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New Regulatory Framework for Electronic Communications in Angola

- Management and Use of Radio Spectrum and Numbering Resources -

INTRODUCTION: THE ENACTED STRATEGIC AND LEGISLATIVE PACKAGE

In the context of the implementation of the measures advocated in the White Paper on Telecommunications, the Angola Government recently approved three new diplomas:

> The Strategic Plan on the licensing of electronic communications operators ("PERL"), approved by Presidential Decree no. 122/16, of June 9;

> The new General Regulation on Electronic Communications ("RGCE"), enacted by Presidential Decree No. 108/16, of May 25; and

> The Strategic Plan for Radio Spectrum and Numbering (PEERNUM), approved by Presidential Decree No. 95/16, of May 10.

This package approves a set of structuring strategic guidelines, provisions and actions for the electronic communications sector (including the distribution of television and/or content via electronic communications networks) and it is therefore fundamental that players in this sector be familiarised therewith and prepared for the challenges arising thereof.

In this document, we present a brief overview of the main aspects of these spectrum and numbering policies, which are mainly set out in the PEERNUM, but also detailed in other documents of the package.

STRATEGIC PLAN FOR RADIO SPECTRUM AND NUMBERING RESOURCES (PEERNUM)

The PEERNUM contains the general framework for the strategic guidelines concerning the management and the procedure for awarding rights of use of radio spectrum and numbering resources, as well as a set of measures to be adopted by 2017 in these domains.

The PEERNUM begins by highlighting the importance of radio spectrum resources for the social and economic development of Angola, not only as regards electronic communications, but also fields such as security, defense, transport and the oil sectors, among others.

A – Radio Spectrum: main recommendations

Within the context of spectrum management, the PEERNUM sets out strategic recommendations as regards the regulatory model, the allocation model and specifically with respect to certain services.

1. Regulatory Model

> The relevant regulation should be transparent and predictable to promote investment and to prevent situations of spectrum hoarding that might cause competition distortions in the market.

> The regulatory model should be in harmony with relevant regional international recommendations.

> Technological neutrality should be introduced in the use of spectrum (for 1G, 2G, 3G and 4G).

> Infrastructure sharing objectives should be defined as a condition for the allocation of specific frequency bands.

> Regulations concerning service quality and equipment radiation will be drafted and published.

> Foresees the allocation of specific frequency bands – 700 MHz or 800 MHz in new generation closed networks – for specific services, such as the fire and civil protection departments.

> Proposes to regulate the use of higher frequency bands for high debit connections (last mile).

> Establishes that the regulatory model to be implemented allow for the maximization of spectrum value, thus allowing for a higher financial cash inflow, to be allocated towards the fostering and development of Information Society.

“Technological neutrality in the use of spectrum should be introduced (for 1G, 2G, 3G and 4G).”

2. Spectrum Allocation Model

> The regulatory model for spectrum allocation aims to give the market increased prominence, it being foreseen that a public consultation be launched on the use and allocation of spectrum and the possibility of potential interested parties submitting specific proposals regarding the use of certain frequency bands, thus proposing the applicable conditions.

> Foresees the need to reorganize and reallocate spectrum (refarming) to promote its more efficient management and to accommodate existing and future needs.

> Establishes the need to evaluate several possible methodologies of spectrum allocation. The RGCE identifies the following possible models: (i) tender procedure (such as an auction or a public tender), (ii) decision on individual allocation, or (iii) by means of a request before the Regulatory Body for Electronic Communications – INACOM.

> Finally, the spectrum allocation model should also promote the fostering and dissemination of wireless and fixed networks at the national level and, in this context, offsets may be negotiated in order to balance the promotion of investment in less profitable areas.

3. Telephony and mobile data services

In what concerns telephony and mobile data services, the Angolan State has the following objectives:

> To promote the gradual implementation of mobile networks across the country and to require greater prioritization by operators of universalisation in the services rendered across the country's five major provinces (Benguela, Huambo, Lobito, Lubango and Luanda), in the short term;

> To release, over the coming years, the band used for WLL (Wireless Local Loop) services, in order that it may be used in providing 3G and 4G mobile telephony services;

> To use terrestrial platforms in providing services to remote areas;

> To ensure that spectrum refarming allows for the allocation of new titles/licenses or others according to the guidelines reflected in the PERL.

