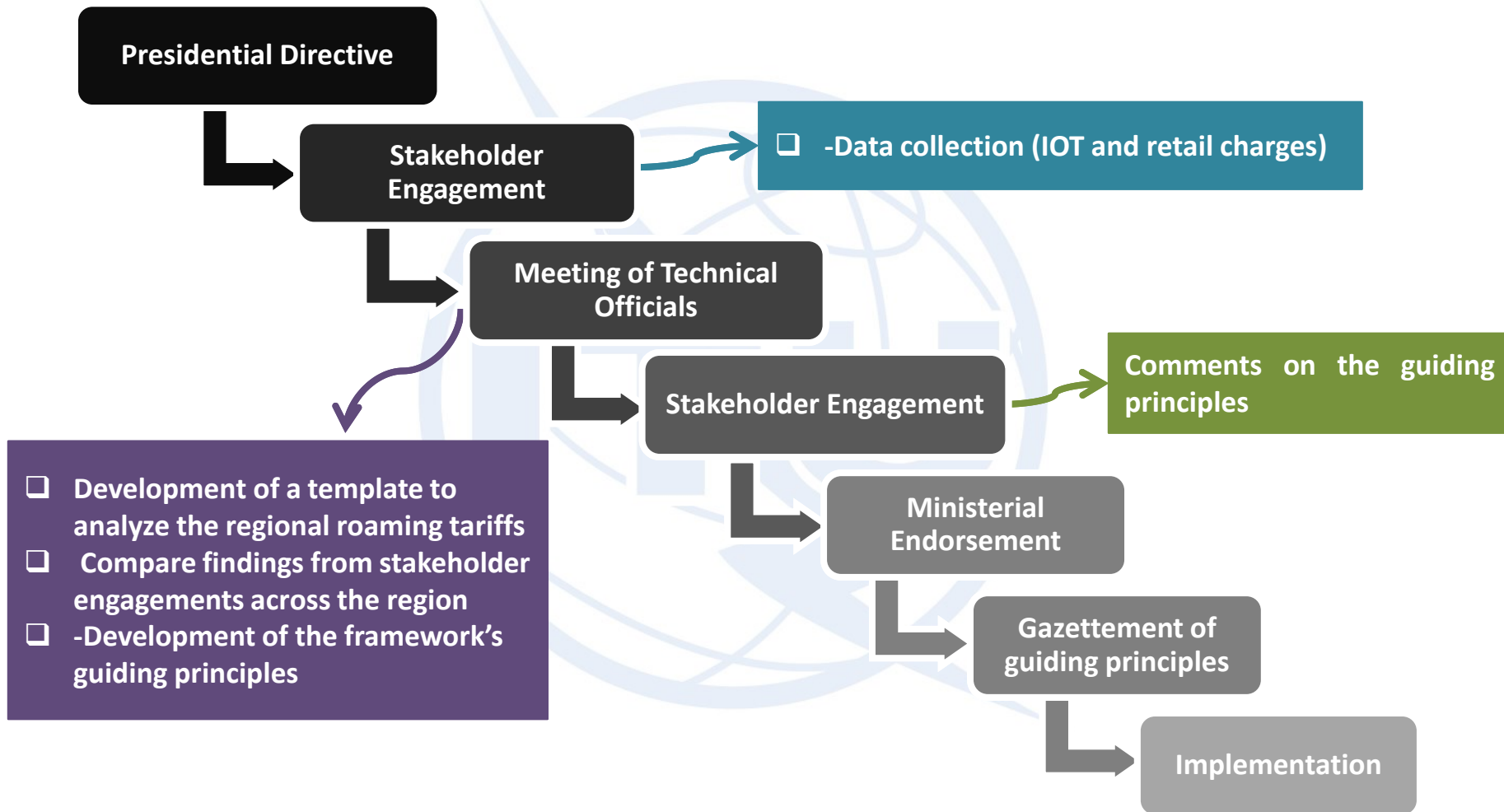# One-Network Area Roaming Initiatives within East Africa:
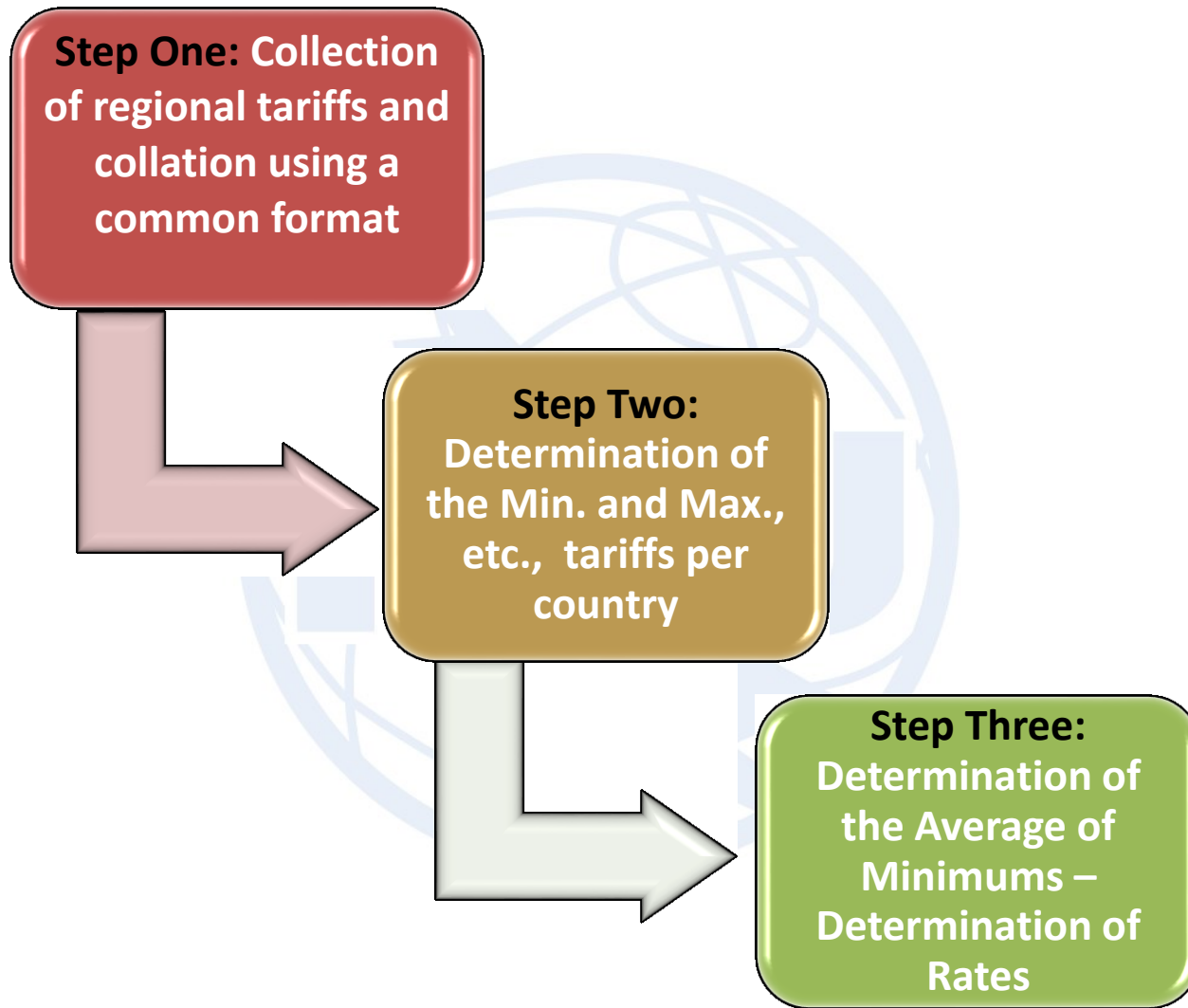
Lukas Musembi

