



GSMA West Africa Members' Meeting

7th June, 2016
Dakar, Senegal



Welcome and Opening Remarks

Mortimer Hope, Director Africa

GSMA West Africa Members' Meeting

7th June, 2016



GSMA Antitrust Compliance Reminder


- All GSMA meetings are conducted in full compliance with the GSMA antitrust compliance policy, which applies during all events to all documents
- Do not enter into discussions about commercial terms (market/carrier/vendor prices, discounts, commissions, etc) and other business issues of your company
- Rule of thumb: do not exchange information in a meeting which you would normally consider a business secret
- The Antitrust compliance policy is available on the front page of the Infocentre



GSMA: Who Are We?

We are the global industry voice shaping the future of mobile


MEMBERSHIP


800
mobile operators in
over **220** countries

230

associate members

MOBILE REACH


6.6
billion
mobile
connections


3.2 billion
individual subscribers

PRESENCE


Offices in
9 countries
serving every region

Staff based in
 **26**
countries
representing
36 nationalities

Our Mission:

To act as a guiding beacon for the mobile industry, focusing on activities where collective action can deliver significant benefit



GSMA: What We Do

The GSMA has four main activities:

INDUSTRY FORUM

Drive collaborative industry programmes aimed at maintaining operator relevance in the digital world

POLICY ADVOCACY

Advocate for the industry to regulators, policy makers and society as a whole

THOUGHT LEADERSHIP

Provide strategic direction and thought leadership to our members

CONVENING

Convene the broad mobile communications ecosystem at our industry leading events such as Mobile World Congress



GSMA: Snapshot of Our Programmes

Spectrum for Mobile Broadband

Spectrum4all

Public Policy

Mobile Policy Handbook

Policy Case Studies

Capacity Building in Mobile

Sector Regulation

Mobile and Privacy

mYouth

Mobile Energy Efficiency

Tax

Roaming

Mobile and Health

Government Programme

Mobile and Environment

Personal Data

Mobile Connect

Mobile for Development

Connected Society

Mobile Money

Digital Identity

Connected Women

Mobile for Development

Utilities

mAgri

mHealth

Disaster Response

Ecosystem Accelerator

Mobile Economy

Digital Commerce

Payment

Retail

Transport

Network 2020

RCS

VoLTE

Interconnection

All-IP Business Guide

Managed Services

Number Portability Services

Spam Management &

Prevention

Device Blacklist Services

Device Model Characteristics

Mobile Equipment Identity

Connected Living

Automotive

Health

Transport

Utilities

Connected Living Tracker

Events & Awards

Mobile World Congress

Mobile World Congress

Shanghai

Global Mobile Awards

Asia Mobile Awards

Mobile 360 Series

Innovation City

Smarter Apps Guidelines

GSMA Documents



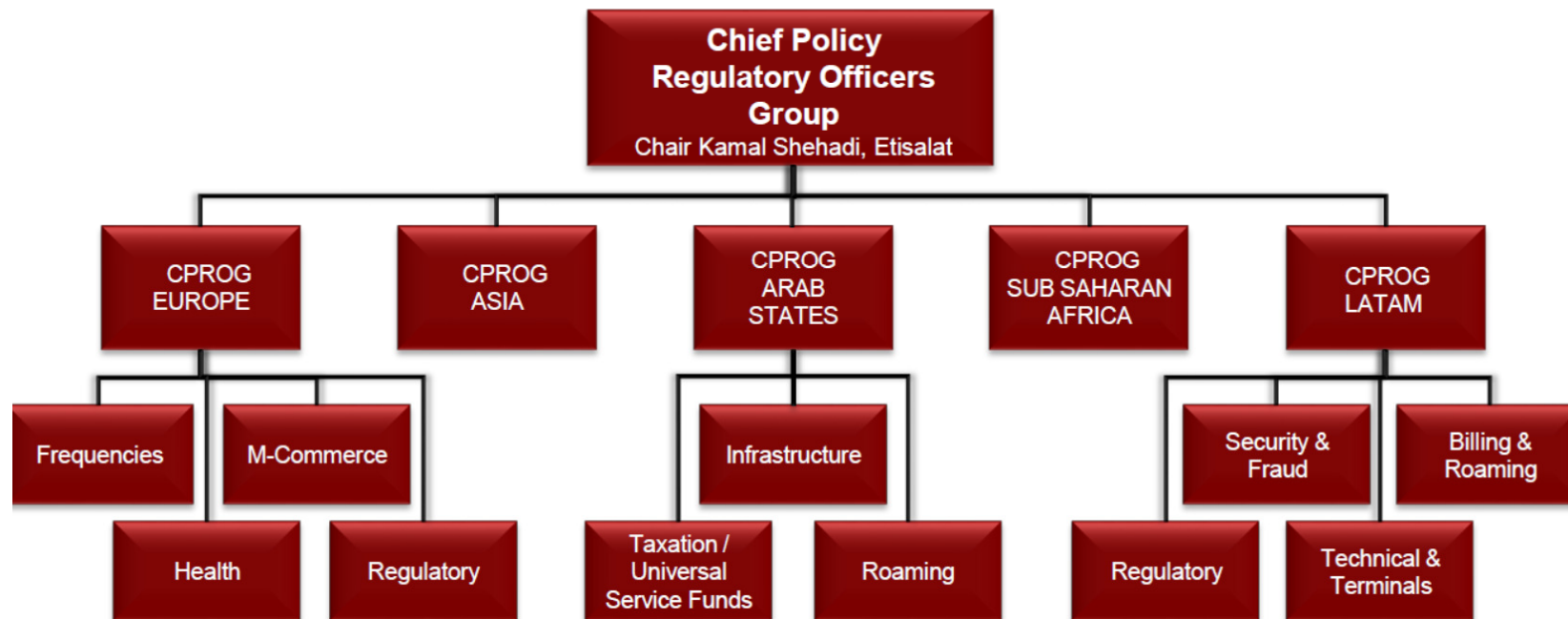
GSMA CPROG Governance

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GSMA Regional CPROG Structure