In view of this, it is foreseen that the refarming be carried out based on the following guidelines:

Bands	Actions to be taken	Observations
694 – 880 MHz	Total cleaning of band	Discontinue the CDMA service to IMT (International Mobile Telecommunications)
880 – 960 MHz	Standardise the attribution of 2x5 MHz blocks to all operators	The attribution of frequency blocks is limited by the number of subscribers held by each operator.
1710 – 1885 MHz	Standardise the attribution of 2x5 MHz blocks to all operators	The attribution of frequency blocks is limited by the number of subscribers held by each operator. Band intended for IMT.
1885 – 2025 MHz **2110 – 2200 MHz**	Standardise the attribution of 2x5 MHz blocks to all operators	The attribution of frequency blocks is limited by the number of subscribers held by each operator.
2500 – 2690 MHz	Standardise the attribution of 2x5 MHz blocks to all operators	The attribution of frequency blocks is limited by the number of subscribers held by each operator. Band intended for IMT.
3400 – 3800 MHz	Cleaning of band	ANGOSAT Project
3800 – 4200 MHz	Cleaning of band	ANGOSAT Project

"Removing inactive numbers and permitting their reuse by operators 3 months after the date the number was deactivated."

B – Numbering: main recommendations

> As regards numbering, the Angolan Government recognises the need to review and update the country's National Numbering Plan ("NNP"), in order to comply with the principles of technological neutrality and to allow for number portability and carrier selection/pre-selection.

> The need to "clean" operators' databases is also established, with the goal of removing inactive numbers and permitting their reuse by operators 3 months after the date the number was deactivated.

> Finally, the National Numbering Plan is as follows:

Service Codes	Objective
0	Reserved for access codes
1	Short numbers
2	Fixed telephone service (geographic numbers)
3	Fixed telephone service (non-geographic numbers)
4	Value-Added Service (short numbers)
5	Reserved for future needs
6	Value-Added Services and other application services
7	Private, corporate and similar such networks
8	Special Services - Country Direct (*País Directo)*, Blue Number (*Número Azul*), Green Number (*Número Verde*) - and for other special numbers
9	Mobile Service

STRATEGIC PLAN ON THE LICENSING OF ELECTRONIC COMMUNICATIONS OPERATORS ("PERL") – SPECTRUM AND NUMBERING

PERL foresees the launch of two spectrum auctions for frequency bands ranging from 694 MHz to 862 MHz, as follows:

> Auction for the rights of use of frequencies resulting from the digital dividend (700 MHz frequency band - in band-widths between 703 MHz and 788MHz - and 800 MHZ frequency band - in band-widths between 791 MHz and 862 MHz);

> Auction for the rights of use of other band frequencies for mobile broadband services using LTE, or the future developments of any service (mobile terrestrial or data mobility services).

As regards eligibility for participation in spectrum auctions, everything suggests that the following operators will be potentially eligible:

> Main lot – Angola Telecom, Movicel and Unitel

It is foreseen the auction of a minimum of three lots of 10Mhz Duplex (10Txx+10Rx) with national coverage, corresponding to a total of 60MHz, in band-widths between 703MHz and 788MHz and in band-widths between 791MHz and 862MHz, with the aim to allow the provision of national voice and data services, available for operators benefiting from an unified global title, as set forth in PERL.

> Secondary lot – Angola Telecom, Itelnet, MSTelcom, Movicel, Multitel, Startel and Unitel

This proposal foresees, in order to ensure the strategic political goal established with the publication of the White Book, the awarding of global unified titles or convergent titles, i.e. titles allowing the rendering of any type of service – fixed, mobile, pay-tv, among others – to the operators of largest expression in Angola and, simultaneously, to grant those operators that fulfill certain requirements, the possibility of holding and/or strengthening their mobile data offers.

"Launch of two spectrum auctions for frequency bands ranging from 694 MHz to 862 MHz"

What's next?

The PEERNUM establishes a demanding schedule for the implementation of its measures by 2017. It is therefore vital that all operators and market agents begin to assess which measures they should adopt to better respond to the challenges arising from this Government-approved package:

- Update of the National Frequencies Plan and the National Numbering Plan;
- Public consultation on spectrum;
- Spectrum actions;
- Clean-up of inactive numbers owned by operators and the possible reuse of these numbers 3 months after the date of their deactivation;
- Conclusion of the basic television programs package for Digital Television;
- Refarming procedure;
- Implementation of number portability;
- Study on the possibility of introducing 10 number digits;
- Implementation of audit and inspection mechanisms concerning the use of spectrum and numbering allocated to operators.

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"It is vital that all operators and market agents begin as of now to assess which measures they should adopt in order to better respond to the challenges arising of the Government approved package"

About us:

Angola Counsel is the exclusive member of VdAtlas in Angola, a network of independent law firms integrated and managed by Vieira de Almeida & Associados, with a particular focus on sub-Saharan Africa.

The VdAtlas Network has a team specifically dedicated to providing assistance in the electronic communications, media and information technologies markets, with vast experience in those sectors and in all VdAtlas jurisdictions. For more information, please contact:

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