Regional Issue

- **High IMR price is an obstacle to the regional integration efforts**

- **Growth in regional (EAC) travel due to opening of economies**

- **Significant tariff differentials while roaming on different networks within the host country in EAC**

- **Roaming Cross Border Services – Absence of Regulatory oversight single country or NRA cannot tackle this issue alone**

- **Weak/Limited Competitive Forces in the Roaming Market Segment**

- **International roaming services involve many stakeholders (operators, regulators, taxation authorities) and a regional policy framework is paramount**

Development of a harmonized Regional Roaming Framework - The Process

Presidential Directive

Stakeholder Engagement

❑ -Data collection (IOT and retail charges)

Meeting of Technical Officials

Stakeholder Engagement

Comments on the guiding principles

❑ **Development of a template to analyze the regional roaming tariffs**
❑ **Compare findings from stakeholder engagements across the region**
❑ **-Development of the framework's guiding principles**

Ministerial Endorsement

Gazettement of guiding principles

Implementation

Steps in the development of the Rates

Step One: Collection of regional tariffs and collation using a common format

Step Two: Determination of the Min. and Max., etc., tariffs per country

Step Three: Determination of the Average of Minimums – Determination of Rates

Development of a harmonized Regional Roaming Framework - Decision

- Heads of State directed the implementation of **"One-Network-Area" for** mobile voice services **by 31st December 2014**

- August 2014, Ministers of ICT **Gazetted the implementation guidelines of One Network Area (ONA**)

- Early implementation of ONA was set for 1st September 2014 for Kenya, Uganda and Rwanda

- Rwanda and Kenya launched the ONA on 8th October 2014.