About GSMA CPROG SSA

Objective:

Represents interests of mobile operators in Sub Saharan Africa on the policy & regulatory agenda of the GSMA Board

Constitution:

Made up of Chief Regulatory Officers or equivalent from SSA mobile operators companies. GSMA Director of Africa also member of CPROG SSA. **All full members of GSMA are entitled to apply for CPROG membership**

Functions:

- ✓ Guides strategic direction of GSMA in Africa
- ✓ Coordinates and consults C-level community to reach the right decision when critical industry issues arise
- ✓ **Determines policy priorities** in SSA, sets GSMA Africa objectives and approves policy positions, position papers & consultation responses for GSMA activities in Africa
- ✓ Can create operator task forces to address specific issues



About GSMA CPROG SSA: Office Bearers



Wade Goodluck

Corporate Services
Executive MTN,
Chairperson at CROG



Daddy Mukadi Bujitu

Chief Regulatory Officer



Rob Middlehurst

Vice President – Industry
Policy & Institution
Relations



Nezih Dincbudak

Director Regulatory Affairs
Africa, Middle East, Asia



Rachel Samren

Executive Vice President
Strategic Operations &
Partnerships



Nyoka Nkateko



Mortimer Hope
Director of Africa



Security and SIM Registration

Aurelie Adam Soule, Senior Policy Manager Africa

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GSMA Updated Study on SIM Registration

Introduction

- GSMA white paper on mandatory SIM registration published in 2013 highlighted a number of implementation challenges that members have been facing
- Since then, enforcement actions and fines on operators for non-compliance have increased, e.g. MTN Nigeria fined US\$3.4bn for failing to meet registration deadline
- African members' requested GSMA collateral and messaging to counter potential expansion of regulatory requirement (and the threat of fines) in the region
- Request echoed by LatAm and Asia CPROGs, Terms of Reference for a new GSMA study were agreed, to extract insights from around the world. A separate, internal report on proportionality of fines for non-compliance was also developed



New Study Reinforces Existing Insights and Identifies Best Practices to be Shared With Policymakers

Key insights

- Strong perception by policymakers that mandatory SIM registration can address concerns raised by security services (e.g. apprehending criminals)
- A range of registration solutions used – process and effectiveness depend on the availability and reliability of National Identity programmes
- Availability of formal, verifiable, individual identity documentation remains an issue in many markets
- The pervasiveness of mobile services (especially pre-pay) deliver massive social and economic benefits for citizens
- Registration solutions need to be cost-effective, pragmatic and reflect the circumstances of the markets they address



SIM Registration Solutions

- Prevalence of a verifiable national ID has a significant bearing on the registration solution
- National Identity (“NID”) schemes directly affect operators’ SIM registration capabilities:
 - Where NID database and electronic validation of ID is possible
 - Where citizens have ID but ‘real time’ verification of ID is not possible
 - Where there are gaps in National ID and many mobile users have no proof of ID
- Mobile registration shouldn’t exclude citizens with no national identity documents
- Some markets address security concerns without SIM registration

National ID Availability	Verifiable ID Scheme			
	No Verifiable ID			
	Limited ID available	None	Recorded	Biometric
	Verifiable ID Scheme	Canada	Australia South Africa Rwanda	Pakistan
	No Verifiable ID	UK Mexico Namibia	Ghana	Nigeria
	Limited ID available	Mauritania	Kenya Tanzania Mozambique DRC Chad	
		SIM Registration Solution		



Implementation Recommendations for Governments Highlighted in the Study

There are some generic lessons that can be derived from implementation programmes in Africa and elsewhere in the world:

1. Consult, collaborate and communicate with operators before, during and after the implementation exercise
2. Set realistic timescales for design, test, implementation and registration
3. Provide certainty and clarity on requirements before any implementation
4. Allow / encourage the storage of electronic records and design administratively 'light' processes
5. Allow / encourage the registered ID to be used for other value added mobile and digital services
6. Support the SIM registration implementation and registration programmes with joint communication activities and support for operational costs



Taxation

Aurelie Adam Soule, Senior Policy Manager Africa

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Tax Advocacy: Review of FY15/16 activities

Country Advocacy

- Tax studies and engagement activity in DRC and Nigeria
- Tax studies and engagement Ghana and Tanzania completed in FY14/15
- Favorable outcomes in Ghana and Tanzania; but advocacy efforts are getting tougher in an increasingly challenging fiscal environment and falling oil prices

Global Survey

- FY15 global report published, survey work for FY16 completed, internal briefing pack developed for members, thematic research on impact of tax on affordability initiated



