

AFRICAN TELECOMS CLIENT NEWSLETTER

The African telecoms client newsletter brings you the key regulatory and legal developments in the telecoms sector across Africa.

This issue focuses on the October-December period, which saw the longstanding telecoms monopoly end in Comoros; Ghana award its first 800MHz spectrum licence; Mauritania's mobile operators threatened with fines over poor network coverage and quality of service; and Zimbabwe consult on a new licensing framework.

Northern Africa

Morocco

Telecoms Regulator Releases Figures for September 2015

On 2 November 2015, the Moroccan telecoms regulator, the National Agency of Telecommunications Regulation (L'agence nationale de réglementation des télécommunications [ANRT]), [released](#) September 2015 figures for the communications sector. The figures show that based on the average revenue per minute, the price of mobile communication has fallen by 15% when compared with the same period last year. Similarly, the average customer bill for the internet has also fallen when compared with September 2014, in this instance by 4%. However, the fixed communications sector

has seen the average revenue per minute increase by 17% on last year's figures.

The figures also show a 0.43% rise in mobile phone subscribers between 2014 and 2015, with Morocco now having 44.45 million mobile subscribers: a penetration rate of just over 131%.

Telecoms Regulator Launches Request for Licence Applications for GMPCS Technology

On 16 November 2015, the ANRT launched a [request](#) for licence applications for the supply of satellite telecommunications services using GMPCS technology. All interested parties must submit their applications by 3 December 2015.

Tunisia

Ooredoo Tunisia and Tunisie Telecom Sign Radio Access Network Sharing Agreement

On 9 October 2015, Ooredoo Tunisia and Tunisie Telecom [signed](#) a radio access network sharing agreement. Although such agreements are common in Europe and the U.S, this agreement is the first agreement of its kind in Tunisia. The CEOs of both companies have stated that the agreement will help them improve the service to their customers, as well as reduce outgoings, as the companies will share infrastructure and operational costs.

Eastern Africa

Comoros

Comoros' Second Telecoms Licence Granted to Telecom Malagasy

On 1 October 2015, the National Authority for Regulation of ICT [granted](#) Comoros' second telecoms licence to Telecom Malagasy (Telma), a Madagascan operator. This licence ended the longstanding monopoly of Comoros Telecom (ComTel). Telma bid KMF7.010 billion (USD16 million) for the concession, which is valid for 15 years and will enable Telma to offer fixed and mobile (2G, 3G and 4G) services to the public.

Kenya

CA Consultation on Number Portability

The Communications Authority of Kenya (CA) has [consulted](#) on reviewing the Mobile Number Portability (MNP) process in Kenya. The consultation identified some improvements that could be made to the current procedures and guidelines on the provision of Mobile Number Portability Services. Comments were requested by 23 October 2015.

Rwanda

Liquid Telecom Launches Fibre-To-The-Home Service in Kigali

On 21 October 2015, Liquid Telecom Rwanda [launched](#) its fibre-to-the home (FTTH) service in the capital, Kigali. Liquid Telecom states that FTTH will be Rwanda's fastest internet to date, with download speeds of up to 100Mbps. The operator has invested more than USD35 million in the FTTH network and, once construction is completed in Kigali, it plans to expand the network to other cities across Rwanda. By the end of 2016, Liquid Telecom expects that 15,000 homes and businesses will be able to access the FTTH network.

Western Africa

Benin

Agreement between Bharti Airtel and Liquid Telecom

On 23 September 2015, Bharti Airtel [announced](#) that it will use Liquid Telecom's terrestrial fibre network to connect its mobile base stations and enterprises. The agreement will allow Airtel to utilise Liquid Telecom's existing 20,000km-long fibre network across East,

Central and Southern Africa. It will also allow Airtel access to Liquid Telecom's new purpose-built fibre infrastructure, which will connect Airtel's mobile base stations and enterprise customers with fibre and provide unlimited capacity.

Airtel has operations in Burkina Faso, Chad, Democratic Republic of the Congo and Republic of the Congo, Gabon, Ghana, Kenya, Malawi, Madagascar, Niger, Nigeria, Rwanda, Seychelles, Sierra Leone, Tanzania, Uganda and Zambia.