- Uganda 7th January, 2015

- TZ and Burundi 15th July,2015

Development of a harmonized Regional Roaming Framework – Guiding Principles

1
- **The framework only applies to traffic originating and terminating within the EAC Region;**

2
- **The said traffic is exempted from Surcharges on international incoming traffic (SIIT);**

3
- **Regional Retail tariff capped at USD 0.10 per minute. This retail rate included an inter-operator tariffs (IOT) for the Region capped at USD 0.07 per minute;-*based on the average of the minimums of the countries***
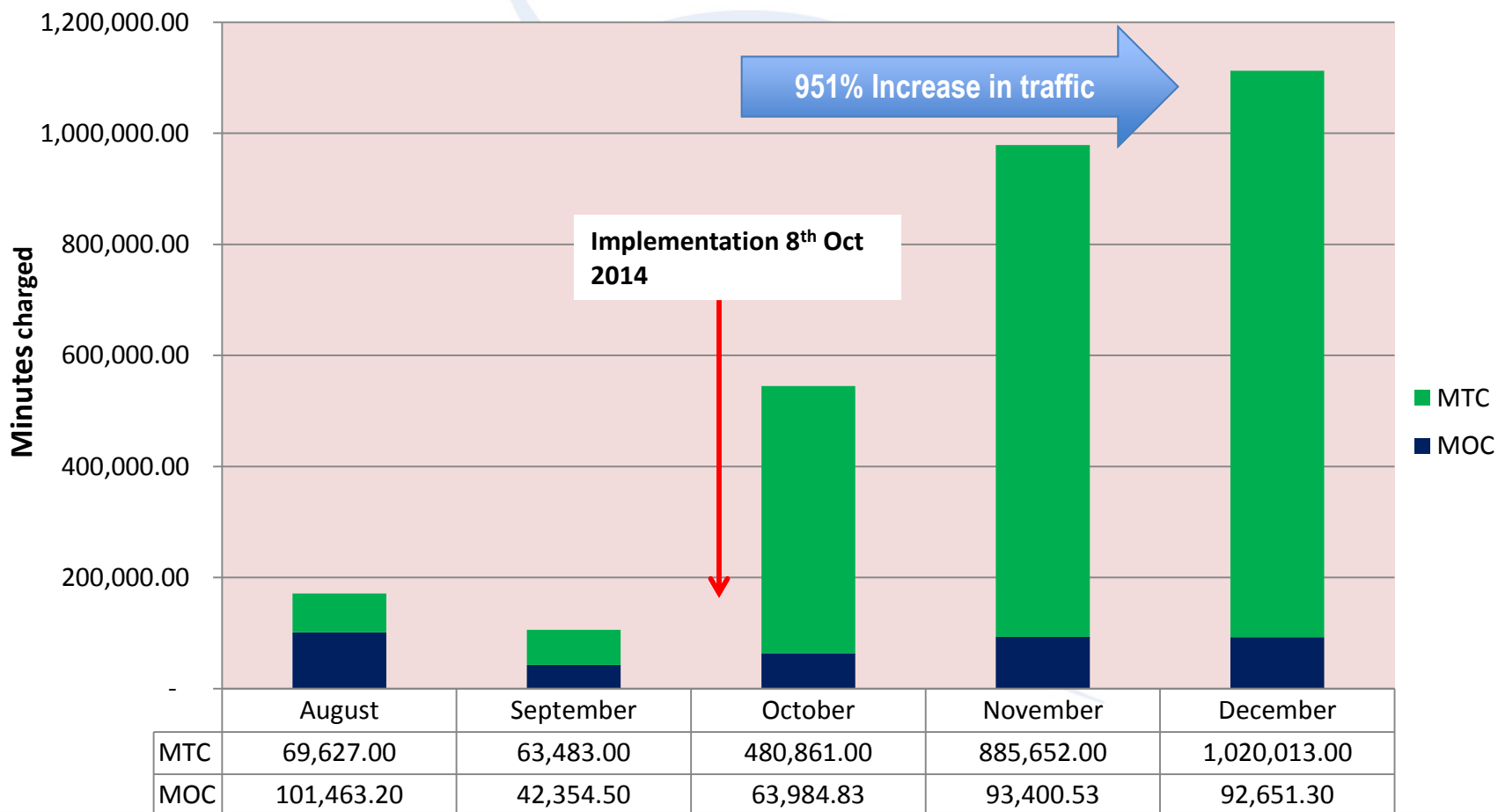
4
- **No charges for receiving calls while roaming;**

5
- **The prevailing local tariff rates in the visited country shall apply to in-bound roamers (non-discrimination between in-bound roamers and subscribers of visited networks**