Tax Advocacy: Creating More Impact in FY16/17

The GSMA's approach to tax advocacy will continue to evolve to reflect key lessons from FY15/16 activities and impacts of economic weakness on government funding sources

On Going In-Country Advocacy

- Continue engagement in Nigeria to avoid proposed 9% tax on consumers (including mobile services)
- Follow up engagement in DRC to remove/reduce recently introduced new taxes
- Support proposal to reduce a number of taxes in Tanzania

New Studies & Advocacy

- Potential for new study in Tanzania to support rural coverage expansion initiative
- Welcome CPROG input on additional markets to consider
- Working with Deloitte and CPROG to develop strong arguments to put in front of finance ministers and better align advocacy with budget cycles

Global Research & Institutional Partnerships

- Continue with global tax survey for internal circulation and use outputs to inform country studies and basis for thematic advocacy reports
- Formalise initiatives with World Bank and identify options to influence IMF
- Pursue advocacy engagement at the regional level, e.g. ECOWAS



Spectrum Advocacy Review: Agenda for 2016

Mortimer Hope, Director Africa

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WRC-15: Results For Middle East and Africa

**THREE
GLOBALLY
HARMONISED
MOBILE BANDS**

700 MHz



Provides improved
coverage for mobile
broadband services

1427-1518 MHz



Delivers a good mix of
coverage and capacity

3.4-3.6 GHz



Allows very fast data
speeds in urban areas

**ONE FURTHER
NEW BAND IN
LARGE PARTS
OF AFRICA**

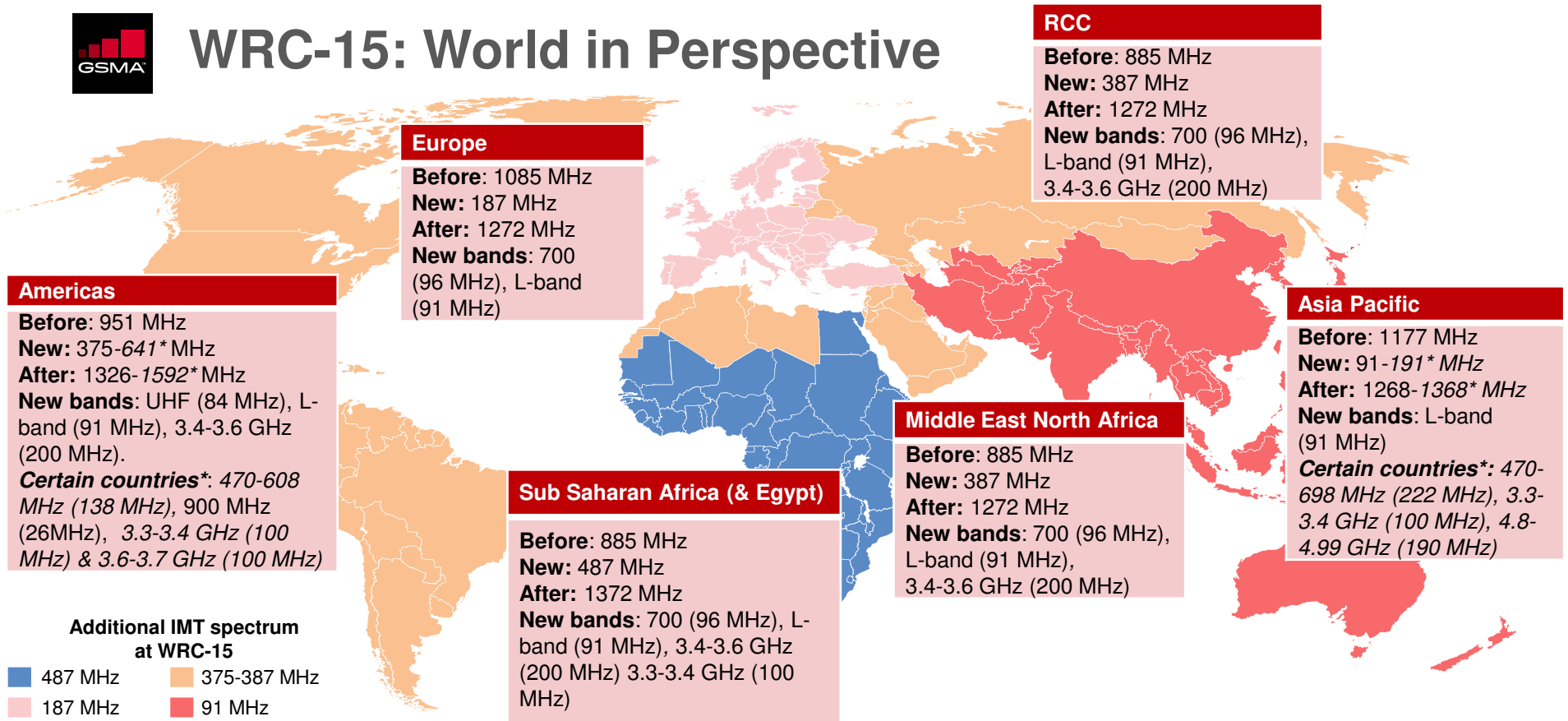
3.3-3.4 GHz



Provides vital extra
mobile capacity. Now
identified in countries
in Africa, Asia Pacific
and the Americas



