

# 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 January-March period, a period where Zambia's first 4G network launched; South Africa delayed the implementation of new call termination rates following a legal challenge; and there was a surprise winner in Nigeria's mobile broadband spectrum auction.

We hope that you will find the newsletter insightful.

## Northern Africa

### Algeria

#### ARTP launches new 3G network regulations

The *Autorité de Régulation des Postes et des Télécommunications* ("**ARPT**") has announced the implementation of transitional rules in relation to the launch of 3G mobile telecommunications in Algeria.

The ARTP released a [Communication](#) which summarises the package of regulations, and clarifies that the new rules will take effect as implied terms in all consumer 3G service contracts.

The regulatory developments take the form a package of Decisions:

- The first [Decision](#) provides for transitional arrangements for the move from the GSM to 3G network. Since providing the services are governed by two different service agreements at the level of service-provider, the operators are allowed to associate the two accounts to the same SIM card. However, customers will not be able to use the same number for both accounts. In all circumstances, it must be transparent to the customer when they are within the 3G network (and thus being charged at the applicable 3G rates) and when they are within the GSM network (and being charged the relevant rates). At any point, if the customer is out of 3G range, they may only be charged the GSM rates.
- The second [Decision](#) concerns establishing a national database of 3G/GSM users and requires operators to

put in place systems to supply such information in a reliable manner.

The ARTP also published its [advice to consumers](#), containing tips on entering into monthly contracts, as well as on protecting themselves from unwanted internet usage when using smartphones and from account fraud. The ARTP has also provided a mailing address so consumers who have questions can contact the authority directly.

#### Algérie Télécom Mobile is authorised to extend its 3G coverage

On 2 February 2014, the ARTP adopted a [Decision](#) authorising Algérie Télécom Mobile to provide coverage in nine supplementary Wilayas: Sétif, Tlemcen, Blida, Tizi-Ouzou, Djelfa, El-Oued, Tiaret, Tébessa and Ain-Defla.

This Decision was reached taking account of the fact that the operator had met all of the standards of coverage and quality of service which were imposed by the authority in relation to the Wilayas initially covered.

### Morocco

#### ANRT makes identification of mobile customers obligatory

On 11 February 2014, the *Agence Nationale de Réglementation des Télécommunications* ("**ANRT**") [announced](#) the publication of new regulations regarding the identification of mobile telephone customers. These regulations have as their aim the formalising of contractual relations between consumers and service providers, as well as consumer and data protection.

The new rules, which apply to Maroc Telecom, Medi Telecom and Wana Corporate, comprise the following:

- It is now obligatory for customers to provide personal information at the point of sale for all new contracts for 2G or 3G mobile services. Pre-paid and pre-activated cards will only be permitted on the condition that a written document has been provided by the customer providing their personal details.
- For existing customers, a telephone number has been provided for them to provide their details to the operators.
- Operators are obliged to take the measures necessary to sensitise their customers to the necessity of providing this information.

The operators will have one year from 1 April 2014 to ensure that they have reliable databases for compiling this information, and to complete the task of identifying all their customers, or risk having those customers cut off from using their mobile service. The ANRT has warned that it will be carrying out investigations to make sure that the necessary steps are being taken to put these rules into effect.

#### **Mobile telephone service quality indicators published**

On 17 February 2014, the ANRT [published](#) indicators for the quality of mobile telephone service for the period 15 October to 18 November 2013. The indicators measure the quality of service based on its continuity, availability and reliability.

The results were obtained by taking into account such indicators as the rate of successful calls, the quality of calls, SMS received within 30 seconds and SMS received within two minutes. The investigation was conducted in a variety of large, medium and small towns.

For 2G services, it was found that the overall rate of successful calls was between 91-98% overall (98.6% in major cities). For 3G, the overall successful call rate was 98% in all areas tested. 82% of 2G and 3G calls were of acceptable quality, and the rate of poor quality calls was 13% for 2G and 12% for 3G. The rate of SMS received in under 30 seconds was 50%, and the rate received within two minutes was 90%.

The detailed report is available on the ANRT's [website](#).

#### **ANRT publishes telecommunications market growth indicators**

On 28 January 2014, the ANRT [published](#) its growth

indicators for the telecommunications market for the fourth quarter of 2013.