Key outcomes as at Implementation: KENYA-RWANDA

(Inbound roaming traffic from Rwanda)

951% Increase in traffic

Implementation 8th Oct 2014

	August	September	October	November	December
MTC	69,627.00	63,483.00	480,861.00	885,652.00	1,020,013.00
MOC	101,463.20	42,354.50	63,984.83	93,400.53	92,651.30

Key outcomes as at implementation Cont…
(Outbound roaming traffic to Rwanda)

254% Increase in traffic

Implementation 8th Oct 2014

Minutes charged

	August	September	October	November	December
MOC	80,982.53	69,717.25	130,614.47	134,300.45	142,573.28
MTC	41,424.35	35,904.02	159,668.92	210,944.90	230,921.95

Legend: ■ MOC ■ MTC
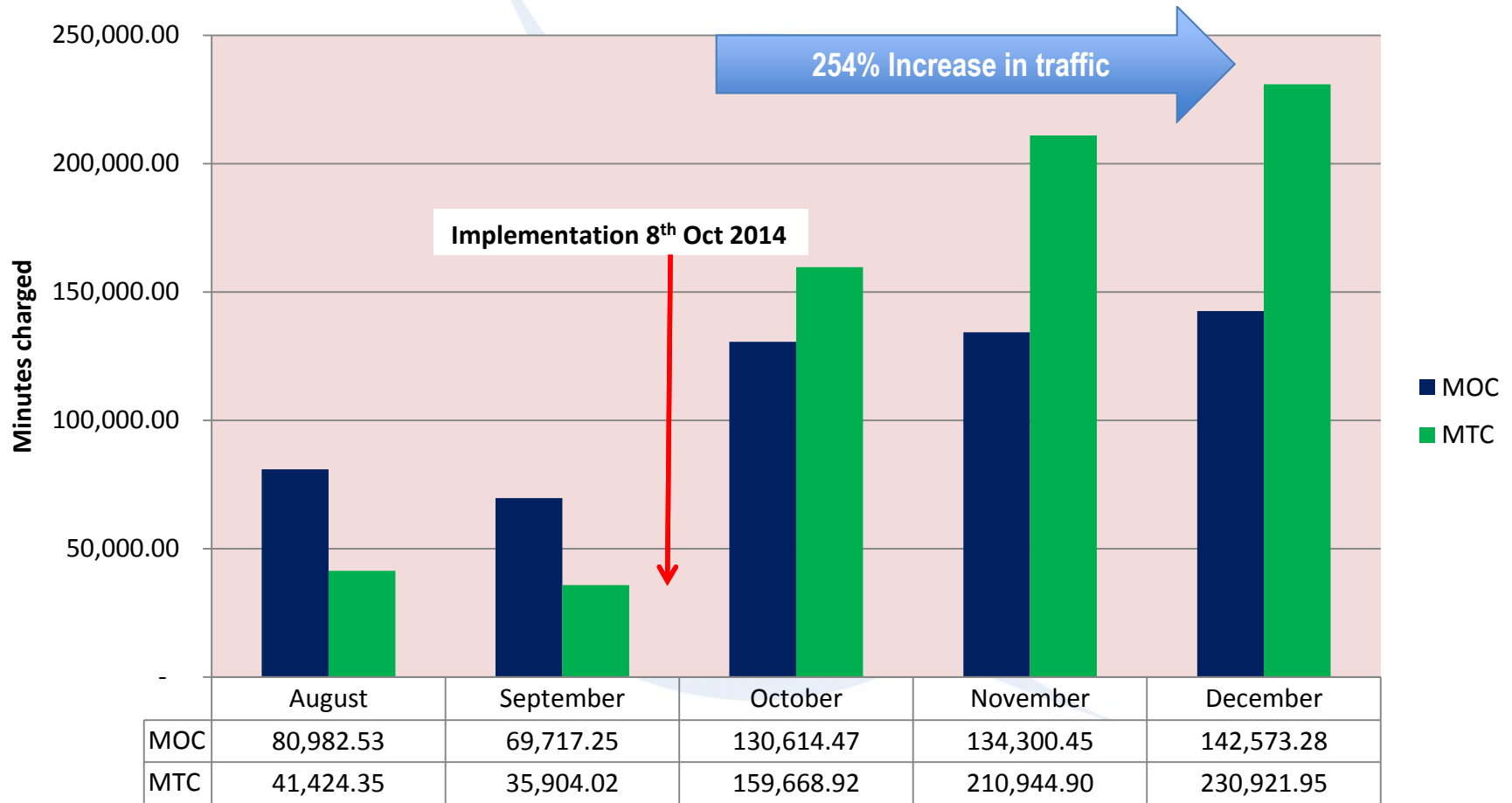
Illustration of traffic before and after launch on one network area (weekly evolution) Kenya and Rwanda