WRC-15: World in Perspective

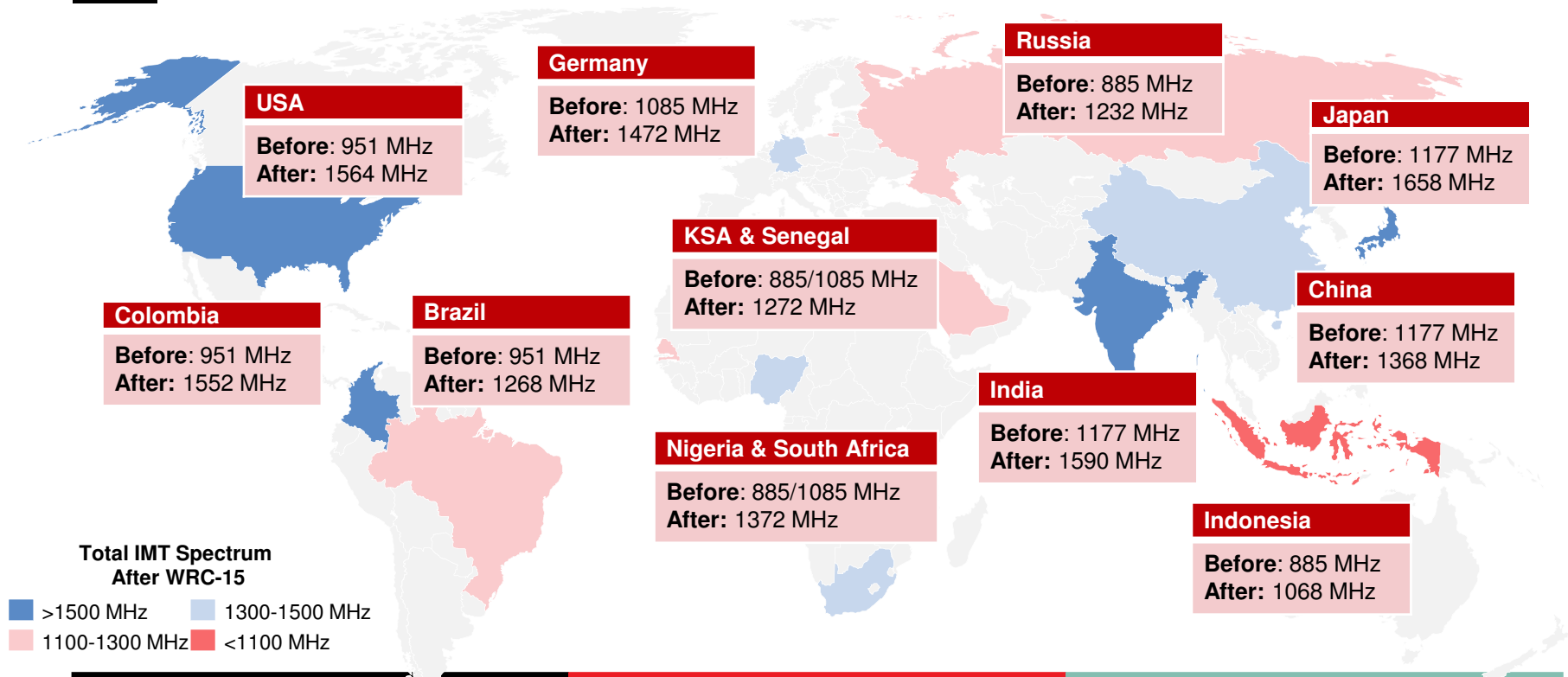


* Only available in some markets which in total cover less than 50% of the regional population

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WRC-15: National Situations Vary



Note: 'After' spectrum includes all IMT identifications as well as other bands that governments have declared they will use for IMT (e.g. 3.6-3.8 GHz in Europe)

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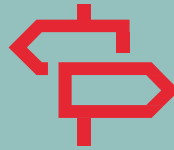


WRC-15: What's Next

Start planning to make the new WRC-15 bands available for mobile use



Plan which bands are needed most, and when, based on local market conditions



Develop policies and licensing conditions to enable mobile services in the band



Update the spectrum roadmap to include timeframes for releasing the bands



Priority Market Engagement Framework: Keep The Wheel Turning

- The evolution of consumer and technology trends impacts spectrum requirements
- Output: Advocacy surrounding the gap between current spectrum availability and future demand
- Spectrum policy impacts the coverage, capacity and cost of mobile services
- Output: Provide guidance for transparent and fair access to spectrum (e.g. auctions) and licensing conditions and renewal



- A spectrum roadmap aids planning to support mobile broadband expansion and evolution
- Output: Mid/long-term roadmap (>5yrs) including spectrum release timing
- Practical implementation guidelines are needed for each band
- Output: Harmonised band plans (e.g. L-band and harmonised 700 MHz) and process for clearing the bands

Intervention Framework

The campaign will focus on moving identified markets along the wheel, from one quadrant to the next, towards spectrum award.

- Strategic analysis and review: Explain rising demand, highlight new spectrum supply (from a WRC), technology evolution (to guide refarming) and evaluate competing demands from TVWS, PPDR and other applications
- Spectrum roadmap plan: Promote and influence the development of spectrum roadmaps, including timelines for spectrum release, international harmonisation and ecosystem maturity.
- Implementation Guidelines: Digital dividend, band clearance, interference management, refarming, cross border coordination, etc.
- Spectrum award policy: Spectrum pricing, award process, licensing renewal, technology neutrality etc.



