Service (QoS) parameters and targets and the CCK will periodically monitor their performance to ensure that they conform.

Northern Corridor Integration Projects to create unified mobile network area

On 2 May 2014, the leaders of Kenya, Uganda, Rwanda, Burundi and Tanzania issued a [joint communiqué](#) from the 5th Northern Corridor Integration Projects Summit in Kenya. Included in the integration projects are plans to create a single-area mobile network by 31 December 2014, removing any existing roaming charges between the signatory countries.

The Partner States also agreed to harmonise the legal and regulatory framework for effective SIM card registration linked to National ID databases; accelerate the implementation and strategies for e-services to achieve integration and provision of e-services; and incorporate fibre optic access on all Northern Corridor Integration Projects.

CCK report shows growth in mobile call, mobile cash and internet sectors

On 16 April 2014, the CCK [published](#) its second quarterly communication sector statistics report for the year 2013-14. According to the report, the mobile telephony sector saw a marginal increase in subscribers to 31.309 million from 31.301 million during the previous quarter. Mobile penetration remained unchanged at 76.9%. Fixed telephone services continued to fall to 205,856, down from 209,339 lines in the previous quarter, while fixed wireless subscriptions declined by 1.2% to stand at 148,823.

The mobile money market continued to record steady growth with the number of subscribers recorded at 26.0 million in December 2013. Similarly, the number of active agents rose to 93,689 from 91,750 recorded in the previous quarter. The Internet/data market segment recovered lost ground during the period October to December 2013 to stand at 13.1 million subscribers, up from 11.9 million in the previous quarter.

Rwanda

Rwanda plans hike in telecoms tax

According to a report by Rwandan daily newspaper *The New Times*, the Rwandan government is planning to increase its tax on telecoms services from 8% to 10%, from 1 July 2014, in a bid to plug a budget gap. A bill to approve the increase was tabled in the Lower House of Parliament during the first week of May.

Tanzania

Vodacom to connect over 400 villages

South Africa's Vodacom has won a tender to roll-out telecoms services to over 400 villages in Tanzania. According to *The Guardian* newspaper, the value of the tender, issued by Tanzania's Universal Communication Services Access Fund (UCSAF) as part of the Tanzania Communications Infrastructure and e-Government Project (RCIP Tanzania), has not been disclosed.

Zimbabwe

POTRAZ has issued the National Frequency Allocation Plan.

On 18 April 2014, the Postal and Telecommunication Regulatory Authority of Zimbabwe (POTRAZ) [published](#) the latest version of the Zimbabwe National Frequency Allocation Plan (ZNFAP). The Plan divides the spectrum range (8.3KHz – 3000GHz) into a number of frequency bands and specifies the general purposes for which, and conditions under which, the bands may be used in Zimbabwe.

Zimbabwe is a member of ITU and SADC; therefore, as much as possible, allocations in the ZNFAP are aligned to the allocations in the ITU Radio Regulations and SADC Frequency Allocation Plan. Notwithstanding the above, some differences do exist. This is because variations have been incorporated, where necessary, to reflect Zimbabwean domestic requirements.

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