INCOMING AND OUTGOING TRAFFIC FROM/TO KENYA
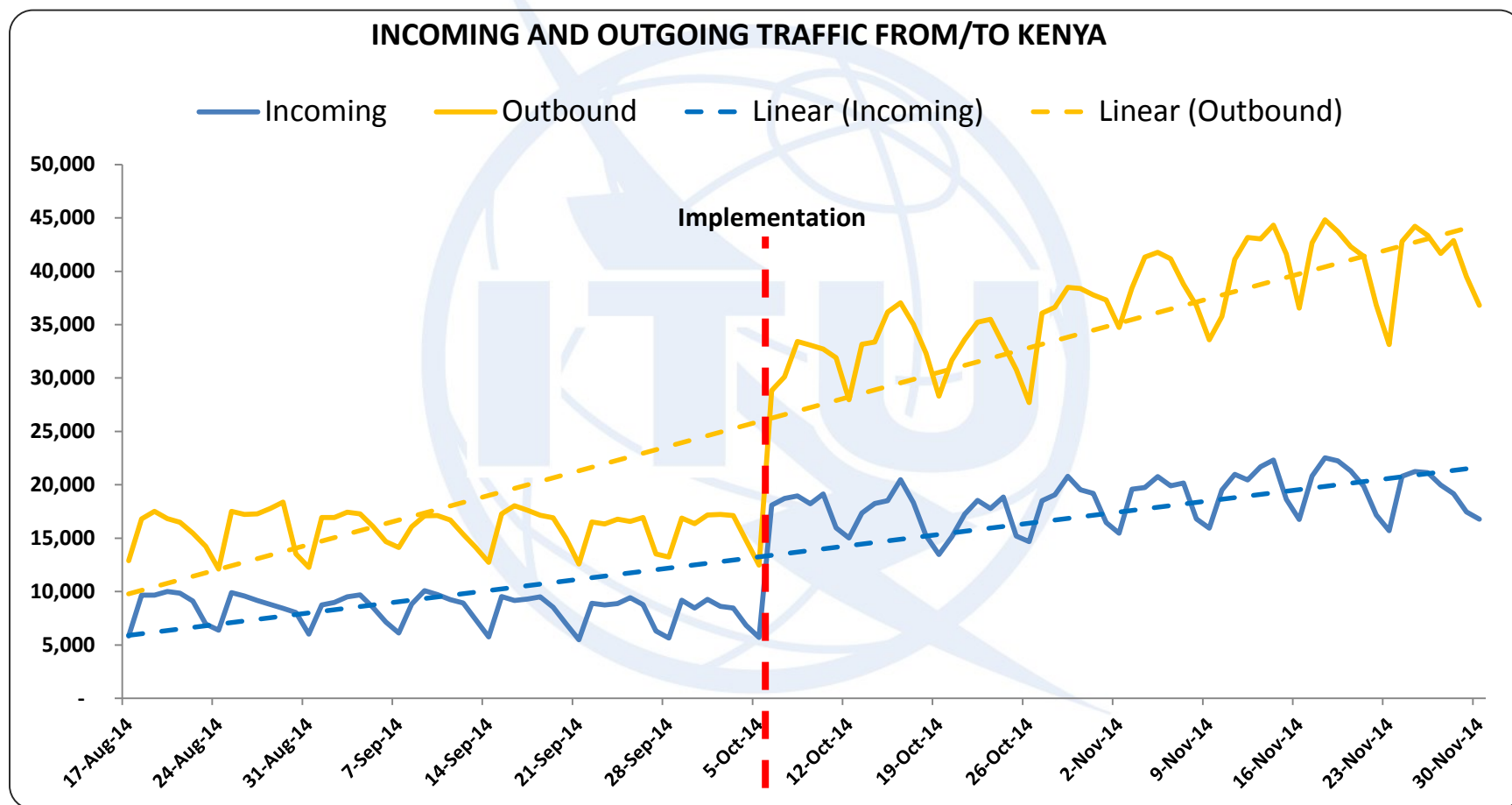