East African Communications Organisation

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20TH EACO CONGRESS/ REPORT OF THE TELCOM OPERATORS ASSEMBLY

1.0 Introduction

The meeting was called to order at 11:45 am with the election of the bureau for the assembly as follows;

Chairperson – Kenya (represented by Telkom Kenya Limited)

Secretaries – Kenya (represented by Airtel Networks Kenya Limited) and Tanzania (represented by Tanzania Telecommunication Company Limited)

Burundi proposed the adoption of the Agenda as indicated and was seconded by Tanzania

2.0 Summary of Decisions

a) Report of the outgoing Chairman

The outgoing Chairman presented his report to the Assembly which was discussed and the following feedback received, please see annexure 1 of the said report.

1. *SIM registration – Kenya, Uganda and Tanzania have all commenced SIM pursuant to the respective Regulators' directive. In Burundi although SIM registration has been ordered by the regulator and is half achieved, priority is being given to penetration which is still low. In Rwanda SIM registration is progressing well with the deadline 31st July, 2013. So far 80% registration has been attained. South Sudan noted that there was a*

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challenge in SIM registration due to non-issuance of Identity cards to all Southern Sudan citizens.

2. *Cyber security – Each member state was to give an update on the establishment of a National Fraud and Cyber Security body. Kenya, Uganda, Rwanda, and Tanzania all reported the relevant body had been established with the Regulator and operators being involved in the membership of the respective bodies. Burundi reported the set-up has not been completed while Southern Sudan does not have a regulatory body yet to spearhead the setting up of the security body.*

3. *Regional roaming – It was observed by the Assembly that regional roaming rates are determined through commercial agreements between operators. Currently rates are determined through commercial agreements between operators. Kenyan operators had submitted their views to the Regulator on the matter and are still awaiting a response. It was noted that roaming charges continue to be high due to some taxes being levied on international incoming traffic in some member states.*

Challenges:-

- ✓ *Tariff price is determined by commercial mutual agreement between operators.*

- ✓ *Roaming charges are still too high.*

Discussed and agreed that Regional roaming should be treated in a different price model because it has been noted to be high. However the assembly also agreed to forward back to EACO Congress recommendation submitted at 19th Meeting.

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4. *Migration from IPv4 to IPv6 – Operators were requested to state the challenges that they are facing in the migration. Kenya Internet Exchange Point informed the members that it was ready to assist in the migration. Kenya noted that there was a report that was to be prepared on the status of each country's preparedness and circulated to all. This has not been done. Kenya, Uganda and Tanzania all indicated that they have commenced or completed the migration while Burundi had not commenced the migration.*

Challenges which hinder the speed of migration:-

✓ *CAPEX for procurement of Equipment.*

✓ *Infrastructures are not readily in place to some country members.*

✓ *Lack of capacity building.*

Agreed that each member country should implement the exercise before shutting down IPv4 and Kenya is ready to support.

5. *Spectrum pricing – the Assembly noted that currently spectrum pricing still remains prohibitively high. Some jurisdictions charge spectrum according to the bandwidth allocated and also according to TRX rolled out. This additional charging on TRX rolled out is in Kenya only making spectrum pricing in Kenya more expensive than in other member states. Tanzania noted that there was also the mode of auctioning that determined spectrum pricing. A review of spectrum pricing in Kenya was done commencing 1st July, 2012 reviewing the spectrum fees downwards which is a positive move for all operators.* **It was proposed that the recommendations as stated in the Chairman's report be retained.**

Long Term Evolution (LTE) – Tanzania has achieved the analogue to digital migration. In Uganda the migration has not been achieved. In Kenya there are ongoing discussions between the Government, the Regulator and operators however it is not clear how allocation shall be done. It was agreed the Regulators should give a clear road map and the availability and allocation of the spectrum.

The Regulators were tasked to come up with the deadlines for the analogue to digital migration so as to make the bandwidth for LTE available and allocation to be done as soon as possible.

It was proposed that all national Regulators should publish guidelines on how all operators shall have access to the resource. It was further agreed that the timeline for migration should be either earlier than 2014 but not later than 2015.

6. *Internet exchange points for East Africa –Kenya informed the Assembly that there was a meeting in Tanzania for all IXP operators where the main agenda was to explore ways to keep as much traffic within the exchange points in the region. There was also a proposal to Regulators to provide funding for the various exchange points. The Assembly proposed that there should be a single exchange point for the members in the Region. Burundi noted that they were not connected to broadband cables as yet but this should be resolved by July 2013.*

7. *Mobile Number Portability (MNP) – Rwanda, Uganda, Burundi and Tanzania indicated that MNP has not been implemented in their countries.*

Kenya is the only member that has MNP available as a service for its subscribers.