WRC-15: What's Next?

Start preparing to support spectrum for 5G services at WRC-19



Consider what spectrum you need to support different types of 5G service



Study which mix of frequency bands could be used taking into account incumbent services

Work with the international community to agree a common set of harmonised bands



Regulatory Modernisation

Aurelie Adam Soule, Senior Policy Manager Africa

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Regulatory Modernisation: Objectives and KPIs

Establish digital policy principles with members

- Lead evidence-based discussions with members to agree global principles for digital public policy
- Demonstrate thought leadership on digital public policy

Strengthen responsiveness to members

- Balance a global view of policy direction with effective advocacy at national and regional levels
- Promote actionable policy proposals for lighthouse markets

Expand influence in policy-making processes

- Establish networks of policy experts for regionally relevant policy briefings and discourse
- Organise policy dialogue among the principal global influencers

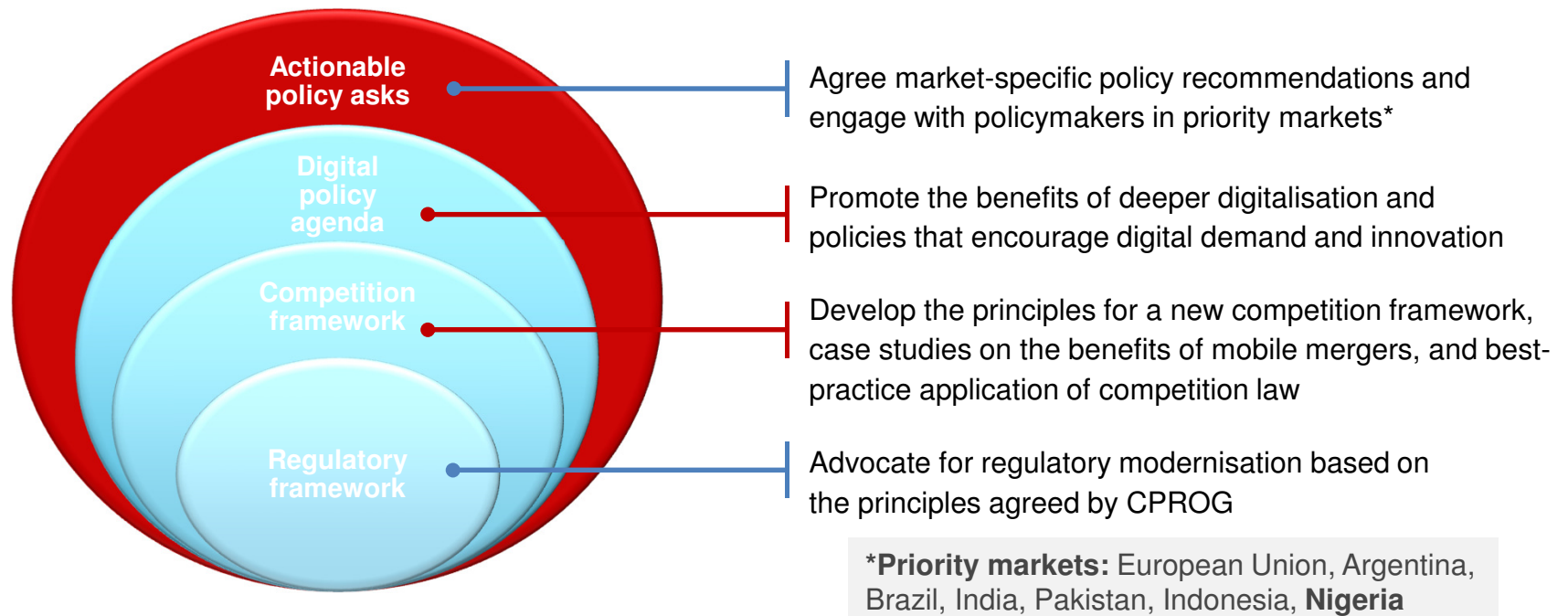
KPIs
FY16/17

1. Develop and promote the principles of a new **competition policy framework**
2. Promote recommendations to modernize the regulatory environment in **five markets**
3. Convene **two policy dialogues** involving key stakeholders focusing on common approaches to digital policy

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Approach: Influence Policy at Multiple Layers





Nigeria: Priority Market for Policy Intervention

- Recent/Expected consultations
 - OTT Regulatory framework
 - National roaming
 - Infrastructure sharing
 - Spectrum utilisation
- Dynamic market with regulatory challenges (fines, acquisitions, etc.)
- New Government Leaders unveiling new strategic plans for the Telecom sector
- Clear calls from members for GSMA to spread good regulatory practices



Nigeria - Global Principles to Policy Asks

Global Principles

Pursue regulatory goals based on achieving **regulatory objectives**, not legacy structures based on industries or technologies

Prefer **performance-based regulation with ex-post enforcement** over prescriptive, ex-ante rules

Evaluate regulation — including the need for regulation — and discard legacy rules

Policy priorities for Nigeria (TBC)

- Higher priority for infrastructure investments and address barriers
- Reduce costs of deploying mobile networks and reform universal service regime
- Horizontal application of proportionate consumer protection rules
- Level playing field for all MNOs when releasing spectrum
- Establishing horizontal ex-post competition framework and institutions