The results included the following:

**Mobile services:** measured in average revenue per minute, the price of mobile telecommunications services have decreased by 23% from Q4 2013;

**Internet services:** the average monthly internet bill has reduced by 14% compared to Q4 2013, and the monthly cost of 3G and ADSL internet services have decreased by 22% and 12%, respectively, for the same time period;

**Mobile usage:** measured in minutes of mobile phone usage, there has been an average increase of 11%, and an 8.7% increase in mobile service users;

**Internet usage:** 17.5% of the population has private internet subscriptions, which represents 46% annual growth, whilst 3G services have witnessed a 50% annual growth rate; and

**IP registration:** for the first year, the ANRT also reported on IP address registration, there are 3.8 million IP addresses registered in Morocco according to statistics generated by the AFRINIC Registre Internet Régional.

## **Tunisia**

### **Orange required to allow interconnectivity with its fixed network to Tunisiana**

On 3 January 2014, the Instance Nationale des Telecommunications ("INT") addressed a demand notice to Orange Tunisie, requiring them to allow Tunisiana to benefit from their fixed network.

Orange Tunisie had one week from this notice to comply with these terms.

### **The republic of Tunisia launches a tender for the assessment of the quality of 2G/3G service**

On 30 January 2014, the INT launched an appeal for tenders from firms with experience in assessing the quality of service of 2G/3G networks, in order to assess the provision of such services in Tunisia.

Detailed tenders are required to be made to the INT by 28 February, 4 pm. More details are available on the INT's [website](#).

### **INT announces that it will be assisted by the department "Progressus corporation"**

On 5 February 2014, the INT [announced](#) that, subsequent to a public consultation process which was launched on 28 November 2013, it will be assisted by the department "Progressus corporation" for Telecommunications issues, whether competition or tariff-related. The new department will assist the INT in the interpretation of the law concerning the terms and conditions in consumer contracts.

## Western Africa

### Burkina Faso

Vietnamese telecoms group Viettel was the only bidder for the fourth mobile licence in Burkina Faso. The ten-year licence covers fixed and mobile telephony and internet services in Burkina Faso. If the government approves the application Viettel will join the Office National des Telecommunications (Onatel), Telecel Faso and Airtel in the market.

### Ghana

#### NCC publishes latest monthly Mobile Voice subscription data

The *National Communications Authority ("NCA")* has published its monthly Mobile Voice subscription data for the period ending December 2013. This shows an increase from 27,665,572 at the end of November 2013 to 28,026,482 at the end of December 2013. MTN had some 12,929,528 subscribers at the end of December, up from 12,711,675 at the end of November: a net gain of 217,853 subscribers. Second ranked Vodafone also saw an increase, ending December with 6,048,792 subscribers, up from 5,931,923. Tigo and Airtel also saw small rises in subscribers, but most recent entrant, Nigeria's GLO, saw its subscription base fall by 31,293 subscribers and similarly, Expresso's subscriber base also fell to 133,663 subscribers.

### Mali

#### The role of telecommunications in promoting public health

The website MALI NTIC [has reported](#) on the role that mobile phones have played since 2011 in facilitating the transportation of medical supplies for the fight against malaria and other illnesses.

The programme is supported by ONG Muso Ladamunen, the Centre d'Expertise et de Recherche en Télémédecine et E-Santé CERTES Mali, as well as the Institute for Communication and Development, IICD in the Netherlands.

The programme has the acronym MAMMA (Mobile Against Malaria I Mali) and has contributed to promoting maternal health because of the access to medical help swiftly upon receipt of an SMS.

### Nigeria

#### Bitflux surprise winner in Nigerian spectrum auction

The *Nigerian Communications Commission ("NCC")* has [announced](#) that Bitflux Communications Limited has emerged as the winner of the country's 2.3 GHz frequency auction. Bitflux Communications, a consortium of three firms, including VDT Communications Ltd, Bitcom Systems Ltd and Superflux International Ltd won the auction with a bid of N3.8 billion (\$23.25 million) to beat large Nigerian multinational telecommunications operator, Globacom. The winning bid is 5.5% above the N3.6 million (\$22,500) reserve price set by the regulator. The ten year licence makes Bitflux the sole provider of wholesale wireless broadband to other service providers in the country. The award was not without controversy with the House of Representatives recommending its Committee on Communications to examine future auctions of national telecommunications assets with a view to including a requirement that interested companies be listed on the Nigerian Stock Exchange (NSE).

