

Official Opening Remarks
by
Hilma Hitula,
Acting Chief Executive Officer
Communications Regulatory Authority of
Namibia

At the SADC Roaming Glide Paths Workshop

Date: Saturday, 07 February 2015 at 09h00

Venue: Hilton Hotel, Windhoek Namibia

Mr. Anthony Chigaazira, Executive Secretary at CRASA,
Ms. Bridget Linzie, Head of Electronic Communications at CRASA,
Mr. Wladimir Bocquet, Head of Policy Planning at GSMA
Mr. Niall Magennis, Content Manager at GSMA,
CRAN management and staff,
Participants from regulators across the SADC region,
Participants from the Ministry of Information, Communication
Technology,
Members of the media,
Ladies and Gentlemen,

Good morning, Mwalelepo, Dumelang, Mutozi Chwani, Sawubona, Bon dia, Gutten Morgen, Bon Jour

I welcome you to the SADC Roaming Glide Paths workshop and I thank you most sincerely for the time that you have made to attend this workshop. I would also like to thank the participants who have been here for the entire week for your commitment. I am sure you were able to garner sufficient and relevant information pertaining to Spectrum Management and to enjoy the world renowned hospitality of Namibia.

Ladies and gentlemen, as you are well aware, on the 21st of November 2014 the SADC Ministers responsible for Tele-communications, Postal and ICT, approved the implementation of the retail tariff glide path as of the 1st of January 2015. This decision has spurred by the necessary activity amongst the SADC Member States and more specifically the regulators on whom it is now incumbent to ensure the smooth implementation of this decision.

It is imperative that regulators understand the glide paths fully and appreciate the practical implementation thereof and it is on this basis that this workshop is being held.

The fact that operators are charging high prices for international mobile roaming services is commonplace and this is a worldwide challenge. An example is the estimate by the European Union that retail roaming prices are on average 118% higher than the estimated underlying costs. This is clearly an untenable situation, principally due to the fact the mobile phones and smart devices have become necessary tools, socially and economically.

A report by TA Telecom states that mobile penetration on the African continent has reached 80% this means 8 out of 10 or approximately 802.4 million people have mobile phones in Africa.

The wide availability of mobile phones especially smart phones, has also triggered substantial growth in data consumption and we can expect a significant increase as broadband networks expand their capacity and as new technologies such as cloud computing become more commonplace.

It is thus not peculiar that mobile data services are increasingly being used by subscribers when roaming internationally.

A discussion paper produced at the 2012 Global Symposium for Regulators recorded that African mobile operators have been leaders in reducing and eliminating international mobile roaming charges. The example provided was that of Zain (formerly Celtel) which inaugurated

One Network in 2006 and therewith effectively eliminated international mobile roaming service charges for its customers in Kenya, Tanzania and Uganda. The model was that customers paid domestic rates for outbound calls when roaming and they were not charged for incoming calls.

The One Network expanded during 2007 to cover 6 more countries in Africa and by the end of 2007 Zain claimed that One Network served 400 million people across 12 countries in one borderless mobile network covering an area more than twice the size of Europe.

SADC is in an exceptional position to serve as another example to the world and I believe that we are on the right glide path.

According to the 2010 regulatory impact assessment study carried out to examine the status of roaming in the SADC region, postpaid roaming is well established, whereas prepaid roaming continues to be hampered by technical and marketing challenges, including difficulty in establishing roaming partners, high levels of testing complexity and high upfront costs.

The above challenges prompted the SADC Ministers responsible for telecommunications, postal services and ICT to intervene. In May 2010, the SADC Ministers adopted a Policy Statement with the following key objectives:

- Transparency, consumer awareness and empowerment;
- Cost-based pricing;
- Effective competition;

- Regulatory certainty and predictability;
- Regional integration and infrastructure development;

During the May 2010 meeting, the Ministers also recommended that a second study be conducted. The second study was presented to the Ministers at their meeting in Mauritius in November 2012. It is at this meeting where the Ministers initiated the 'SADC Home and Away Roaming' Project in a bid to facilitate the lowering of roaming prices and to allow for the increase in communication across the SADC borders.

The SADC Home and Away Roaming Project is being implemented in three phases namely:

- Phase I: Liberalization, transparency, information and data collection;
- Phase II: Roam Like a Local (RLAL, for short);
- Phase III: Cost-based roaming price regulation.

In implementing Phase I, SADC Guidelines on Transparency were developed and became effective on the 1st of June 2013. These guidelines specify the minimum information and transparency levels that need to be provided, on demand, by mobile operators to consumers regarding their regional roaming tariffs. The guidelines are also aimed at empowering and protecting consumers, especially with regards to bill shocks and also particularly to assist regulators in the monitoring of transparency measures.

Phase II, known as "Roam Like a Local", is the subject of a study commissioned by CRASA, which was recently concluded. Since the SADC Ministers have already endorsed the need for regulatory

intervention with regards to roaming, the focus of the report was the provision of guidelines for Ministerial consideration and for the formulation of a practical action programme for the execution of the Roam Like a Local project.

Phase II sought to gather trends for:

- Retail and wholesale rates for voice, SMS and data roaming services;
- Roaming traffic volumes
- Underlying costs of regional roaming services;
- The extent of access to roaming services by prepaid customers; and
- Guidelines for roaming, which specify the parameters for the establishment of more affordable roaming services for the SADC consumers.

In addition, the study was commissioned to assess and review the regulatory impact of “roam like at local” on Governments, mobile operators, consumers as well as the legal and regulatory implications and requirements for Member States in effecting the implementation of roam like a local. The concept Roam Like a Local has since been amended to Roam Like at Home.

Ladies and gentlemen

CRAN recognises the strategic role that a well regulated, cost effective regional telephony roaming system can play in the creation of an integrated economic environment. We are cognizant of the benefits that can be derived therefrom namely the facilitation of efficiencies in production, investments and trade.

Now that the enabling policy statement is in place and the studies, which have preceded this workshop have been conducted it is time for the regulators, governments, and other relevant stakeholders within the SADC region, to ensure that effective strategies are employed and subsequently implemented so that one day the average traveler can afford to roam conveniently within the SADC region.

In conclusion ladies and gentlemen, I trust that the knowledge, which you will gain from this workshop will contribute extensively to the successful implementation of this critical project in the SADC ICT sector.

And with that said, I declare this workshop open.

I thank you, Ndapandula, Ke Itumetse, Luitumezi, Ngiyabonga, Obrigada, Vielen Dank, Merci Beaucoup