

**NOTICE 652 OF 2015****INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA****EXPLANATORY DOCUMENT FOR THE NUMBERING PLAN REGULATIONS, 2015****1. BACKGROUND**

- 1.1. The Independent Communications Authority of South Africa ("ICASA") hereby gives notice of its intention to amend the Numbering Plan Regulations ("the Regulations"), 2012, in terms of sections 4(4) and 68 of the Electronic Communications Act, 2005 (Act 36 of 2005), as amended.
- 1.2. In preparing the draft Regulations, the Authority has taken into consideration some of the challenges and concerns raised during the industry numbering forum such as redefining the meaning of Machine Related Services (MRS), exclusion of Bulk SMS/MMS from the MRS migration and Premium Rated Services (PRS) voice off-net considerations.
- 1.3. This document is intended to highlight the substantial amendments in the draft Regulations and to outline the reasons for related decisions by the Authority as well as the transitional measures for the implementation of the proposed Regulations.
- 1.4. The explanatory note is not intended to describe or paraphrase the draft Regulations fully but rather to provide context and discuss the amended points and implications.

**2. AMENDMENTS OF THE NUMBERING PLAN**

- 2.1. The main objectives of the amendments seek to:
  - 2.1.1. Promote consumer transparency and awareness on the variety of services available and catered for by the regulations;
  - 2.1.2. Ensure that consumers call toll free services free of charge;
  - 2.1.3. Cater for the projected demand of services such mobile and machine related services.

### **3. DEFINITIONS**

3.1. The Regulations define the different types of numbering ranges and accompanying services i.e. machine related number, machine related service. However, some services were not defined in the Regulations published in 2012. The draft Regulations have therefore defined these services in line with the numbering plan. The following new definitions have thus been included in the Draft Regulations.

- 3.1.1. Inbound number
- 3.1.2. Inbound services
- 3.1.3. Mass calling number
- 3.1.4. Mass calling service
- 3.1.5. Mobile number
- 3.1.6. Mobile service
- 3.1.7. VoIP number
- 3.1.8. VoIP service

3.2. Through engagements with stakeholders as per regulation 24(2) and 25(3) of the Regulations, some of the current definitions have been revised as they were found to be ambiguous or restrictive, namely the definition of:

- 3.2.1. Harmonised number
- 3.2.2. Machine related service
- 3.2.3. Premium rate service

### **4. ALLOCATING AND RESERVING NUMBERS**

4.1. Regulations 5 (8) (6) has been amended so that the minimum utilisation level required before an application for additional numbers can be considered for mobile and machine related numbers is now revised to 80% from 60%.

4.2. The reasoning behind this amendment was due to a number of factors namely;

- 4.2.1. Allocations for mobile and machine related numbers are made on a larger scale (i.e. they are made in million and or hundreds of thousands). Therefore, the ratio compared to numbers allocated on a far smaller scale did not reflect this differentiation in respect of scale of allocation of mobile numbers

- 4.3. The demand versus the availability of mobile numbers. While there is a high demand for mobile numbers there is a restricted amount of numbers released for such mobile services without having to make drastic changes to the numbering plan.

## **5. MAINTAINING NUMBERING RECORDS**

- 5.1. Regulation 8 and 9 have been removed because they are regarded as an internal administration matter.

## **6. TRANSFERRING NUMBERS**

- 6.1. Regulation 13 has been revised to support the transfer of numbers.

## **7. SUPPLYING INFORMATION ABOUT NUMBERS**

- 7.1. Regulation 15(d) which sought to address calling line identification has been contextualized in order to provide clarity on the permissibility of calling line identification manipulation.
- 7.2. In support of the amended text under regulation 15(d), the draft Regulations have also included a definition for calling line identification.

## **8. GEOGRAPHIC NUMBERS**

- 8.1. To make provision for network testing requirements the Regulations have reserved numbers that are to be used as such. The following geographic numbering ranges have thus been reserved for testing purposes: 0XX 114; 0XX 115; 0XX 116 and 0XX 117.

## **9. NON-GEOGRAPHIC NUMBERS**

- 9.1. Table 4 of Regulation 19 has been amended to release:
  - 9.1.1. An additional 40 million mobile numbers in the 066, 067, 068 and 069 National Destination Codes (NDCs). This was done in order to provide relief to the current released mobile numbers as well as to cater for the continued high demand of mobile numbers.

9.1.2. An additional 20 million numbers for premium rated services in the 091 and 092 NDCs. These released additional numbers are in support of transparency and to protect consumers from undue harm. Thus the Authority is introducing a specific numbering range (092) for adult content services which are provided as premium rated services.

