



Report of the Public Inquiry on Technical Standards for Interconnectivity of Networks

INTRODUCTION

The Nigerian Communications Commission (the Commission) pursuant to the powers conferred on it by Sections 57, 58 and 130 of the Nigerian Communications Act, 2003 (the Act) developed and issued Technical Standards for Interconnectivity of Networks. The Standards were published on the Commission's website for comments from the general public including telecommunications operators and other stakeholders.

A Notice of Public Inquiry was published on 21st January, 2009 in Guardian Newspaper. The publication requested members of the public to review the draft Standards and submit comments before the close of business on February 2, 2009.

By the close of business on the 2nd of February, 2009, the Commission received submissions and comments from Celtel Nigeria Limited (Trading as Zain).

A Committee was mandated by the Commission to review the submissions from stakeholders whose submissions were received before the expiration period.

Additional submission from MTN Nigeria received after the time line for submissions Limited was also reviewed.

All comments made by the stakeholders at the Public Inquiry are also covered by this Report.

PARTICIPATION

The Public Inquiry was well attended by operators. There were 59 participants drawn from licensed telecom operators, equipment manufacturers, the Press and other corporate organizations.

OPENING

The Public Inquiry commenced at 12:45 p.m. was chaired by the Executive Vice Chairman /CEO, and other senior staff of the Commission.

THE INQUIRY

The Public Inquiry took place on the 11th February, 2009 at the Conference Hall of the Commission, in Abuja.

CONSIDERATION OF COMMENTS ON THE TECHNICAL STANDARDS FOR INTERCONNECTIVITY OF NETWORKS 2008

Presentation by the Commission

The first presentation on Technical Standards on Interconnectivity of Networks was made by the Director, Legal Services in which he explained that the Standards consist of three (3) Chapters. The first Chapter comprised the general objective of the standards, the scope, Interconnection Principle and Interconnection Issues. The second Chapter dealt on interconnection provisioning, including Technical and operational issues, provisioning procedure, Interconnection facilities, point of interconnection, etc while the third chapter dealt with network and system specification.

Subsequently the Director, Technical Research & Standards made a presentation on the Standards, summarizing the comments by stakeholders as well as the Commission's responses to the inputs.

The comments and responses to remarks/observations/suggestions are listed herein:

1. Comment

There was a comment on the multiplicity of documents viz the Nigerian Communications Act (NCA) and the Telecommunications Network Interconnection Regulations (TNIR) and the need to ensure consistency

Response

The Commission notes the comment and will ensure that there is no conflict between these documents

2. Comment

There was a comment on the need to clarify the status of the standards whether they are Regulations or guidelines and the order of priority

Response

The Commission is empowered by the NCA to issue technical Standards. Please see S. 130 of the NCA in this regard. The Regulations, Guidelines and Standards all have the force of law.

3. Comment

There was a comment that roll out of Points of interconnection (POI) should be based on volume of switched minutes to ensure that resources are deployed where they are needed rather than on state basis

Response

The Commission desires that interconnection between operators should be seamless and based on recognized interconnection principles.

4. Comment

There was a comment to the effect that certain provisions of the Standards (paragraph 26.4) appear to set aside the Collocation Guidelines or that they are in conflict with the provision of that guideline

Response

The Commission notes the comment and will ensure that there is no conflict between these documents. Please note that these Standards are complimentary to other Regulations and Guidelines issued by the Commission and there is no intention to set aside the existing Collocation guidelines

5. Comment

The Commission should not mandate the exchange of traffic through Interconnect Exchange Licensees, rather operators who lack billing, switching and other interconnect facilities should be obliged to use the clearing houses. It was also suggested that operators with less than 50,000 minutes per month should also be mandated to use clearing houses

Response

The Commission notes these recommendations and will carefully consider them in finalizing the standards

6. Comment

The absence of an obligation to have and maintain a standardized billing platform as caused much destabilization in the industry. The standards should prescribe minimum interconnect billing standards

Response

The Commission accepts this recommendation.

7. Comment

Interconnect clearing houses licenses should have roll out obligations such that clearing houses will be an integral part of the objective of easy access and prevent duplication

Response

The Commission will further examine this recommendation, however this does not relieve operator of the requirements to mandate to provide POI on State basis.

8. Comment

Operator notes that many of the recommendations of the Interconnect Sub-Committee of the Quality of Service Industry Working Group have been duly incorporated in several portions of the Technical Standards 2008.

Response

The Commission acknowledges the comments.

9. Comment

Operator seeks further clarification in respect of Article 3.3 and comments that if there is no available capacity, there is no premise for any negotiations saves for future spare capacity.

