

Mobile Week with GSM

Without Interconnect Exchanges, unified licensing would drive up tariff, says operator

By Godfrey Ikhemueh

UNLESS deliberate efforts are made towards the development of Interconnect Exchanges in the country, tariff under the unified licensing regime being proposed by the Nigeria Communications Commission would be higher than presently obtains, says Ike Nnamani, Managing Director of Medallion, an Interconnect Exchange Clearing house.

With Unified licensing, all telecom operators regardless of the provisions of their licenses would be able to deliver cross license services such as full mobility once they can afford it.

The implication of this is that Fixed Wireless operators, which operate limited mobility services currently, would be able to operate full mobility. Once this happens, it would become virtually impossible for Fixed Wireless operators to maintain the current low level of tariff because with mobility they never can tell where a particular subscriber would be at any point in time to determine whether a call is local or trunk.

This, Nnamani said, might make it mandatory for FW operators to adopt a flat rate tariff that would be similar to what the GSM operators are offering now.

This issue forms part of the concerns of operators in the telecommunications sector that are presently clamouring for Interconnection Exchange Clearinghouses in the country.

The NCC is at the forefront of stakeholders in the sector who are asking for Interconnection Exchanges to help mitigate the problems currently experienced with the settlement of interconnect debt. Early this year, the NCC registered six companies to provide interconnect-clearinghouse services in the country.

At a forum on Interconnect indebtedness organized by the NCC a fortnight ago to resolve interconnect debt which are currently threatening the existence of the industry, the Executive Vice Chairman of the NCC, Ernest Nduke had appealed to telecommunications

operators to patronize the services of the clearing houses as part of the measures to mitigate indebtedness in the industry.

Explaining the complications that might be brought by unified licensing, Ike Nnamani said a man with a handheld fixed wireless phone bought in Lagos could be in Maiduguri at any point in time and all the calls he gets are transmitted to Maiduguri as trunk calls. Since the operator cannot determine where that man is, he would not be able to bill him appropriately and so the most reasonable thing to do by the

operators might be to raise tariffs to a flat rate, Nnamani contended.

He, however, quickly added that with Interconnect exchanges around the country, FW operators could easily overcome these problems. He explains that the component that constitutes the main cost in trunk calls is the cost of transmission from one interconnects point to another. He contended, however, that with Interconnect exchanges built by the new licensees across the country, local calls would be kept as local

as the operators would be building Interconnect switching exchanges in several cities in the country, thereby bringing down the cost of transmitting calls.

An interconnect clearinghouse in the Nigerian telecom environment is an operator that has acquired the license from the Nigerian Communications Commission (NCC) to deploy and operate interconnect switching exchanges and offer a billing settlement service for the telecommunication operators.



At the commissioning of MTN's Switch and friendship Centre in Kano: Alh. Magagi Abdullahi, Deputy Governor, Kano state and Alh. Aminu Bayero, District Head of Dala in Kano at the event

MTN increases Recharge card validity

MTN Communications has increased the access days for prepaid customers with each recharge from Thursday, July 14, 2005.

Subscribers who load N6,000 recharge card will enjoy 120 access days instead of the previous 60 days. The same number of access days (120) will now apply to N3,000 recharge card, a substantial increase from the previous 30 access days.

MTN's Chief Marketing & Strategy Officer, Afam Edozie announced that a N1,500 recharge card will entitle the customer to 60 access days, up from the previous 15 days, while N750 recharge will now attract 30 access days, from the current 5 access days.

Edozie said that the N500 voucher, which is included in some MTN starter packs, now has 10 access days, instead of 5 days, while N400 voucher now comes with 10 access days, and not 4 days.

In line with this gesture, MTN customers can now accumulate 365 access days. Until now, the maximum access days allowed was 90 days.

Edozie reiterated the commitment of MTN to ensure the greatest interest of its numerous customers: "We want our customers to see us as a listening company, even as we are committed to providing world class telephone services."

Kano State deputy governor gives MTN pass mark

THE Deputy Governor of Kano State, Alhaji Magagi Abdullahi, has commended MTN Nigeria Communications as the most reliable and socially responsible GSM service provider in the country.

Alhaji Abdullahi gave MTN the pass mark when officials of the company led by its Vice chairman, Col. Sani Bello, paid him a courtesy call at the Government House in Kano. The courtesy call was the highlight of the official commissioning of MTN Switch and Service Centres in Kano recently.

He said: "Out of all the GSM operators in Nigeria, MTN is the most reliable and is closest to the people. It is easier to reach out through the network. Other operators' coverage is not as wide as MTN's in this part of the country. However, I would request that you further leverage on this investment in your switch and service centres to spread your coverage even further to other major towns and cities."

Commending MTN for the quality of her services across the country, especially in Kano State and environs, Abdullahi reiterated that MTN's investment in Kano was predicated on a wise business decision. According to him, "your investment here shows that MTN has confidence that the economy of Kano, and indeed, Northern region will make a turn

around for the better."

He noted the company's commitment to corporate social responsibility initiatives, and invited MTN to extend such gestures to the people of Kano. He said that Kano State is ready to partner with MTN to further extend its services and CSR projects to major towns and cities in the state.

He pointed out that "Mobile telecommunications is a blessing to Nigeria," adding "it is the biggest industry now in terms of Naira and Kobo."

Earlier, the leader of MTN delegation, Col. Sani Bello (Rtd) told the Deputy Governor that MTN had made investments valued at over \$25 million in Kano so as to provide excellent services to the city and its environs. He said that the impressive Service and Switch centres, which were opened by the deputy governor, are a testimony of MTN's commitment to making the life of people beautiful everywhere they go.

Col Bello expressed MTN's gratitude to the Deputy Governor and the people of Kano State for the stately reception accorded MTN since it berthed in Kano in March 2002.

According to him, "the building of the multi-million switch and service centres in Kano is

evidence of the importance of Kano to MTN, and her strategy of providing quality telecommunications services to her numerous subscribers in every geo-political zone in Nigeria."

Col. Bello explained that the new MTN Switch and Service Centre would offer the people of Kano State and her environs easy access to the full compliment of MTN services. "The Service Centre will help solve consumer-related issues, ranging from assisting customers to utilize their handsets, the purchase of handsets, airtime and MTN Starter Packs. The needs of MTN's distribution partners in Kano area will also be attended to."

Col. Bello reiterated the continuous commitment of MTN to plough back its profits into the Nigerian economy through its investments in infrastructure development, sponsorship and meaningful social responsibility initiatives.

He noted that the ancient city of Kano has played host to a number of MTN sponsored initiatives, the most recent being the annual Kano Polo Tournament.

The Deputy Governor formally commissioned the facilities with representative of Emir of Kano in attendance. Kano has been live on the MTN network since March 2002. It was the ninth city in which MTN launched its services in Nigeria.