## **10. SHORT CODES BEGINNING WITH "1"**

10.1. The Numbering Plan Regulations published in 2012 released service codes within level 1 ranges. However, the draft regulations did not provide guidelines on:

10.1.1. The assignment that could be made within short code ranges; and

10.1.2. The management thereof in light of the fact that short codes are a limited resource.

10.2. In order to address the above concerns the Authority has developed the short strategy (schedule 1). The Authority derived the strategy on the data provided by the 2012/2013 numbering audit submissions (GG 36424), submissions from the year the Regulations were published, to determine actual level of usage and capacity.

10.3. The strategy also incorporated assignments of short codes that were made in line with regulation 14(2) of the Regulations.

10.4. In terms of the strategy the Authority has harmonised short codes for common services across networks, namely:

10.4.1. Voicemail retrieval;

10.4.2. Voicemail deposit;

10.4.3. Customer care;

10.4.4. Prepaid recharge\ balance inquiry; and

10.4.5. Account enquiries

10.5. Harmonisation of the above services seeks to:

10.5.1 Support for the efficient utilization and management of short codes; and

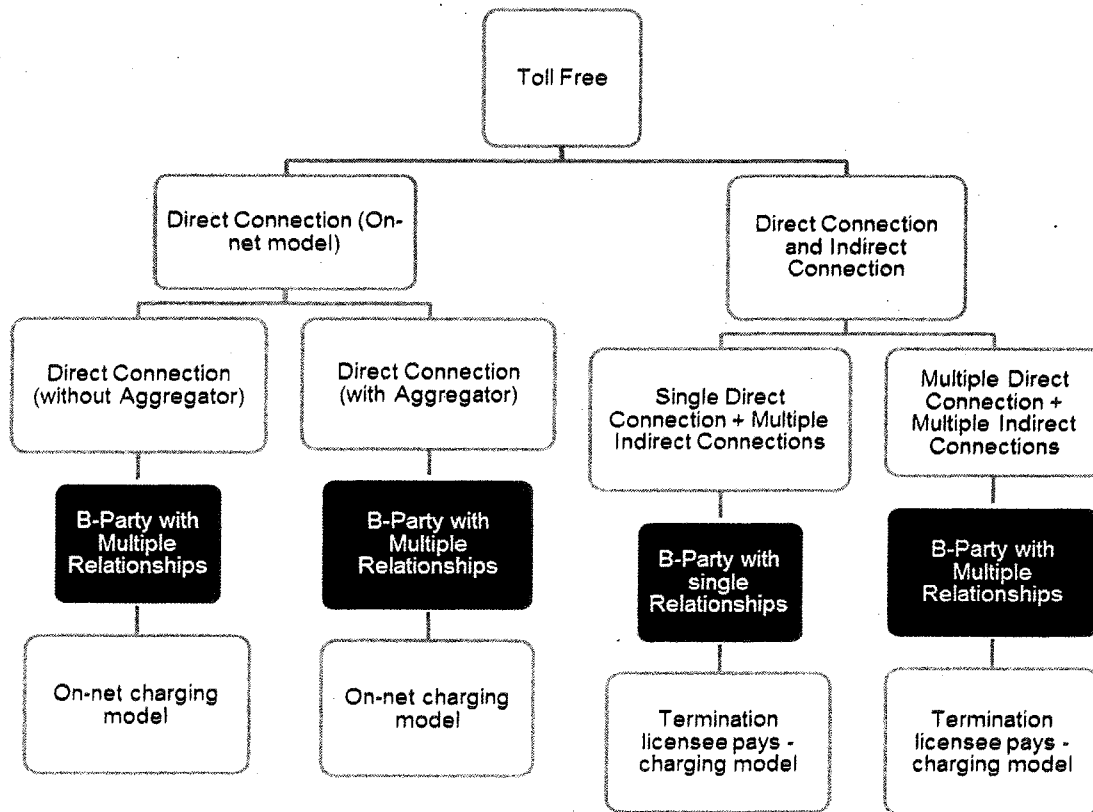
- 10.5.2 Support subscribers, in that they need only remember one set codes to access the abovementioned services regardless of which network they are on.
- 10.6. The harmonisation introduced by the strategy seeks to have a medium to long term benefit rather than an immediate benefit.
- 10.7. The strategy has also made proposals for:
- 10.7.1. Service codes that are to be used for on-net offerings and for inter-networking requirements. The stipulated codes were informed by the current usage by licensees.
  - 10.7.2. Service codes that can be used on an off-net basis.
  - 10.7.3. Service codes that be assigned to 24 hour response emergency services and non-profit organizations.