#### NNC tells users to sue over spam texts

The NCC has recommended that any subscribers who are still receiving unsolicited (spam) text messages sue their telecoms operators for invasion of their privacy. The NCC, [told PUNCH Interconnect](#) that whilst it is a global problem that is hard to regulate the country had in place a rule whereby communication providers had to ensure such activities were restricted to between 8pm and 8am.

#### NCC says no plans to review number portability rules

The NCC has told the country's communications providers that it does not see the need to review the existing framework for Mobile Number Portability in the country. According to [a report](#) by *PUNCH Interconnect Clearinghouse Nigeria Limited*, the firm in charge of the MNP scheme, had recommended to the NCC that some reviews were needed in order to make the scheme better.

The NCC responded by stating that simply because someone recommended that there could be improvements to the scheme did not automatically mean that NCC would go ahead with a review.

## Senegal

### ARTP launches consultation into mobile number portability

L'Autorité de Régulation des Télécommunications et des Postes ("ARTP") is [Consulting](#) on draft Directives which aim to make mobile numbers transferable between service providers.

The Consultation is open for views and suggestions from all interested parties including telecommunication service providers, consumer bodies, independent experts and mobile telephone users.

The Consultation will close for comments on 21 February 2014, at 1 pm and any comments should be sent to the ARTP at: [pnm@artp.sn](mailto:pnm@artp.sn) clearly marking any information considered confidential.

The ARTP will issue new Directives following the consultation period.

## Togo

### ARTP plans to launch a Top Level Domain for Togo

On 12 December 2013, the *Autorité de Réglementation des secteurs de Postes et de Télécommunications* ("ARTP") publicly [called](#) for candidates to carry out the work in developing and putting into service a top level domain in Togo.

Candidates were requested to submit their application to the ARTP.

## Southern Africa

### Kenya

#### Mobile operators fail to meet QoS requirements

The *Communications Commission of Kenya* ("CCK"), has [announced](#) that none of the four Kenyan mobile networks met their Quality of Service (QoS) requirements in the 2012/13 financial year, with none achieving the minimum

Key Performance Indicators (KPI) compliance target of 80%. The QoS assessment framework is based on eight Key Performance Indicators (KPIs): completed calls rate, call set up success rate, dropped calls, blocked calls, speech quality, handover success rate, call set up time and signal strength.

#### Local Internet subscriptions record first-ever negative growth

The CCK has [published](#) its Quarterly Sector Statistics Report for the first quarter of the 2013/14 financial year (July-September 2013). The report showed a drop number of local Internet subscribers from 12.4 million in June 2013 to 11.6 million in the quarter ending September 2013. This represented a decline of 6.1% and the first-ever negative growth recorded in the local Internet market. During the same period, the mobile subscribers increased by 2.5% to reach 31.3 million up from 30.5 million recorded in the previous quarter compared to SMS. Mobile money transfer services also continued to grow with subscribers increasing by 1.1% to reach 25.1 million up from 24.8 million in the previous quarter.

#### CCK to expand audit on operators services

The CCK has said that it is to extend the audit of telecom services to include services other than voice from 2014. It has audited voice services since 2008. It is now seeking a consultant to advise on a comprehensive and effective assessment process, including quality of service measuring and processes to measure, analyse and report the quality of text messaging services, data and social media.

#### CCK grants SMSGH a Telecoms VAS licence

The CCK, has granted Ghanaian SMSGH a Telecoms VAS licence to provide its full range of mobile VAS and online payment services. The license allows SMSGH to provide the entire array of its messaging services and premium services. This includes premium content, short codes, and bulk SMS. It also allows it to gain connectivity to other channels such as USSD, voice and provide any of its services in Kenya

### Malawi

The *Malawi Communications Regulatory Authority* ("MACRA") has renewed the operating licence of Airtel Malawi, for a further ten years. [According](#) to *Telegeography* the mobile operator, which is owned by Indian telecoms group Bharti Airtel, has announced investment of USD42 million for the year, which will be spent on the expansion

and modernisation of its mobile networks, the rollout of fibre-optic cables and the upgrade of its post-paid system.