Response

The Commission notes this comment for further consideration in terms of technical feasibility and network configuration.

10. Comment

An Operator notes that article 3.7 mandates all operators to continuously increase interconnection capacity to cope with expected growth. Operator further notes that the Commission has a role to ensure that on regular basis operators are duly carried along in the Commission's general industry plans with regard to the likelihood of licensing of new technologies, spectrum, etc.

Operator underscores that to make mandated rollout obligations, according to the nature of operations, will ensure that the burden of providing interconnection capacity is not left to few.

Response

The position of the Commission stands; the Commission does not regulate technology. Furthermore, as part of its responsibilities, the Commission regularly provides relevant information on its website: www.ncc.gov.ng, at the disposal of all stakeholders.

11. Comment

Operator notes that the need for operators to interconnect where technically feasible has been recognized in Article 4.2 and recommends the amendment of Article 4.1 to the effect that operators should offer and be offered "..... where technically feasible..."

Response

The position of the Commission stands on Articles 4.1 and 4.2.

12. Comment

Operator notes that Article 4.3 mandates that once a party accepts traffic from another operator, it is liable to transmit said traffic in its entirety irrespective of origin. It further notes that the need to respect the commercial terms and conditions of Licensee's interconnection relationship may have been overlooked for expedience. It called for a pronouncement to be made by the Commission in that regard.

Response

The cost of Interconnect rate of origin of call is not the business of any operator.

13. Comment

Operator notes that Article 7.4 recognizes that requirements for interconnection capacity is dynamic based on actual traffic flow and growth patterns. It observes that traffic flow and growth patterns may conversely decrease and that due provision should be made for this eventuality.

Response

Not accepted, the Commission's position subsists.

14. Comment

Operator disagrees with the principle of mandating a minimum number of points of Interconnect on the grounds that it defeats all arguments in justification of patronizing the Interconnect Exchange operators and may encourage Interconnect Exchange operators to roll-out as a leisurely pace.

Response

The Commission will maintain its stand as provided in Table 2.1.

15. Comment

Operator notes that Article 12.6 provides for additional capacity but no provision was made for where there is a decline in traffic requiring a reduction in capacity.

Response

Not accepted. The Commission's position subsists. The Commission expects that where there is a decline in traffic, the redundant capacity could be reserved or utilized for the operator's own traffic or for traffic of a new interconnecting party in regard to the perpetual nature of interconnection in telecommunications.

16. Comment

Operator notes that Article 12.7 was one of the recommendations of the Interconnect sub-committee of the Quality of Service Working Group and commends the Commission on its adoption and inclusion in the Standards.

Response

The Commission acknowledges the comment.

17. Comment

Operator acknowledges the responsibility to ensure qualitative end-to-end service to the customer as included in Article 14.7 but notes that to place additional responsibility on an operator for matters beyond its influence or control is not feasible.

Response

Not accepted. The Commission's position subsists. This is not an added responsibility since the service provider is expected to insist on acceptable performance levels required to support end-to-end quality of service at the stage of negotiation with the interconnecting partner.

18. Comment

Operator notes that Article 14.8 places specific quality of service targets with respect to peer to peer Interconnection and remarks that operators should be at liberty to micro-manage their own networks.

Response

Not accepted. It is the Commission's role and responsibility to ensure that all operators meet the stipulated and agreed acceptable levels of Quality of Service to its subscribers.

19. Comment

Operator notes that Article 23.1 provides that transmission systems are required to be digital with the exception of smaller exchanges in rural networks and believes that the provision establishes a double standard in favour of rural networks. It expects the standards should be uniform and of equal application to all service providers.

Response

The Commission notes the comment for further consideration. However, it should be noted that this may become necessary to encourage rural penetration in line with overall objectives of the Commission.

20. Comment

Operator notes that Article 23.9 provides that all traffic destined to all active numbering plans approved by the Commission must be delivered and notes that the NCC website which should be the single point of reference needs to be duly updated on a periodic basis in this regard.

Response

Numbering plan is updated as relevant on the Commission's website: www.ncc.gov.ng.

21. Comment

Operator notes that Article 23.10 (Traffic Routing) is discriminatory in nature and contravenes the concept of near-end and far-end handover established in the routing principles enshrined in the Commission's Interconnection Rate Determination of June 2006.

Response

The Commission notes the comments for further consideration.

