

# **CONSULTATION ON CHARGING OF NUMBERS**

## **1. 0 Introduction**

BOCRA has developed a Discussion Paper (hereinafter Consultation Document) on Telephone Number Charging in the financial year 2016/17. This paper seeks to address the inefficiencies and/or risks currently the National Numbering Plan is exposed to in terms of numbering resources exhaustion. It is through this paper that the process of consultation with the licensed operators (PTOs and VANs) was done in terms of proposing number charging (or introduction of number fees) Refer to Annexure 1; Discussion paper

## **2. 0 Background**

The Consultation document was shared with all the public telecommunication operators and Value Added Network Service Providers to solicit their views in order to improve the preliminary recommendations proposed in the document. The document was intended to assist in focusing the consultation process on key areas by way of posing questions and/or comments on areas deemed key to developing the modalities for promoting efficient usage of numbers.

The preliminary recommendations below were advanced as modalities that could be put in place so as to ensure efficient and effective usage of ALL numbering resources available for both the subscribers and operators.

- License condition should include numbering use obligations;
- Numbering database should be made available to the public to reinforce clarity and transparency in number allocation request and provide for better planning of all free blocks;
- Standard Numbers should be charged at a rate of P1.00 for each fixed and mobile number on an annual basis.

- Special telephone numbers, International signaling point code, signaling point code, mobile network code, data network identification code and network routing numbers should be charged at the rate of P5,000.00 annually
- Short Codes should be charged P2,000.00 per usage
- Operators may only return numbers to the BOCRA in a contiguous range of 1000 numbers. Standardize policy for number allocation (proof of how much has been used and should be 10% remaining);

The details of the actual number management processes range from the application, allocation, re-use, management and monitoring of the numbering resources. Only the three main public operators being Mascom Wireless, Orange Botswana and Botswana Telecommunications Corporation Limited (BTCL) provided written responses to the paper shared with them. Subsequent to the written submissions BOCRA meet each of the operators individually to further discuss the submission in order to gather further understanding of the points raised by the operators and map way forward on the cause of action to be taken. The operators were tasked to provide further information following the discussions. The minutes of the meetings were recorded and the details of all action were captured as part of their submission.

## **2.1 Consultation Process**

The consultation process was carried as follows

- The Discussion paper was sent to all public operators including VANS on the 3<sup>rd</sup> of February 2017
- Responses from the three main operators were received by 11<sup>th</sup> March 2017;
- Further discussion meetings with the main operators were held on 23<sup>rd</sup> March 2017;
- Clarification responses from the operators was received on 4<sup>th</sup> April 2017

### **3. 0 Discussions**

Generally, the operators object to the introduction of fees to be charged for telephone numbers allocated to them citing the following of reasons.

- The Operators were of the view that charging of numbers would not achieve efficient number resources management that BOCRA envisages;
- Operators are of the view that alternative ways should first be sought before introducing charging. Charging should be included among other things auditing of operator networks to check how numbers are used;
- Harmonizing recycled period for numbers, allocation of numbers should be monitored to check for efficient use and only then could new allocation be made;
- Operators suggest that if implemented then better efficiency in the utilization of numbers can be realized.

The responses that were received from the written submission and the subsequent meetings that we had with the operators are summaries below per operator.

#### **BTCL**

BTCL is of the view that the use of numbering resources currently is not under pressure to warrant charging, the inefficiency if any, appears to have been introduced by allocation method. Charging would burden them thus increases their cost of doing business and such cost ultimately filter to the users/customers. BTCL requests BOCRA to engage operators and drive the migration to IPV6. BTCL is of the opinion that if charging is to be made then it should be applied on future demand and not on current allocations and should be a once-off purchase of the numbers.

#### **Orange Botswana**

Orange does not agree that charging should be applied as it would not automatically bring efficiency and this cost will end of being passed to

customers or absorbed by operators, Orange is of the opinion that BOCRA should reduce number allocated per block, BOCRA should optimize the current geographic fixed line numbers to enable use of mobile, BOCRA should increase the 8 digits to 10 digits and/or reduce the validity period for numbers to enable faster recycling. Orange also requested that BOCRA should introduce Number portability; and operators are to bring a proof (audit file) of all the utilized numbers.

### **Mascom Wireless**

According to their analysis active mobile subscriber base has been 3.3 million since 2013 to date, with a small decline in 2016, according to Mascom there is no likely chances of seeing this number go higher than 3.3 million unless there is a dramatic increase in population, Mascom suggest that there are more likely to see an increase in machine to machine communication rather than mobile numbers.

Mascom has not requested for additional numbers over the past three years, partly due to improvement in internal processes and limited market growth overall, a more efficient use of numbers can be done through the provision of harmonized guidelines for recycling of numbers by operators. BOCRA should set a harmonized time-line for all operators for when recycling of numbers should take place, a maximum period of 9 months and introduce a quarterly reporting to BOCRA on the use of numbers by all operators based on standardized and agreed format, to ensure transparency for BOCRA and also equal treatment of current and future number block allocations.

BOCRA to introduce new 9 digit numbers in the current 78xxxxxxx range, which could avail up to 10 million new numbers for mobile IoT and (M2M) demand. Mascom propose that a substantial part of the current 79xxxxxx range should be released for future demand for personal numbers (retain 8 digit numbers for personal use and potentially 9 digit numbers for mobile broadband usage only).

### **3.1 Summary of Preliminary Responses**

- BOCRA already levies license fees, such as UASF and turnover fees which should be enough to support the costs of administering and managing telephone number resources. They cited that these heavily impact on their business as it is;
- Implementation of other recommendations other than collection of fees should be sufficient to encourage efficient utilization of the numbering resources;
- The fixed telephone numbering resources allocated post the 2002 number change poses a challenge regarding the occupancy of the respective zones and numbering blocks. The migration exercise resulted in a lower occupancy of the new numbering block.
- The fees proposed by BOCRA perceived to be too high to be afforded by the operators with the conscience that this cost will ultimately be borne by the subscribers;

#### **4.0 Recommendation**

- 4.1 A biannual report of the number utilization to be submitted to the regulator and this requirement should be included in their license condition;
- 4.2 The recycling period should be harmonized across all operators. Numbers that are not active for a period of 3 months should be moved to inactive state. This inactive number will be given a further six months' period after which they should be terminated and made available for allocation to the next customer. The six-months grace period would clear the line from calls and avoid queries that may come after the 4<sup>th</sup> month as complaints raised by consumers that their numbers have been taken away without their knowledge (consumers would know that if they do not use their numbers for a certain period of time then they will have to apply for new ones).
- 4.3 BOCRA to recover all unused numbers within the six months of writing to the operators

- 4.4 BOCRA to develop guidelines for efficient number utilization which will force Operators to print sim cards as when there is need instead of printing several sim cards which can stay up to a year or more without being used
- 4.5 It is recommended to procure an automated or online system is recommended to minimize the turnaround times on the application and allocation processes;
- 4.6 BOCRA to delay the introduction of number charging until a holistic review of fees has been completed in the coming financial year.