Liquid Telecom's 20,000km long fibre network stretches across Burundi, Democratic Republic of Congo, Kenya, Rwanda, South Africa, Tanzania, Uganda, Zambia and Zimbabwe.

Ericsson and MTN Benin Sign Managed Rural Coverage Agreement

On 16 October 2015, Ericsson [signed](#) a five-year Managed Rural Coverage agreement with MTN Benin, which will provide mobile coverage to areas of northern and central Benin where previously there was none. Ericsson has stated that it will use its new Managed Rural Coverage business model to allow operators to offer mobile

coverage for a fixed period according to service level agreements and defined key performance indicators.

Ericsson will provide access to the internet via low-power consumption radio base stations that are fuelled by solar energy so as to avoid the high costs and emissions of diesel generators. To further avoid the costs and civil works that come with the construction of a microwave backhaul network in remote rural villages, Ericsson will provide transmission by satellite. These initiatives are a key part of the viability of Ericsson's Managed Rural Coverage business model, which will bring mobile coverage to areas of Benin where people live on less than USD2 per day.

Partner Market Agreement between Vodafone and Globacom Limited

On 6 November 2015, Vodafone and Globacom Limited [announced](#) a new, non-equity partnership agreement that covers Nigeria and the Republic of Benin. The Partner Market agreement will see the two companies work together to improve the experiences of consumers and business customers. Globacom customers will be

able to access enhanced roaming benefits, while Vodafone will be able to learn from Globacom's position and understanding of African markets.

Vodafone's Partner Markets community now covers 57 countries over six continents.

Benin Telecoms Launches 4G LTE Network

On 2 December 2015, Benin Telecoms [launched](#) the country's first commercial 4G LTE mobile network service, after the initial rollout in April of this year. The network will cover Benin's capital Porto-Novo, its largest city Cotonou, as well as Ouidah, Abomey-Calavi and Alladah. In addition, Benin Telecoms indicated via announcements on social media that a further 20 cities and towns will be covered by the network in the coming months.

Cameroon

Award of 4G LTE Contracts to ZTE Corporation

On 18 November 2015, the Vodafone-Afirmax Group [awarded](#) ZTE Corporation exclusive contracts to install 4G LTE networks in Cameroon and Zambia. As part of the contracts, ZTE Corporation will provide its enhanced

telecommunications computing architecture (ETCA) and the T8000 platform, as well as its software defined radio (SDR) wireless solution, to deliver 2G, 3G and 4G TD-LTE services.

Gabon

Gabon Telecom Activates 4G+ Network

On 24 November 2015, Gabon Telecom activated its 4G+ network – a full year after the company's introduction of LTE technology. The new infrastructure was described by Gabon Telecom's director general Abderrahim Koumaa as able to support downlink transmission speeds of up to 233Mbps.

Ghana

NCA Awards First 800MHz Spectrum Block to Scancom Limited

On 2 December 2015, the National Communications Authority (NCA) [announced](#) that Scancom Limited had emerged, pending its fulfilment of other requirements, as the winner in the auction process for one 2x10MHz in the 800 MHz Band. Surfline Communications Limited, Goldkey Telecom Limited, Migson Communications Limited were all unsuccessful in their efforts.

As a result the second lot of 2x10MHz in the 800MHz Band remains unallocated. NCA will take a decision on this unallocated block, in due course.

NCA suspends new MVNO and IWCL licence applications

On 22 October 2015, NCA issued a [notice](#) that from 1 November 2015 it would not be accepting any new applications for Mobile Virtual Network Operator (MVNO) or International Wholesale Carrier (IWC) licences until further notice.

Ivory Coast

Regulatory Authority Increases Mobile Licence Renewal Fees

On 18 November 2015, it was reported that the Regulatory Authority for Telecommunications in Cote d'Ivoire (Autorite de Regulation des Telecommunications de CI, ARTCI) has [raised](#) the fees for mobile licence renewal due to be paid by telecoms operators to XOF100 billion (USD162.5 million). It was also stated that the ARTCI has cut the length of the concessions from 20 years to 15.

