



INTERCONNECTION
PROGRESS
REPORT 2023

General Manager's Message



Implementing the Interconnection service will improve the communication services provided by the Licensed telecommunication operators to consumers and the development of Somalia's Communication infrastructure.



The Interconnection issue was one of the most critical aspects of the National Communications Law and was the most challenging process to implement. Since the establishment of the regulator, several attempts have been made to finalize it, but we were let down by the experience the operators had in the past.

To make Interconnection successful this round, NCA has worked on all the necessary regulations and technical guidelines to assist the Licensed Telecommunication Operators in fairly implementing the Interconnection while protecting consumer interests.

In addition to the Interconnection being a requirement and a right for the customer, it is also an important benchmark for the growth of the telecommunications market and the investment in technology and innovation, and I hope that this agreement will put an end to discussions that have lasted since the inception of telecom companies in the country.

Finally, I would like to thank the leadership of the licensed telecom operators for their understanding of the process. In addition, I would like to acknowledge the role of our partners, namely the World Bank and International Finance Corporation (IFC), for their technical support of the process.

I would also recognize the role of the Ministry of Communications and Technology for its leadership in the process.

Mustafa Y. SHEIK

General Manager

National Communications Authority

Introduction

Understanding how the Interconnection is essential for promoting free market competition, the National Communications Authority (NCA) was able to implement the Interconnection of licensed operators in Somalia. This process started in 2019 but did not move well due to several challenges. This report focuses on the process and steps taken to implement the Interconnection. In addition, the report summarizes the actions taken to make Interconnection effective.

The National Communications Law of 2017 established the National Communications Authority of Somalia (NCA-Somalia) to license and regulate the telecommunications and technology sector. In particular, the Law directs the NCA to adopt rules in several areas critical to the proper functioning of the telecommunications and technology sectors.

One of the essential elements for promoting competition and the efficient functioning of the telecommunications market is the establishment of Interconnection. Accordingly, articles 49-53 of the Law give the NCA the authority to adopt regulations and guidelines for Interconnection among the Licensed Telecommunications Service Providers and identify particular issues that NCA should address.

In Somalia, Interconnection was implemented twice, most recently in 2014, by mutual agreement between three telecom operators. But unfortunately, this agreement lasted only a short time, and operators had to disconnect due to conflicts and a lack of regulatory governance.

When NCA was established in 2018, it made Interconnection a priority issue for the sector. To make the process successful, NCA worked on the following:

- **Establishing the regulatory, commercial, and legal framework for Interconnection implementation,**
- **Organizing several consultation meetings where operators discussed the contentious issues and possible ways to address them,**
- **Organizing several capacity-building workshops where the operators had the opportunity to discuss with international experts about the possible ways to implement Interconnection**

Interconnection Implementation Process

2000

- There was a Mobile Interconnection between Al-Barakat, AStel, Olymbic and Nationlink, which was disconnected.

2017

- National Communications Law passed by the parliament.

2019

- First draft of both the Interconnection regulation, and Interconnection Disputes Arbitration & Resolution was drafted.

2014

- There was a Mobile Interconnection by Hormuud, Nationlink and Somtel, which was also disconnected.

2018

- National Communications Authority established.

2020

- Interconnection regulation was re-drafted.
- The Interconnection Technical Guidelines were drafted.
- The Draft Interconnection Regulation and Interconnection Disputes Arbitration and Resolution were combined into one document called "The Interconnection Regulation".

2021

- The Interconnection Agreement Registration process was prepared by NCA.
- The 45 days consultation period for the Interconnection regulation and related documents.
- NCA hosted a three-day online workshop titled: Combating Telecommunications and Interconnection Fraud Seminar.
- NCA hosted several meetings with the Mobile Network Operators to discuss the Interconnection Regulation and the implementation of the Interconnection.

2023

- Hormuud and Golis signed and submitted an Interconnection agreement to NCA and interconnected their network.
- Hormuud and Somtel signed and submitted an Interconnection agreement to NCA and Interconnected their network.
- Launching Ceremony of Interconnection Implementation in Somalia.

2022

- NCA hosted a workshop titled: Practical implementation of Somalia Interconnection Regulation and discussion with Mobile Network Operators.
- NCA hosted several meetings with the Mobile Network Operators to follow up on the progress of the Interconnection implementations.
- NCA Board of Directors approved Interconnection regulatory framework, including Interconnection regulation.
- The NCA hosted 3-day negotiations in which The Licensed Telecommunication Operators discussed the Interconnection Mobile Termination Rate.
- The NCA presented the conclusion of all the consultation meetings, and then the NCA and the Licensed Telecommunication Operators signed an Interconnection agreement.
- Amtel and Somlink signed and submitted their Interconnection agreement to NCA and Interconnected their network.

Important Documents for Interconnection

In the process, NCA prepared the following documents:

No	Document	Description
1	Interconnection Public Notice	The public notice of the Rules for Interconnection was published. The document is intended to fulfil the Law's requirements and establish a framework for the Interconnection of the Licensed Telecommunications Service Providers.
2	Interconnection Regulation	The NCA developed an Interconnection Regulation to facilitate, guide and resolve Interconnection issues between Licensed Telecommunications Service Providers.
3	Technical guidelines	The NCA has also developed technical guidelines in the form of Interconnection Technical guidelines (reference Interconnection offer) to be utilized by the Licensed operators as the best practices to be followed when drafting commercial Interconnection agreements.
4	Interconnection Procedure	The NCA prepared an Interconnection procedure document that specifies the steps of requesting, negotiating, and registering an Interconnection agreement.
5	Interconnection Agreement Registration process	NCA has developed an Interconnection Agreement procedure to facilitate and simplify negotiations between operators, which aligns with the National Communications Law.

Conclusion

Implementing Interconnection was a long process. However, it was in line with NCA's philosophy of consensus-building. Therefore, the method used all available means of reaching the objective through consultations, capacity-building and facilitating negotiations among the operators. In the process, The NCA hosted more than 20 workshops, consultations, and meetings regarding Interconnection implementation, focusing on fostering the understanding of Interconnection's technical and commercial issues.

However, after a long process, NCA announced that most of the operators were interconnected in February 2023. And now, the focus is to ensure every licensed operator is interconnected to all of them.

It would not be the end of the story. NCA will ensure that the agreement is adequate and that the public enjoys this service. To make this happen, we will oversee the implementation of the agreements in the future.





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NATIONAL COMMUNICATIONS AUTHORITY