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Republic of Zambia

**MINISTERIAL STATEMENT TO PARLIAMENT ON MOBILE NETWORK
COMMUNICATION QUALITY OF SERVICE AND COMMUNICATION
TARIFFS**

Presented to the House by
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Minister of Transport and Communications

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Mr. Speaker

I stand grateful for affording me this opportunity to address this distinguished August House on the Mobile Network Communications Quality of Service, the Tariffs in the Communications Sector and the opening of the mobile network communications market and the fixed line service. It is Government's intention to continue on the path of growth in the Information and communication Technology (ICT) sector and attract investment which shall lead to employment creation and improved livelihood of the people.

Sir, the ICT Act No. 15 of 2009 under Part 5 provides for the regulation of Prices charged to consumers for ICT services (Tariffs). This provision gives the Zambia Information and Communications Technology Authority(ZICTA) powers to review all tariffs prior to their introduction on the Zambian market. Furthermore, the Act requires that ICT tariffs in Zambia shall be cost based, transparent and non-discriminatory with regards to geographical markets, age and sex of subscribers. In order to support the Regulator's mandate, a study was undertaken whose main objective was to determine the actual cost of providing ICT services on the Zambian market. The study revealed that the prices for ICT services were high.

The following are the results of the interventions taken by the Government through the regulator:

1. Reduction of the cost of calling across network - Initially it was very costly to make a call from one mobile network to another.

For instance in 2009, it was K1.68 per minute and after the intervention, it is now K1.36 representing a reduction of 19%

2. For calls within the same network, in 2009 it was K1.44 and after the interventions it is now K1.16 representing a reduction of 20%
3. By promoting competition through effective infrastructure sharing, access and interconnection, operators have been compelled to run various promotional incentives that offer free and discounted minutes which have resulted in the effective average tariff coming down to as low as 45 ngwee per minute from about 79 ngwee in 2009 representing a reduction of 43%
4. The pricing of internet has also dropped significantly from about K 1,250 in 2009 to about K 130 per 1GB today.

Sir, most of you have travelled abroad and been victims of high mobile roaming charges. In order to reduce the International roaming charges the SADC Ministers responsible for ICT and Postal services directed that the SADC members should facilitate a reduction in mobile roaming charges for travelling SADC citizens and residents within the SADC Region, Zambia included. To this end, four SADC member states which include Botswana, Namibia, Zambia and Zimbabwe have undertaken a pilot project from 1st September, 2015 to 1st October, 2015 to actualize and realize the Minister's initiative on a bilateral basis subject to adjusting the existing roaming agreements.

Mr. Speaker

A benchmark study was done which showed that Zambia is competitive in terms of prices for calling within the network. For instance, the price in US\$ cents is 9 cents for Zambia whereas for Zimbabwe it is \$15 cents, Namibia \$13 cents, Malawi, \$ 10cents and South Africa \$ 10 cents. However other countries like Kenya and Tanzania are lower with rates of \$6 cents and 8 cents respectively.

Despite the interventions by the Regulator, the majority of Zambians still find the cost of communication services too high. My Government through the regulator has developed effective tariff regulations and shall liaise with the Operators before determining the price caps and ceilings for tariffs in the ICT.

Mr Speaker

Not only should the communication services be looked at from the tariff pricing point of view, but also the Quality of Service (QoS). *According to the International Telecommunications Union standard, Quality of Service is defined as a collective effect of service performances, which determine the degree of satisfaction of a user of a service.*

Simply put, Quality of Service is the end to end experience that a customer encounters on a mobile network or internet service platform. It is important to note that if just one of the many attributes of the service is not satisfactory, the overall perception from a user's point of view may be perceived to be poor.

Sir, in order to protect the interest of consumers, the ICT Act No. 15 of 2009 has given ZICTA mandate to set quality of service standards, monitor and enforce the set standards across all segments of the ICT Sector. Consequently, ZICTA has put in place quality of service guidelines which contain sixty seven (67) standards to be met by the licensees. To assist in enforcing the guidelines, ZICTA acquired equipment (IBYS QoS System) to measure and monitor the end to end quality of service and adherence to set standards.

From 2009, ZICTA has been monitoring the performance of the operators against the five key QoS standards. These being the call setup time, call drop rate, call success rate, SMS delivery time and SMS delivery success. Suffice to say that ZICTA continues to build technical capacity to measure voice quality and internet speeds. In addition, the Regulator collects data on the performance on non technical aspects of the service through the complaints management system. Notwithstanding, the QoS guidelines requires that service providers to submit to ZICTA, quarterly QoS reports regarding compliance to all sixty seven standards.

Overtime, it has become evident that the performance of the mobile network providers is below standard especially on dropped calls, SMS delivery rate and voice quality. This outcome is consistent with the number of complaints received by the regulator and indeed the public opinion that on average, the network service providers' performance leaves much to be desired. The Regulator may enforce administrative sanctions and where the breach is considered serious or

persistent the Regulator can institute criminal proceedings. In enforcing the QoS guidelines, ZICTA meted out the 'name and shame' sanction and published in the daily newspapers for quarter 1 and 2 of 2015.

To ensure Quality of Service and Quality of Experience, the operators have been directed to commit and adhere to the set QoS guidelines pursuant to the ICT Act No. 15 of 2009. It must be noted that all the operators have commenced investment in upgrading their networks and call centers to improve quality of Service and experience.

Mr Speaker

In summary I wish to demonstrate Government's commitment to the development of the ICT sector which greatly impacts all other sectors. To this effect the sectors is in the center of all business processes and support the socio-economic development of the country. Government will continue to ensure that consumers enjoy quality services at affordable and competitive tariffs.

I thank you, Mr. Speaker Sir