8. *Harmonization of emergency short codes through East Africa – Operators reported that the only short codes that have been harmonized are those for provision of emergency services. It was recommended that commercial short codes should be left to operator's administration as is the case now. Challenges:-*

   ✓ *No mutual agreement on harmonization of commercial short codes.*

   ✓ *Discussed and agreed to recommend to the body that commercial short codes should be left to Operators as is the case treated now. **However the assembly also agreed to forward back to EACO Congress recommendation submitted at 19th Meeting.***

9. *Vandalism – In Uganda penalties have been put in place in the revised Uganda Communications Act however there is need for a specific law targeting infrastructure and for more stringent penalties to be imposed. In Kenya the relevant legislation has been amended with infrastructure vandalism being specifically indicated and high penalties imposed for the crime. In Burundi and Tanzania, the issue has been noted by the respective Regulator and Government and penalties being imposed on persons convicted of vandalizing cables. Rwanda informed the Assembly there were very few cases of vandalism being experienced.*

   Other matters discussed by the Assembly before the adoption of the Chairman's report were;

- *Representation in the decision-making body of EACO – The Assembly noted that the fees paid for membership should afford the Operators an opportunity to be represented in the decision-making body of EACO. It was proposed the MNOs be given the status of observers in each member state especially because many issues relating to operators were discussed in the forum. Burundi proposed that there should not be a minimum or maximum amount of membership fees placed on operators. Instead the more you pay the more rights you have to participate on the decision making.*

- *Membership fees to EACO – The Assembly noted that the Membership fee for operators of USD 10,000 was quite high as per the current Constitution. It was suggested that there is need to disclose the report of budget for the Secretariat, how it is utilized and proposals made accordingly. It was proposed that in order for operators to justify the fee, there should be some decision making rights attached to it.*

- *Cross border network interference – To solve the issue of cross border interference, colour codes were introduced for implementation amongst operators to minimize the interference. It was noted that Uganda, Kenya and Rwanda the colour codes have been implemented. Burundi and Tanzania have not implemented the colour codes. **It was proposed that the next step was the carrying out of measurements with the Regulators in areas of contention especially along the borders.***

The Assembly unanimously agreed that all issues agreed as indicated in the Chairman's report should be enforced diligently by Regulators where operators are not implementing the resolutions.

The report was thereafter adopted by the Assembly.

b) Satellite Communications and its Broadband niche

Status

It has been noted that Burundi is still employing this Technology while awaiting completion of FOC in July, 2013.The rest have been using as a redundant links.

Challenges:-

  ✓ *A tremendous increase of operation and maintenance costs (OPEX) since it is an old technology.*

Discussed and agreed that each member country is currently deploying Fibre Optical Cable (FOC), which has proved as having many features like Bandwidth, QoS and even the network can support self healing.

c) Regional operator's access to the submarine cables landing points.

Status

The status quo remains as at last year. No operator has indicated any challenges to access the sub-marine cables landing points.

d) International monitoring and taxation

Status

Some member states have implemented taxation on traffic which has impacted negatively on not only the traffic experienced but also on the revenue generated from such traffic. Currently due to the tax, regional rates are much higher than rates for countries outside the region.

Challenges

- ✓ *The reduction in inbound and outbound international traffic*
- ✓ *Increased illegal traffic termination*
- ✓ *Poor QOS*
- ✓ *Overall negative economic effect*

   It was recommended that any member state that has not implemented the tax on traffic should not do so and where it has been implemented there should be preferential treatment for regional traffic.

e) Traffic routing and the EAIXP

Status

Not yet implemented in the region. The EACO secretariat informed the Assembly that a Taskforce has been established to work on the guidelines.

Challenges

- ✓ *CAPEX for procurement of Equipment.*
- ✓ *Infrastructure is not readily in place in some country members.*
- ✓ *Lack of capacity building.*

f) Converged licensing framework, operator's perspective

Status

This has already been implemented in all member countries.

g) **Quality of service and sub-standard gadgets infiltration**

Status

Operators noted that their QOS was being affected by cross border network interference. This interference is to be resolved by the implementation of the colour codes.

In Kenya the Regulator has published guidelines on the switching off of counterfeit handsets which is currently being done by all operators. Uganda is currently sourcing for a common vendor to operate the database that will be used to verify handsets. Rwanda has not embarked on switching off counterfeit handsets however there are guidelines for importing handsets.

h) **Lightning: An electromagnetic compatibility (EMC) problem disrupting the working of broadband networks**

Presentation made by Professor Akello from Multimedia University – Kenya. The presentation shall form Annex 1 of the report.

3.0 **Conclusion**

✓ *It is proposed that the following issues be closed*

I. *Harmonization of emergency short codes within EAC – only emergency short codes should be harmonized.*

II. *Mobile Number Portability – discussions should be re-opened when there is an update from member states that have not implemented it.*

III. *SIM registration – member states should be allowed to give updates as and when the need arises.*

✓ *It is proposed the further discussion should be had on;*

I. *Taxation of inbound international traffic- an analytical study should be done in countries where the tax has been imposed and presented to all members.*

II. *Spectrum pricing – National Regulators should consider the further reduction of the costs associated with acquiring spectrum.*

4.0 Decision Expected/Request

Congress is requested to approve and adopt the above decisions/recommendations.

Mr/ Ms…………………..

Chairperson
.................................(Name of Committee/Taskforce)