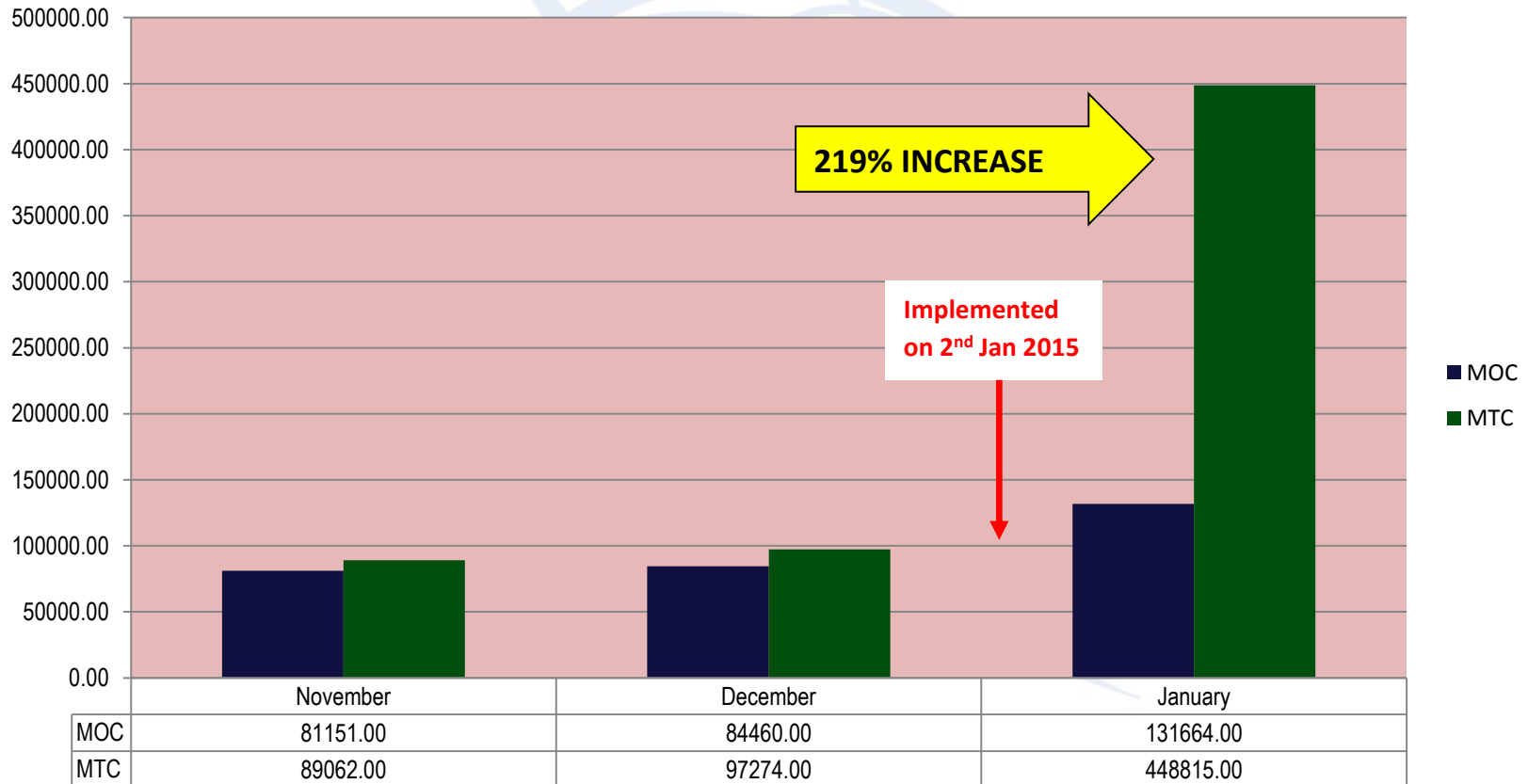
Impact on roaming traffic before and after one network area