Promote Best Practices in the Application of Competition Toolbox

- **Purpose:** Put competition policy into context, in a way that is useful for practitioners, through best practice examples
- **Target Audience:** Two main audiences
 - Regulators and competition authorities
 - Policy makers
- **Timeline:** we aim to have a text as finalized as possible CPROG (October)
- **Content:** Regional overview of competition frameworks and case studies for specific countries
- **Contact:** Provide input on potential list of case studies to elecchi@gsma.com



Capacity Building Plans

Mortimer Hope, Director Africa

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Capacity Building Activities

- Ecole Supérieure Multinationale des Télécommunications (“ESMT”) – ITU Academy Centre of Excellence
 - MOU confirming partnership signed on 25 March
 - Phase one: ESMT academics have now been trained by GSMA to deliver four of the GSMA Capacity Building courses to students and regulatory professionals from member countries
 - Phase two: planning has started for the remainder of the courses to be taught to ESMT academics in Q3 2016
- Federal Government, Nigeria
 - *Mobile for Socio Economic Development* course delivered to over 35 students from the federal government and its relevant stakeholders in February 2016. Further sessions planned for 2016/17
- Communications Regulators’ Association of Southern Africa (“CRASA”)
 - *Competition Policy for the Digital Age* course delivered to regional regulators before CRASA AGM in Namibia, 4 – 5 April



Mobile Money Updates

Aurelie Adam Soule, Senior Policy Manager Africa

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Mobile
Money

Mobile money continues to extend reach

There are

271 SERVICES

in

93 COUNTRIES



Mobile money is available in

85% OF MARKETS

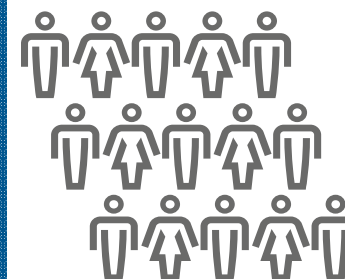
where less than 20% of the population has access to a formal financial institution.

411 m

registered accounts globally with

134 m

active accounts



The industry processed over

1bn TRANSACTIONS

in December 2015.



Mobile
Money

With adoption growing fast in West Africa



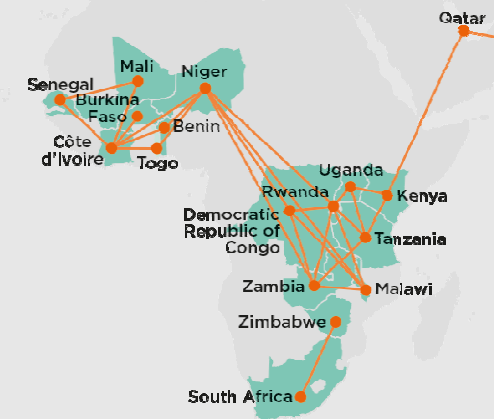
Active agents in West Africa

60% GROWTH RATE **2x** ANY OTHER REGION

Today, **NEARLY 1 IN 5 MOBILE CONNECTIONS** in West Africa has a mobile money account - an increase of 6 percentage points from 2014.

WEST AFRICA IS ALSO LEADING THE WAY WITH **MOBILE MONEY REMITTANCE**

- 29 corridors live globally
- +52% YOY
- Bringing cost of sending USD 100 down to USD 2





GSMA Mobile Money activities in West Africa

Regulatory engagement with the BCEAO:

- GSMA is a member of the BCEAO advisory group on financial inclusion
- Providing advisory support on e-money regulation and on the development the regional interoperability roadmap

Mali:

- Driving mobile money adoption among women and in rural areas

Côte d'Ivoire:

- Coordinating industry engagement with the government to develop new opportunities for digitizing P2G and G2P

Ghana:

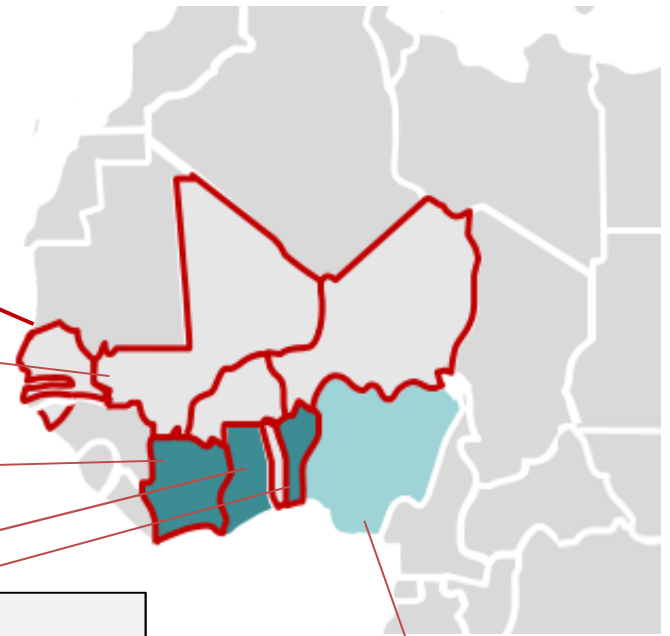
- Supporting operators on interoperability and ecosystem development

Benin:

- Coordinating industry engagement with the government to digitise tax payments
- Supporting operators to launch bill payments with SONEB and SBEE

Nigeria:

- Assessing the opportunity for a regulatory engagement with the Central Bank in 2016