## **11. TOLL FREE NUMBER CHANGES**

- 11.4. Whilst the Authority is cognisant of the fact that toll free number implementation has been extended to 31 July 2015, for practical purposes the implementation of toll free will be in a period not exceeding six (6) months after the publication of the final regulations.
- 11.5. The Authority published a notice on 01 August 2013 requesting proposals from interested stakeholders as per Regulation 24(2) of the 2012 Regulations (referred to as the "Industry Numbering Forum" or INF). The submissions and representations were requested to include but not limited to:
- 11.5.1. Interconnection considerations
  - 11.5.2. Possible charging models
  - 11.5.3. Inter-operator considerations
  - 11.5.4. Consumer protection considerations
  - 11.5.5. Considerations for social and commercial use of toll free numbers.
- 11.6. The Authority received in total eight (8) submissions from the following parties:
- 11.6.1. Switch Telecoms
  - 11.6.2. Cell C

- 11.6.3. Telkom SA
- 11.6.4. MTN SA
- 11.6.5. Vodacom SA
- 11.6.6. Reunert ("Nashua Communications")
- 11.6.7. The Numbering Plan Implementation stakeholders Forum

11.7. Industry submissions: The Authority received proposals in which stakeholders identified four (4) different frameworks for consideration, namely; Direct connection only (on-net), Direct connection with an aggregator (on-net), Single Direct connection plus Multiple Indirect connections (off-net) and Multiple Direct connections plus Multiple Indirect connections (off-net):



Source: Industry Numbering Forum, 2013

**Option 1: Direct Connection (without an aggregator)**

This option represents the following situation:

- A company with a chosen 080 number is required to manage multiple network connections to ensure that calls from every network connected to this company remain "on-net."
- This situation implicitly allows such 080 numbers to be "portable".
- However, this situation requires the company to invest in significant network infrastructure for multiple direct connections as well as manage different billing arrangements with a multitude of licensees
- It is also likely that not all licensees would be willing or able to connect directly with such a company, thus negating the principle of a totally toll-free environment
- In this model, the company realistically also has the incentive to seek out and connect with the licensees with the largest subscriber base

### **Option 2: Direct Connection with an aggregator**

This model represents a situation where:

- A company with a chosen/given 080 number will have one network connection (minimising direct connection concerns) to an aggregator.
- This aggregator (licensee) effectively assigns the 080 number to the company.
- This proposal includes the proposal that the aggregator be given the responsibility for the assignment and management of the entire 080 number range as well as the fact that the aggregator may also offer 080 services.
- The Authority is not in favour of this model for the following reasons:
  - High industry set costs; and
  - Potential to favour one licensee over others.

### **Option 3: Single Direct Connection (with multiple indirect connections)**

- A company with a chosen/given 080 number will have a contract with one service provider and all licensees that interconnect with this service provider will have access to the company.
- This represents the existing manner in which most services are currently provided, except for the billing mechanism.
- There were two proposed billing mechanisms:
  - **Zero rated**
    - In this mechanism, the originating and terminating networks would not charge each other any costs
    - This would disadvantage the originating network as the terminating network would be able to recoup its costs from the company
  - **Originations payment**
    - In this mechanism the terminating licensee will recoup its costs and the costs of the originating licensee from the company
    - The Origination licensees will therefore recoup their costs on a reverse billing model from the terminating licensee
    - Some submissions have requested that the Authority specify the origination rate.
    - Others proposed that the origination rate be commercially negotiated.

**Option 4: Multiple Direct Connections (with multiple indirect connections)**

- As the name implies, this model represents a combination of Option 1 & 3.
- It therefore represents the same challenges that Option 1 faces

11.8. The Authority's recommendation is the adoption of the model that least disrupts the provision of existing services, i.e. Option 3. The Authority's proposed billing mechanism to be adopted is that of the commercially negotiated origination rate. The goal of the Authority through this



regulatory activity is to ensure the introduction of an interconnection model supporting totally toll-free calls for consumers. It is not the intention of the Authority to introduce any price control mechanisms. This origination should be specified in all revised interconnection agreements between parties and to be submitted to the Authority as per the Interconnection Regulations of 2010.

- 11.9. The Authority has thus incorporated schedule 2 (Toll free framework) as part of the Regulations and as subsequent amended Regulation 24 (1) and suppressed 24 (2).

## **12. PREMIUM RATED SERVICES**

12.1. The Authority notes the implementation of the code of conduct for premium rated services of 31 July 2015 as communicated in the Notice (GG 38065). This date will however not be feasible and hence the Authority has revised the implementation date.

12.2. Hence for practical purposes the implementation of the code of conduct shall be determined upon publication of the code of conduct.

## **13. MACHINE RELATED NUMBER CHANGES AND MIGRATION**

13.1. All machine related number changes must be migrated to the new number ranges within a period not exceeding six (6) months after the publication of the draft regulations.

13.2. The exclusion of Bulk SMS/MMS from the migration of Machine Related Services is under consideration by the Authority. The affected licensees will be notified of the outcome once a decision has been made.

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