Roaming Traffic

This increase is accompanied by a 30 % increase of Rwanda customers roaming in Kenya

	In-roaming Traffic	Out-roaming Traffic
Before Launch	201,878	285,595
After Launch	557,564	1,305,659
Var(%)	176%	357%
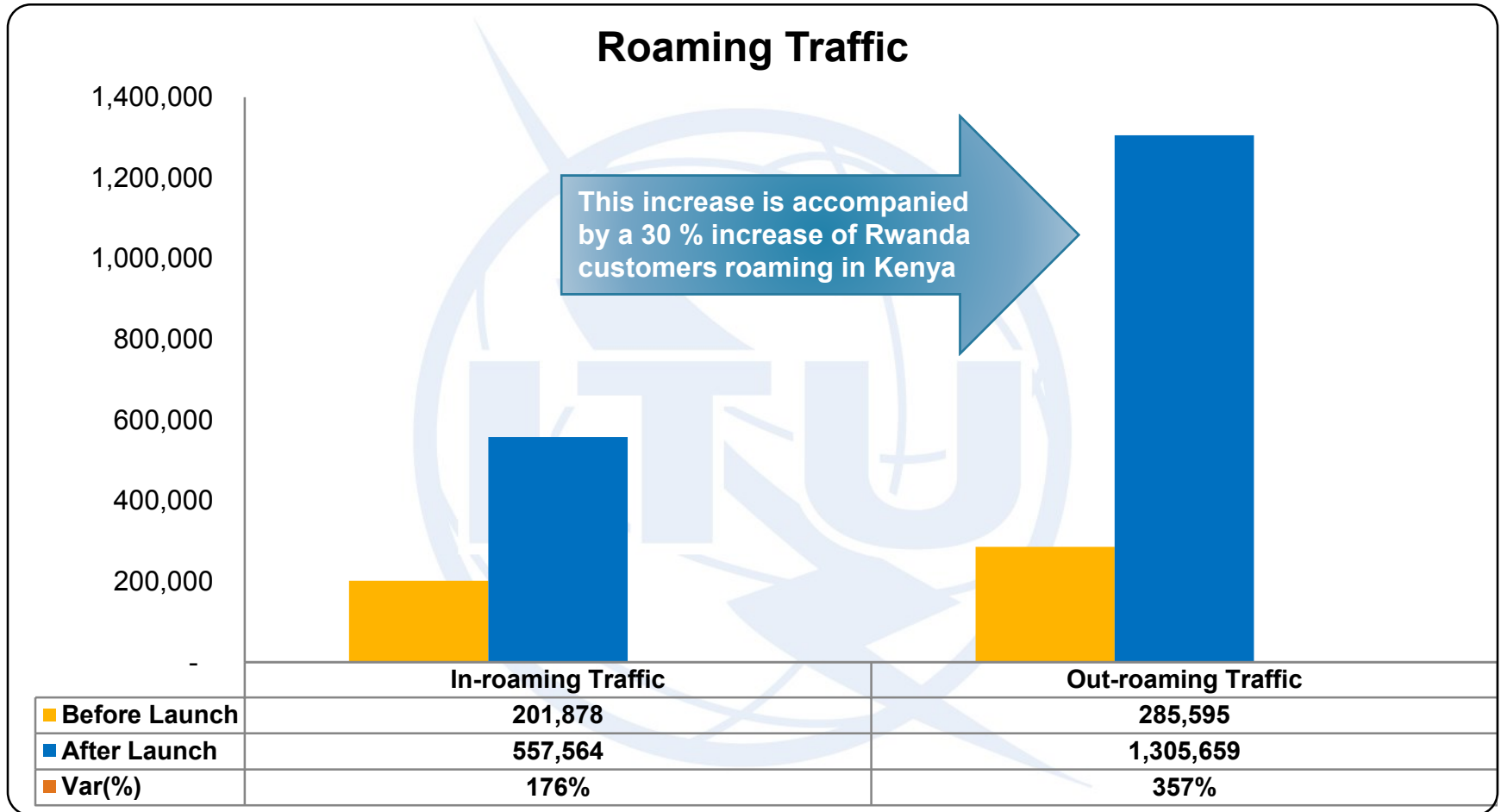
Key outcomes as at Implementation: KENYA-UGANDA