It is understood that the country's three cellcos, Orange,

MTN and Moov have expressed their objections to these changes. The concessions held by Orange and MTN are due to expire in 2016.

Republic of Congo

Minority Partner of Vodacom Group's Democratic Republic of Congo Subsidiary Sues for USD14 billion

On 10 November 2015, the Vodacom Group [published](#) its interim report for the six months ended 30 September 2015. The report noted that the Group is being sued for USD14 billion by Alieu Conteh, the controlling shareholder of Congolese Wireless Networks (CWN), which is the minority partner of Vodacom's Democratic Republic of Congo subsidiary, Vodacom Congo.

According to the report, Conteh is seeking to invalidate a court decision removing him as statutory manager of CWN, while making an 'unsubstantiated claim' for the USD14 billion against Vodacom 'for its alleged role in helping to undermine Conteh's position as former statutory manager'.

Mauritania

Watchdog Warns Mobile Operators over Quality of Service

On 9 November 2015, Mauritania's three mobile operators, Mauritel, Chinguitel and Mattel, were [warned](#) by the telecoms watchdog Autorité de Regulation (ARE) over their poor network coverage and quality of service. If levels of service do not improve within one month, the three companies could face fines.

Niger

Plans to Merge Sonitel and SahelCom

On 19 October 2015, Niger's Telecommunications Minister Abdou Mani [announced](#) Niger's plans to merge the national state-owned telecoms operator Societe Nigerienne des Telecommunications (Sonitel) with the state-owned mobile operator SahelCom in order to challenge competition from companies such as Bharti Airtel and the Orange Group.

According to Abdou Mani, the merger will see Sonitel and SahelCom pool their telecoms infrastructures, thereby increasing their coverage area and reducing costs. The new company formed by the

transaction will complete a planned deployment of optical fibre cables across Niger, which will provide high speed broadband to the country and provide the company with an advantage over its competitors.

Nigeria

NCC Opens up 70/80 GHz Spectrum Band

The Nigerian Communications Commission (NCC) has [announced](#) that the 70/80 GHz Spectrum band has now been opened up for Licensing. The band can be used for Backhaul, Last mile and Enterprise applications, subject to the conditions of the Communication/Operational Licence of each user. To be eligible for the grant of the 70/80GHz Spectrum Licence, an applicant must possess a valid Spectrum-Dependent Communication/Operational Licence. The application form (form EBLL 01) for the 70/80GHz band can be downloaded from Commission's website: www.ncc.gov.ng

Senegal

Industry Watchdog Gives Sonatel Official Warning over Network Outages

On 30 September 2015, the industry watchdog L'Autorite

de Regulation des Telecoms et des Postes (ARTP) gave the fixed and mobile operator Sonatel an official [warning](#) over a series of network outages that caused major disruption in September. The outages occurred on 15, 18 and 26 September. If Sonatel (which is 51% owned by the Orange Group) fails to resolve the problems on its network, the next step could see the operator fined by the ARTP.

Quarterly Market Development Report Published

The industry regulator – L'Autorite de Regulation des Telecoms et des Postes (ARTP) – [published](#) its quarterly market development report for the months of July-September 2015 on 30 September 2015. The report revealed that Senegal's total number of active mobile users was in excess of 14.908 million, up 0.6% when compared with the previous quarter. However, growth has slowed, as quarter-on-quarter rates this year have come down from 2.22% (Q1), to 0.82% (Q2) and 0.60% (Q3), as the incumbent operators compete for new users in a market where cellular penetration is in excess of 100%.

Government of Senegal Contracts with Huawei

On 12 October 2015, Cheikh Bakhoun, the General Director of the State Agency for IT (ADIE), [announced](#) in an interview with the newspaper Le Soleil that the government of Senegal has entered into a contract with Huawei of China, which will see Huawei deploy 2,500km of fibre-optic cabling in the country. The cabling will add to the 1,500km of cables already installed. The project will cost USD85 million. It is one of seven major joint projects identified by China and the government of Senegal.