## South Africa

### ICASA delays new termination rates following MTN appeal

The *Independent Communications Authority ("ICASA")* has [announced](#) it will delay the commencement of the [Call Termination Regulations 2014](#) from 1 March 2014 to 1 April 2014 following an appeal lodged against the regulation on 12 February by Mobile Telephone Networks (Pty) Ltd (MTN) with the South Gauteng High Court. MTN is seeking to have the regulations set aside, as they feel the rates unduly penalise them. Zunaid Bulbulia, CEO of MTN South Africa, [told TechCentral](#) the court action was a last resort after efforts to engage constructively and in good faith failed. MTN claim there is no cost basis for the new mobile termination rates, and that ICASA failed to supply the methodology or the cost data that was used to reach their final rates.

### ICASA holds workshop to help formulate LLU policy

The ICASA has cancelled planned Public Hearings into Local Loop Unbundling (LLU), scheduled for 17 to 19 February 2014 and instead held a [workshop](#) on "*Wholesale Access under Chapter 8 of the Electronic Communications Act (ECA)*", on Tuesday 18th February 2014. Following feedback from stakeholders ICASA decide that as the local loop is an electronic communications facility under the ECA there was greater value to be generated by conducting workshop on this revised topic. Feedback and contributions from the workshop will be taken into account by ICASA in making its final determination on LLU

## Uganda

### UT gets new chairman

Uganda Telecom has announced that as of 1st of February 2014, Stephen Kaboyo is its new Chairman. Kaboyo, who managed Alpha Capital Partners a Ugandan firm focusing on sovereign asset management, takes over from Dr Ben Mbonye.

## Zambia

### ZICTA monitors SIM card registration compliance

*Zambia Information and Communications Technology Authority ("ZICTA")* has been [monitoring](#) MTN, Airtel and ZAMTEL's compliance with the 31 January 2014 SIM card registration deadline. Out of a subscriber base of 9,462,504, a total number of 8,235,991 SIM cards have been registered while 2,215,376 have been deactivated. The monitoring will assess each operator's success in deactivating non-registered SIMs on their networks and complaints from consumers who previously registered but had been erroneously deactivated.

### Zambia's first 4G network launches

MTN Zambia, the second largest mobile phone network in the country, has [launched](#) Zambia's first commercial 4G / Long Term Evolution (LTE) network in selected locations in Lusaka, Kitwe, Ndola and Livingstone. Phase two which is already work in progress and is expected to be completed soon will expand the 4G LTE coverage within these towns and cover some further, as yet unnamed, towns as well.

## Zimbabwe

### Appeal against award of equipment tender to Huawei in balance

Zimbabwe's Administrative court is deciding whether or not to proceed with an appeal by Zimbabwe born, South Africa-based, Tafadzwa Muguti against the award by state-owned telecoms company NetOne of a USD290 million tender for telecoms equipment to China-based vendor Huawei Technologies. Muguti has asked whether NetOne flouted procurement law by not listing an official tender for the network upgrade. [According](#) to *IT Web Africa* the court threw the case out at the start of February, due to Muguti and his lawyers not attending court, but then agreed to review the decision following claims they had not received official court papers to appear at the hearing

## Contacts



**Daniel Sandelson**  
Partner  
Head of Africa Telecoms Group  
T: +44 20 7006 8237  
E: daniel.sandelson@cliffordchance.com



**Joachim Fleury**  
Partner  
Global Head of TMT  
T: +44 20 7006 8050  
E: joachim.fleury@cliffordchance.com



**Edmund Boyo**  
Partner  
Africa Group Co-Head  
T: +44 20 7006 1000  
E: edmund.boyo@cliffordchance.com



**Anthony Giustini**  
Partner  
Africa Group Co-Head  
T: +33 14405 5926  
E: anthony.giustini@cliffordchance.com



**Kem Ihenacho**  
Partner  
Africa Group Co-Head  
T: +44 20 7006 1348  
E: kem.ihenacho@cliffordchance.com



**Malik Idri**  
Associate  
T: +33 14405 5132  
E: malik.idri@cliffordchance.com



**Jennifer Mbaluto**  
Associate, Kenya  
T: +44 20 7006 2932  
E: jennifer.mbaluto@cliffordchance.com



**Brian Harley**  
Associate  
T: +44 207 006 2477  
E: brian.harley@cliffordchance.com



**Scott Vine**  
Senior Information Officer  
T: +44 207 006 8273  
E: scott.vine@cliffordchance.com

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