



## Independent Communications Authority of South Africa

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### COUNCIL DECISIONS – 02 April 2019

ITEM NO.	AGENDA ITEM	DECISION
1.	<p><b>Request for Extension of Operational Period for the C-ECS/E-ECNS Licences-Enteklek ISP</b></p> <p>The purpose of the submission was to advise Council of the request from Enteklek ISP (Pty) Ltd to extend the commencement of the operation period for its Class Electronic Communication Network Service (C-ECNS) licence by twenty-four (24) months; and Class Electronic Communication Service(-ECNS) licence by twelve (12) months and recommend that Council approve the application.</p>	<p>It was resolved that the recommendation be approved.</p>
2.	<p><b>2018/19 Quality of Service Non - Compliance</b></p> <p>The purpose of the submission was for Council to note ICASA's position with regards to non-compliance of mobile operators based on Quality of Services (QoS) parameters as set out in the End -User and Subscriber Service Charter regulations of 2016</p> <p>Engineering and Technology division presented three quarterly QoS reports to Council on 26 February 2019.</p> <p>2.1 2018/19 Q3: Voice Quality of Service Report -Gauteng Province;</p>	<p>The report of 2018/19 Quality of Service Non-Compliance was noted</p>

	<p>2.2 2018/19 Q3: Mobile Data Quality of Service Report-Mpumalanga Province.</p> <p>2.3 2018/19: Voice Quality of Service Report-Mpumalanga Province</p>	
3.	<p><b>Termination of Internationally Originated Voice Traffic</b></p> <p>The purpose of the submission was to request Council to note the draft letter to the Internet Service Providers 'Association (ISPA) advising it to direct its complaint with regards to the amendment of the call termination market definitions to the Complaints and Compliance Committee (CCC) for adjudication.</p> <p>3.1 During 2017, ICASA revised the call termination market definitions after following a section 67 (8) process of the Electronic Communications Act ,2005 (Act No 36 of 2005) ECA.</p> <p>3.2 The definitions of mobile termination markets and fixed termination markets were changed to exclude the termination leg of internationally originated voice calls.</p> <p>3.3 Prior to the amendments, operators in other countries were charging South African operators termination rates higher than the regulated terminated rates which resulted in negative balance of payments or outflow of funds of about R1billion per annum (2014) from South Africa to other countries.</p> <p>3.4 The amendment afforded South African operators, including</p>	<p><b>It was resolved that Council note the draft letter to the ISPA advising ISPA:</b></p> <p>3.5 That its concerns regarding the amendment of the Wholesale voice call terminations markets were adequately addressed by the Authority following the review of the 2014 call termination regulations;</p> <p>3.6 Lodges a complaint with the CCC in terms section 17C in respect of the alleged incorrect classification of locally originated traffic as international calls; and</p> <p>3.7 Lodges a complaint with the CCC to the extent that requests for separate POILs by other licensees create undue financial burden on its members and does not promote not promote efficient use of electronic communications networks in terms of sec 37 (3)(b) of the ECA.</p>

	ISPA members an opportunity to charge operators in other countries reciprocal or commercial termination.	
<b>4.</b>	<p><b>MTN request for clarity on Subscriber and End-User Service Charter</b></p> <p>The purpose of the submission was to request Council to note the response to MTN questions on clarity on the End-User and Subscriber Service Charter.</p> <p>4.1 The Authority received a letter from MTN dated 18 March 2019, requesting clarification on the amendment to the End -user and Subscriber Service Charter Regulations.</p> <p>4.2 MTN requested the Authority to provide clarity on Regulation 8 (b)(2)(c) read together with regulation 8 (B)(2) of the Regulations.</p> <p>4.3 MTN was of the view that it has a discretion to allow customers to either opt-in or opt-out to out of bundle data services and that they do not need to offer both options to the customers. MTN indicated that if they were to offer their customers one option, MTN would have complied with the Regulations.</p> <p>4.4 MTN also alleged that Cell C was implementing the Regulations in a way that customers were not barred from incurring out -of -bundle data services and requested the Authority to indicate if the Cell C implementation of</p>	<p>ICASA 's Response was that in terms of regulation 8 (B) (2) where an End-user does not opt-in or opt-out of bundle data services, MTN will be left with the following options.</p> <ul style="list-style-type: none"> <li>• MTN can terminate data services; or</li> <li>• MTN can continue to provide data services on the same terms and conditions applicable under in-bundle usage.</li> </ul> <p>On the question of whether Cell C was implementing the Regulations correctly, the Authority's response to MTN was that regulation 8(B)(2) will come into effect as of the 12 April 2019.</p> <p><b>The response letter was noted.</b></p>