(Inbound Roaming Traffic)
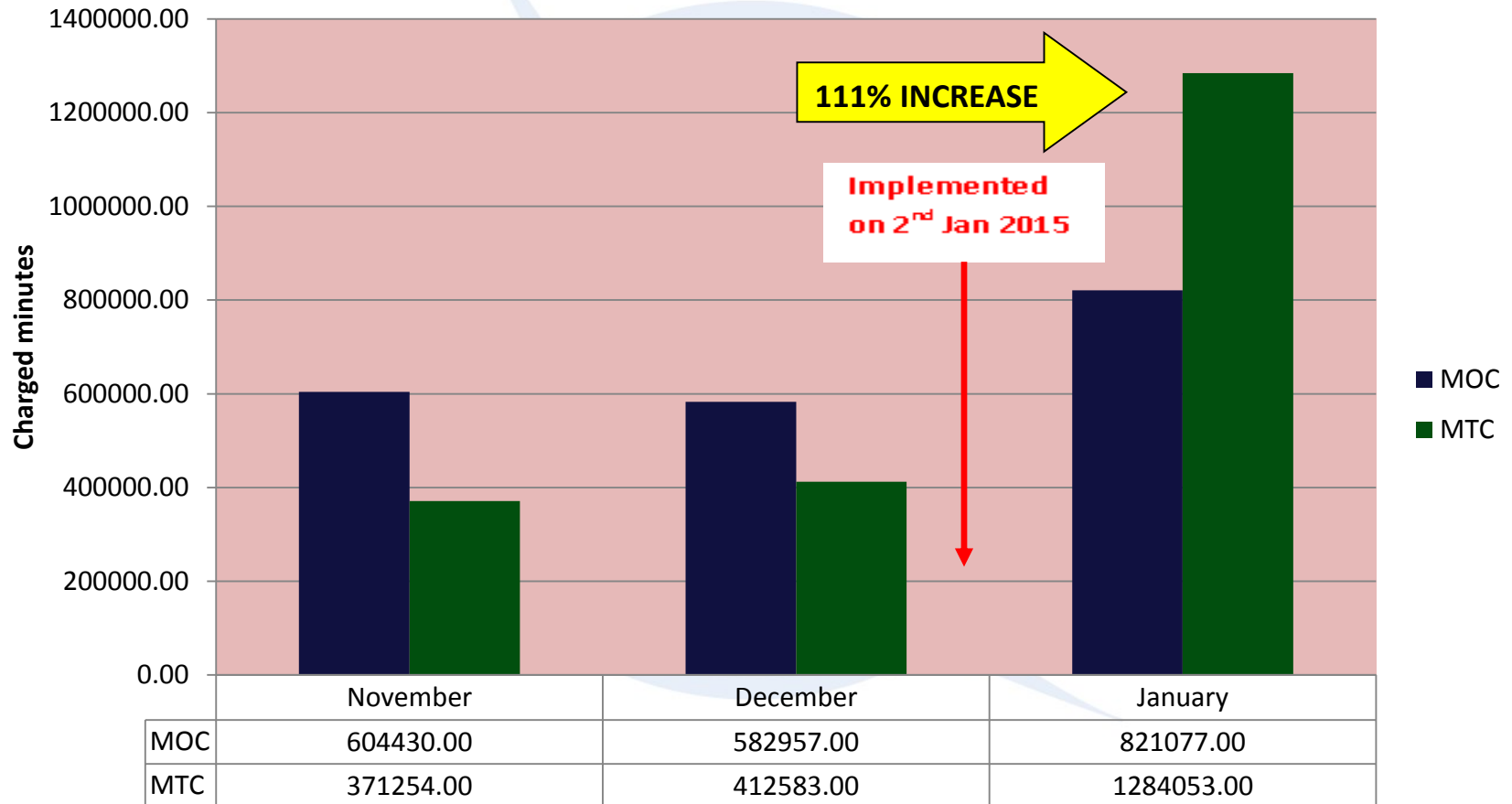
	November	December	January
MOC	604430.00	582957.00	821077.00
MTC	371254.00	412583.00	1284053.00

111% INCREASE

Implemented on 2nd Jan 2015

Key outcomes as at implementation Cont...

(Outbound roaming traffic to Rwanda)

	November	December	January
MOC	81151.00	84460.00	131664.00
MTC	89062.00	97274.00	448815.00

219% INCREASE

Implemented on 2nd Jan 2015

Legend: MOC, MTC

Roaming charges with Uganda

CALL TARIFFS FOR CUSTOMERS ROAMING IN UGANDA

	MTN OLD RATES	MTN NEW RATES	UTL OLD RATES	UTL NEW RATES	AIRTEL OLD RATES	AIRTEL NEW RATES	ORANGE OLD RATES	ORANGE NEW RATES
Calls to networks in Uganda	17.50	10.00	17.20	10.00	50.00	10.00	25.00	10.00
Calls from Uganda to Kenya	25.00	10.00	22.00	10.00	85.00	10.00	30.00	10.00
Calls to Rwanda	25.00	10.00	36.50	10.00	215.00	10.00	150.00	10.00
Calls to Other Countries	25.00	25.00	36.50	16.00	215.00	180.00	150.00	150.00
Receiving calls while roaming in Uganda	25.00	0.00	25.00	0.00	25.00	0.00	25.00	0.00

CALL TARIFFS FOR CUSTOMERS CALLING UGANDA FROM KENYA

	OLD RATES	NEW RATES
International Direct Dialing	25.00	10.00

0.93 USD to **0.1 USD** = **83% drop in roaming retail tariffs**

Phase 2 – ONA for SMS Services

Heads of State directed the implementation of **"One-Network-Area"** for **SMS services** by 31st **May 2015**

The Guiding Principles:

- The maximum IOT within the Member States of the Northern Corridor should be *USD 0.03 per SMS*;

- The maximum retail price for SMS within the Member States of the Northern Corridor should be *USD 0.06 per SMS* inclusive of *all applicable taxes*; and

- These rates shall apply for both roaming and cross border SMS traffic within the Northern Corridor.

Implementation of the framework between Kenya, Uganda and Rwanda operators by 1st September 2015

Other Benefits of One Network Area

Enhance Regional Socio-Economic Integration

Fast-Tracks the Regional Common Market

Reduced cost of doing business for Members states

Spurs other Economic Activities such as Trade and Services

Increased Government Revenues from increased usage of ICT services

What Next?

Harmonization framework for data services...

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THANK YOU

Open Discussion