GSMA Mobile Money Programme

The objective is to support our members and industry stakeholders to increase the utility and sustainability of mobile money services. To that end, the programme focused on 3 key areas:

1

Strengthen
Foundations

2

Drive
Interoperability

3

Accelerate
Ecosystem

Over the next few months, we will be working on the following initiatives. Get in touch if you want GSMA support on any of these topics – cscharwatt@gsma.com :

- Implementing the Code of Conduct
- Testing new business models
- Reducing the gender gap
- Leveraging the smartphone opportunity
- Accelerating integration with 3rd parties (looking at APIs and hubs)
- Going big on eCommerce



Priority topics for Policy-Makers in West Africa

Mortimer Hope, Director Africa

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International Mobile Roaming

- ❑ WATRA have launched an expression of interest to consulting firms to submit proposals for a roaming study. We understand this is likely to lead to consultations with operators and to a workshop.
- ❑ From our contacts with the sub-regional organisations, there is strong expectation (from ECOWAS) that operators will actively contribute directly to this process. In fact, invitation letters have been sent out to MNOs Director General to participate in and present at a WATRA workshop in Senegal on 12-15 July.
- ❑ ECOWAS is also considering to undertake a study on roaming tariffs in West Africa - the World Bank has issued the EOI for the same.



Quality of Service

Rise of QoS related activities in SSA

- ✓ Nov 2015 – ITU-T/EACO Forum on QoS and Consumer Experience
- ✓ Dec 2015 - CRASA QoS workshop to discuss QoS concerns
- May 2016 - WATRA QoS workshop

These activities at regional and sub regional levels usually lead to QoS “best” practices sharing among NRAs

Enforcement of QoS Regulations by NRAs

- NRAs are increasingly demanding when designing and implementing QoS Regulations
- Additional pressure by Consumers Associations at the national level
- Fines or threat of fines for “non compliance” to QoS requirements (e.g. Gabon – October 15, Tanzania – March 16, Niger – March 2016)

Complexity of QoS Regulations

- Large number of parameters to be measured
- Lack of a standardised and objective measurement methodology has sometimes resulted in different interpretations of performance indicators and often leads to discrepancies in results claimed by NRAs and those measured by mobile operators



Rural Connectivity

- *Complaints from regulators that the mobile industry is not addressing lack of connectivity in rural areas*
- *Request from members for the GSMA to play a greater role in educating policymakers and regulators on the commercial challenges of rural network coverage expansion*

Global Advocacy Toolkit

- Country Reports and economic analytical models (draft for CPROG review in March)
- Economics of Rural Network Coverage (key supply side and demand side drivers)
- Key policy and regulatory enablers and how they impact rural network coverage expansion

Country Engagement Campaigns

- Tailored versions of the global report and slide deck reflecting country level policy environment and inputs to the analytical models
- Engagement campaigns delivered in conjunction with member OpCos and GSMA regional teams
- Priority markets aligned with rural coverage expansion pilot projects

Thematic Reports

- One or two in-depth reports on thematic issues with regional or global relevance to the rural coverage agenda
- Topics to be agreed with CPROG
- Topics could include: update on the role of USFs; spectrum policy; infrastructure sharing; national broadband plans



Regional Engagement Plan

Aurelie Adam Soule, Senior Policy Manager Africa

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Regional Engagement

Regions	Organisations	Planned Engagement
West Africa	ECOWAS WATRA A4AI	<ul style="list-style-type: none">▪ ECOWAS ICT and Postal Ministers' meeting preceded by Technical Committee meeting <i>Niger, 20-24 June</i>▪ Active contribution to the A4AI work in Ghana and Nigeria (infra sharing, spectrum trading, taxation) <i>Lagos and Accra, July 2016</i> <p>Other sub-regional events:</p> <ul style="list-style-type: none">▪ WestAfricaCom - unlocking the development of broadband & LTE in West Africa <i>Senegal, 8-9 June</i>▪ NigeriaCom - Strengthening the networks & ICT of digital Nigeria <i>Nigeria, 21-22 September</i>



Regional Engagement

Regions	Organisations	2016 Engagement
Pan-Africa		<ul style="list-style-type: none">▪ ATU WRC19 Prep Meeting <i>Cameroon, 1-5 August</i>▪ Mobile 360 Africa <i>Tanzania, 27-29 July</i>▪ Co-facilitate UNICEF COP workshops and provide support to operators towards inclusion in national COP strategies