	regulation 8 (B)(2) were correct.	
5.	<p><b>Report on analysis of Tariff Notifications Submitted to ICASA for the period 01 July 2018 to 31 December 2018.</b></p> <p>The purpose of the submission was to request Council to:</p> <p>5.1 Note the analysis of tariff notifications submitted to ICASA for the period 01 July 2018 to 31 December 2018, for publishing on the Authority's website.</p> <p>5.2 In terms of the Standard Terms and Conditions Regulations of 2010 and End -User and Subscriber Regulations of 2016, as amended, Individual licensees are required to file notifications of tariffs and promotions with the Authority, seven days prior to launching them in the market.</p> <p>5.3 The analyses contained in the report was based on the 162 tariffs notifications that were filed during the period of 01 July 2018 to 31 December 2018 and those which continued to exist in the market as at the end of 31 December 2018.</p> <p>5.4 Following the 2018/19 FY second quarter (Q2) Tariff Analysis Report published on ICASA's website on 15 October 2018 and those which continued to exist in the market as at the end of 31 December 2018.</p> <p>5.5 The aim of the report is aligned to object 2 (n) of the ECA, which is to <i>"promote the interest of consumers with regard to the price, quality and the variety of electronic communication services"</i> as it seeks to ensure that there was retail price transparency</p>	The report was noted.

<p><b>6.</b></p>	<p><b>Approval of liquid Telecom Payment Plan for Spectrum Fees</b></p> <p>The purpose of the memo was to request Council to approve the request by Liquid Telecom Proprietary limited (Liquid Telecom”) for a payment plan for Spectrum fees for 2019/2020 and request the Acting Chairperson to sign a letter to Liquid Telecom</p>	<p><b>The request was approved.</b></p>
<p><b>7.</b></p>	<p><b>Cloudseed request for interest waiver for late payment of interest of USAF and ALF for 20 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017.</b></p> <p>7.1 The purpose of the submission was to request Council to decline the request by Cloudseed Telecommunications (“Cloudseed”) for 100% waiver of interest charged on late payment of USAF and ALF for the financial period ended 30/06/14; 30/06/15;30/06/16 and 30/06/17 respectively and request the acting Chairperson to sign the letter to Cloudseed.</p> <p>7.2 Cloudseed was requesting for a 100% waiver of interest charged on late payment of USAF and ALF for the financial periods ended 30/06/14;30/06/15 ;30/06/16 and 30/06/17 respectively.</p> <p>7.3 Cloudseed submitted the following reasons for the late payment of USAF and ALF as per calculations submitted by the Authority:</p> <p>7.4 Cloudseed has not been generating enough money for the past few years to pay the interest.</p> <p>7.5 Payment of outstanding financial</p>	<p><b>It was resolved that Cloudseed must pay their 2019/20 licence fees that was due and payable to ICASA to attain such a licence.</b></p> <p><b>It was resolved that the recommendation by the division to decline Cloudseed ‘s waiver of interest be approved.</b></p>

	<p>submission to ensure compliance has resulted into a huge cash flow gap for Cloudseed</p>	
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**ISSUED BY: Secretariat Office on behalf of Council**