Southern Africa

Botswana

BTCL IPO Imminent

On 12 November 2015, the Public Enterprise Evaluation and Privatisation Agency (PEEPA) [announced](#) that the much-delayed privatisation of Botswana Telecommunications Corporation Limited (BTCL) will commence by the end of 2015. PEEPA, BTCL and the Ministry of Transport and Communications (MTC) have commenced the initial public offer (IPO) process with the

plan to launch the IPO in December 2015. Following the IPO launch, BTCL shares will be listed on the Botswana Stock Exchange and citizens are encouraged to purchase the shares in large numbers.

Mozambique

Bill to Enforce Infrastructure Sharing Passes First Reading

On 18 November 2015, All Africa [reported](#) that the Mozambican parliament, the Assembly of the Republic, had passed (by a vote of 144 votes to 70) the first reading of a government bill amending telecommunications legislation so that telephone operators will be obliged to share facilities. Introducing the bill, the Minister of Transport and Communications, Carlos Mesquita, said it would soon be obligatory for phone companies "to share the existing infrastructures".

The bill will now be amended in committee before returning to the Assembly plenary for a final vote.

South Africa

ICASA Publishes the Discussion Document On Dynamic and Opportunistic Spectrum Management

On 23 October 2015, The Independent Communications Authority of South Africa launched a [consultation](#) on its Discussion Document on Dynamic and Opportunistic Spectrum Management. This discussion document is aimed at explaining the concept and initiating the process of developing a regulatory framework for dynamic spectrum access in order to enable the emergence of new technologies and techniques that promote more intensive and efficient use of radio frequency spectrum.

The discussion document is therefore aimed at introducing greater spectrum efficiency, a key requirement in terms of section 30(2) (b) of the Electronic Communications Act of 2005. In particular, it proposes regulations that would enable broadband services on a secondary-user assignment basis in the 470-694 MHz band currently utilised exclusively for the terrestrial broadcasting service, hereafter referred to

as TV White Space (TVWS) spectrum utilization.

It would constitute the first phase of dynamic spectrum assignment in South Africa. TVWS spectrum is spectrum unused by broadcasters in the broadcasting band which could be used for broadband access, for instance.

Comments are requested by 18 December 2015.

ICASA Approves Transfer of Control of Service and Spectrum Licences from Wireless Business Solutions to Multisource

On 2 November 2015, ICASA [approved](#) the transfer of control of service and spectrum licences from Wireless Business Solutions (WBS) to Multisource. This follows the acquisition of the entire share capital of Wireless Business Solutions Holdings (Pty) Ltd (WBSH) by Multisource. WBS will remain the wholly owned subsidiary of WBSH; and WBS will remain the licence holder of all licences issued to it by the Authority.

Vodacom Drops Plan to Acquire Neotel's Spectrum from Purchase Plan.

On 9 December, AllAfrica [reported](#) that, South Africa's

biggest mobile network Vodacom has submitted revised plans for its acquisition of Neotel.

Under the new proposals Vodacom will now only be buying Neotel's fixed-line assets. Neotel's spectrum, network and services licences, will no longer be part of the deal and instead will be made available to other mobile operators, including Vodacom, on a roaming arrangement. Vodacom's decision to drop its bid for Neotel's spectrum comes amid rivals Cell C and MTN having previously expressed opposition to the deal.

Zimbabwe

POTRAZ Consults on Converged Licensing Regime

On 26 October 2015, the Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ) [consulted](#) on the country's current licensing Framework with a view to developing and ultimately implementing a Converged Licensing Framework.

The adoption of the new licensing framework would be done through the promulgation

of new Licensing Regulations using section 99 of the Postal and Telecommunications Act.

It is envisaged that the proposed new framework would have four licence categories: Network Facilities Licence (NFL); Network Services Licence (NSL); Application Services licence (ASL) and International Gateway(s) Licence (IGL).

The new licensing framework will also provide for a Unified Licence which combines the Network Facilities Licence, the Network Services Licence and the Application Services Licence into one.

Comments were requested by 26 November 2015.

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