Thought Leadership - GSMA resources and events

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GSMA Handbooks



GSMA Public Policy Positions various matters

+ GSMA Competition Policy Handbook

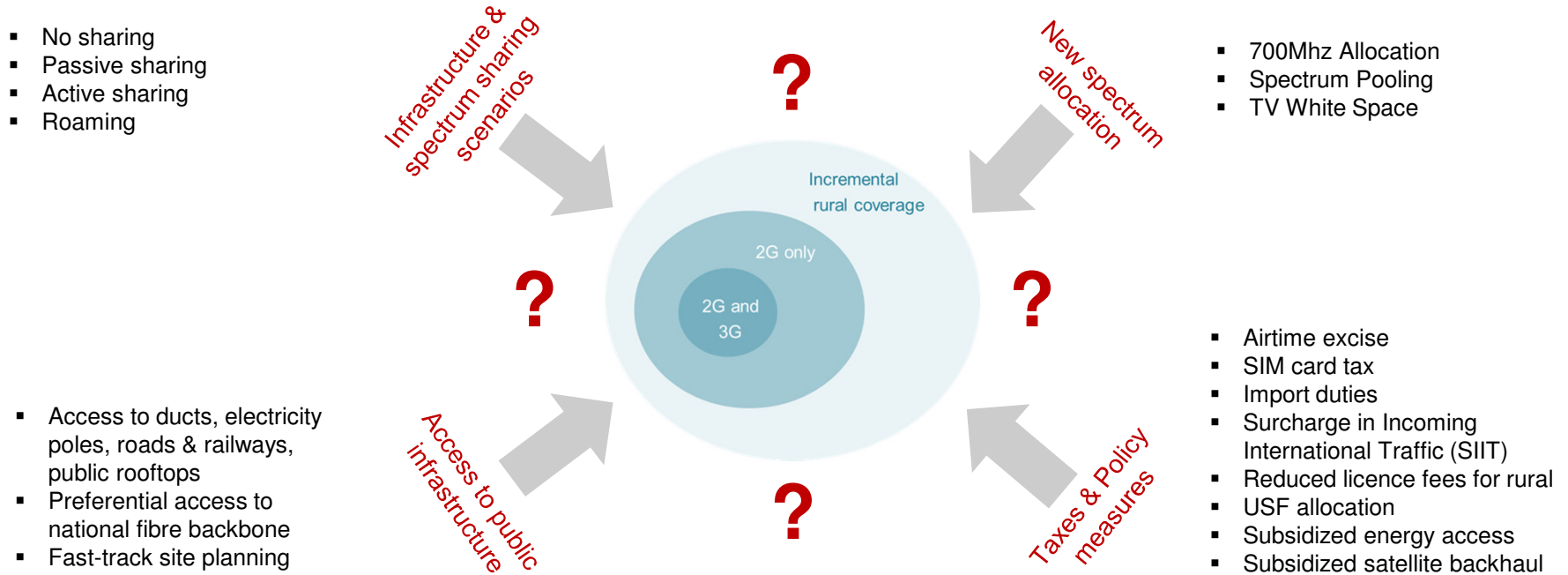


Infrastructure Economics Toolkit





How can we as an industry solve the problem?





Programme Scope & Objectives

- 1. build & actively support local operators' collaborations in the implementation of economically efficient model for the provision of mobile broadband access to the underserved**
- 2. identify and advocate regulatory adjustments for the implementation of sustainable mobile broadband access provision to the underserved**
- 3. provide best practices to the industry globally on connecting unconnected population**

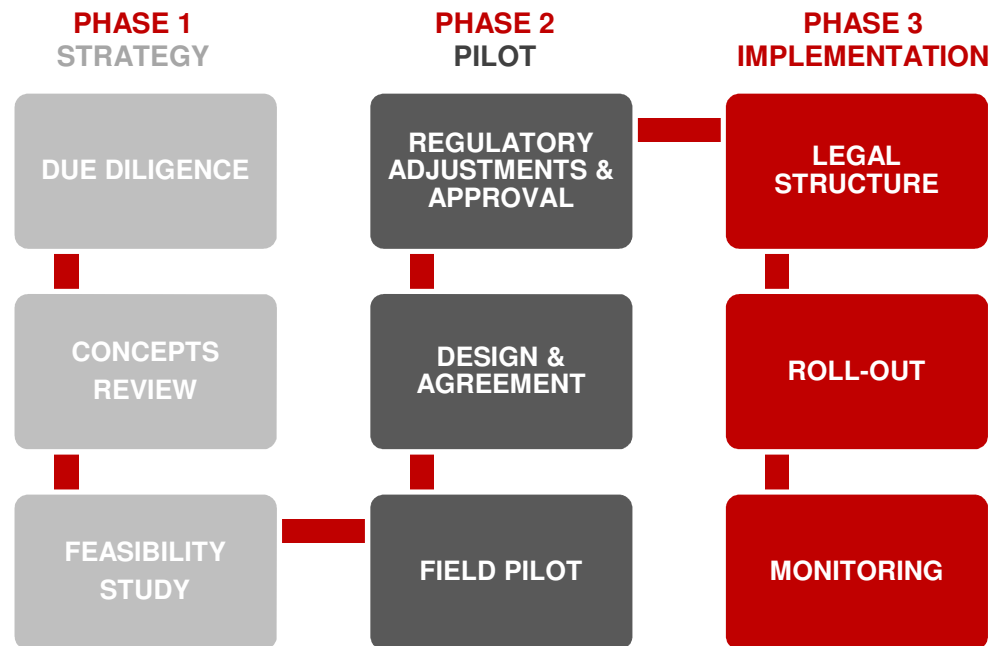


Benefit to Operators

- 1. pre-empt mandatory coverage obligations**
- 2. optimize cost savings and economies of scale**
- 3. ensure long term business model sustainability**
- 4. develop efficient and regulatory approved industrial collaboration**
- 5. optimize industry positive impact in the public eye**



IE Country Pilots Project Roadmap



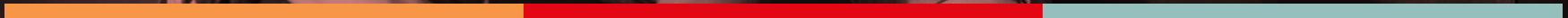


GSMA Events

- ❑ Mobile World Congress & Ministerial Programmes
- ❑ Mobile 360 Africa
- ❑ Sub Regional events (West Africa Members meeting)



AOB & Open discussions





Thank you!

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