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## **National Communications Authority**

*- Press Release*

### **NCA FORMALLY NOTIFIES KASAPA TELECOM OF INTENTION TO TERMINATE LICENCE**

- *Inability of Kasapa to Meet its Regulatory Obligations*
- *Aimed at Ensuring Compliance and Protecting Telecom Consumers*

**Accra, 7<sup>th</sup> March, 2018** – Kasapa Telecom Limited has been formally notified by the National Communications Authority (NCA) of the intention to terminate Kasapa’s Mobile Cellular Licence following its inability to meet its regulatory and licence obligations. The Mobile Cellular Licence was granted to Kasapa on 2<sup>nd</sup> December, 2004 for a period of fifteen (15) years and scheduled to expire on 1st December, 2019.

According to the Authority, the grounds for this intended action include the following:

- a. Default of payment of annual regulatory fees since 2014,
- b. Inability to offer licensed services and coverage obligations since 2014,
- c. Engagement in anti-competitive practices by terminating/transiting international traffic as domestic traffic on other networks,
- d. Failure to settle fees for usage of microwave frequencies,
- e. Inability to meet financial obligations to other Operators in respect of Interconnection payments,
- f. Failure to meet financial obligations to Porting XS, the Mobile Number Portability (MNP) Service Provider,
- g. And finally, a recent switch off of the network without due notice to the Regulator.

The notification, which was served on Kasapa at the end of January, 2018, referred the service provider to Section 13 (1) of the Electronics Communications Act (2009), Act 775 which give the NCA the mandate to suspend or revoke a licence or a frequency authorisation.

Since 2014, the Authority, concerned with challenges faced by about Kasapa's subscribers and other stakeholders within the industry, begun engaging with Kasapa in an effort to get the company to operate and use the allocated national resources efficiently. This became necessary as Kasapa occupies a vital portion of the spectrum which is being under-utilised and due to which stakeholders are unable to derive broader stakeholder value. These engagements resulted in various promises from Kasapa without any positive outcome. In addition, Kasapa's market share kept on dwindling and from April, 2017, Kasapa has not been able to submit its subscription figures, with their last submissions being Mobile Voice figures of 23,264 (Market Share of 0.06%) and Mobile Data figures of 10,151 (Market Share of 0.08%).

The NCA, in pursuing on the revocation of Kasapa's Mobile Cellular Licence, has cautioned the company to ensure it meets its contractual obligations to all its stakeholders, including the NCA, employees and other service providers.

In conclusion, the NCA will continue to streamline the industry to ensure compliance and also guarantee that the good people of Ghana benefit collectively from the scarce national resources.

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## **Editor's Note**

### **About NCA**

The National Communications Authority, (NCA), was established by an Act of Parliament, Act 524 in December 1996, which has been repealed and replaced by the National Communications Authority Act, 2008 (Act 769). The Authority is the statutory body mandated to license and to regulate electronic communication activities and services in the country.

Section 13 (1) of the Electronics Communications Act (2009), Act 775: states among others that “the Authority may suspend or revoke a licence or a frequency authorisation where

- (a) the licence or the authorisation holder has failed to comply materially with any of the provisions of this Act, Regulations or the terms and conditions of its licence or frequency authorisation
- (b) the licensee or the authorisation holder has failed to comply materially with a lawful direction of the Authority,
- (c) the licensee or the authorisation holder is in default of payment of a fee or other money, charged or imposed in furtherance of this Act, the National Communications Authority Act, 2008 (Act 769) or Regulations
- (d) the licensee ceases to (i) operate the public communications network, (ii) provide the public electronic communications service, or (iii) use the frequency band.”