22. Comment

Operator notes that it would appear the Commission intends to super-impose the provisions in Article 26 on the already established and released Collocation and Infrastructure Guidelines. Operator is of the view that where collocation and infrastructure sharing is mentioned in the standards, due reference should be made to the pertinent provisions of the Collocation Guidelines, and where the Guidelines are lacking they should be amended. Having two Guidelines on the same issue does not make for certainty in subsidiary legislation.

Response

Article 26 of the Standards is complementary to the existing guidelines on collocation and infrastructure sharing and it is not an amendment to the Guideline.

FURTHER COMMENTS AND CONSIDERATIONS AT THE INQUIRY

1. Comment

S. 3.7 – An operator notes that this provision disallows competition and however recommends monetary penalties on operators who disallow interconnection purely from an anti-competitive point of view.

Response

The article is sustained. It contains provision to ‘monitor’, ‘detect’ and ‘penalize’ operators who are in breach and therefore has captured the concern raised by the operator.

2. Comment

Reference was made to Section 4 of the Standards dealing with Accepting/Transiting traffic from an interconnecting operator, irrespective of origin of the traffic. We need to agree on transit rate /settlement.

Response

The Commission notes the comment for further consideration.

3. Comment

S. 9.3 – The provision that Points of Interconnection (POIs) should be based on volume of traffic but disagrees with this as an operator may by his License have his operations confined to a geographical area. There should be unhindered mandate on existing operations to utilize interconnect points.

Response

The Article has provided about nine (9) possible Points of Interconnections (POI) and operator is at liberty to interconnect at any point. Operator is advised to read the article carefully. The Commission’s provision subsists.

4. Comment

S.9.4 – On timelines to establish POI, an operator suggested that a caveat for the 80 % of the traffic to be passed through interconnect exchange operators be included.

Response

Not accepted. The Commission's provision subsists.

5. Comment

S.9.4. – An operator suggested that rather than establish POI in all the States of the country, POI be established only in all the 6 geopolitical zones. The operator requested for democracy in interconnection, such that if a small operator wishes to connect with a big operator, the small operator cannot dictate the POI.

Response

The comment cannot be sustained. The Commission's provision subsists until the determination of market dominance.

6. Comment

S.10.4 – An operator noted that Value Added Service (VAS) providers are also obligated to interconnect. However, it is not specified in the Standards that ESP are also Licensed Services Providers, giving them the right to request interconnectivity to Licensed Telecommunications Operators.

Response

The Commission's provision subsists. The Commission will look after the small and the big operators.

7. Comment

An operator requested that all categories of VAS be clearly defined and updated on the Commission's website.

Response

The operator's comment is noted

8. Comment

S. 12.2 – An operator suggested that 56 days timeframe for the provision of interconnect between parties is too long and recommended two weeks timeframe.

Response

The Commission's provision subsists. Fifty-Six (56) days is a maximum threshold period within which licensed operators are required to have completed all negotiations regarding interconnection and get interconnected. The Commission would commend interconnection achieved within a shorter duration within the 56 days timeframe.

9. Comment

S. 12.7 – Provides that if party does not within 6 months make use of circuit for interconnection (dormant interconnection circuit) it may be withdrawn. Operator called on the Commission to review the provision.

Response

The article subsists. The comment is not accepted because any operator which does not make use of capacity made available for interconnection indicates it does not have immediate need for the capacity.

10. Comment

S. 14.4 – On the issue of emergency, the four months provided for is too long. Operator indicated that in waiting for four months, the quality of service would have degraded, no traffic will be passed and money will be lost. To this end, the time limit should be amended.

Response

The Commission notes the comment for further review. A period of one or one and a half month could be considered in view of emerging technologies.

11. Comment

S. 25.2 – Provides for the sharing and bearing costs. In practice, dominant operators expect the smaller operators including interconnect operators to bear 100% of the cost to interconnect with them and this has posed a great challenge to the smaller operators.

Response

The Commission's provision subsists. Interconnect Exchange operators should ensure financial and technical capability to handle certain traffic types, especially in respect to signaling.

12. Comment

S.25.4 – The making of interconnection mandatory is not sufficient, there is need to impose financial liabilities for defaulters for the length of time not connected.

Response

The Commission's provision subsists. The Commission in NCA 2003 and the Telecommunications Network Interconnection Regulation 2007 made sufficient provisions for redress in case of refusal or delay to interconnect a licensed operator.

Closing Remarks:

The EVC thanked all stakeholders who participated at the Inquiry. He expressed the desire of the Commission to share information with stakeholders to enhance its regulatory performance and stated that in finalizing the document, the Commission will take into consideration all the comments received from stakeholders.

Dated this 27th day of March, 2009

Engr. E. A. Ndukwe (OFR)

Executive Vice-Chairman/CEO