

**REMARKS BY THE DIRECTOR GENERAL OF THE NCA, MR. JOE ANOKYE, AT THE PRESS
CONFERENCE HELD ON 26TH APRIL, 2023 AT THE NCA TOWER**

Minister for Information,
Chief Director at the MoCD,
Distinguished Media Partners and Guests,
Ladies and Gentlemen,

Good morning,

The 21st century has witnessed rapid technological transformation as businesses, regulators and governments across the world embrace the digital transformation age. In order to use these new digital technologies to transform our socioeconomic activities and spur development, governments and economies around the world are making significant investments in digital technologies.

As we are aware, Ghana embraced the Digitalisation Agenda and has witnessed a steep rise in the use of digital technologies for socioeconomic development. Most recently, the Government of Ghana under the able leadership of the President of the Republic, H. E. Nana Addo Dankwa Akufo-Addo and the Minister for Communications and Digitalisation, Hon. Ursula Owusu-Ekuful, has embarked on a rapid digitalisation drive to integrate digital technologies into public services while creating an enabling environment for the private sector to grow thereby enhancing the quality of life of the citizenry. Citizens must therefore be assured that these systems are trustworthy to enable them patronise it.

Evidently, the Subscriber Identity Module (SIM) Registration exercise is one of the interventions that aligns with this Agenda since building trust in digital ecosystems is a priority. As we continuously increase the use of digital technologies in all aspects of our daily lives, the critical role of the SIM Registration exercise cannot be overlooked.

As a matter of fact, ladies and gentlemen, Ghana's Digital Transformation Agenda is anchored in part on a credible SIM register and a competitive telecommunications industry. It is therefore worth mentioning that the secure and credible SIM database that has been established since the commencement of the exercise will eventually prevent fraudulent activities in relation to SIM based transactions. Further, the exercise will create a safe ambiance for consumers to use communication services.

For the purpose of today's Press Conference, we will focus on two areas; the MTN Zone Bundle and the SIM Registration Exercise Journey and address some of the issues of concern that have been reported in the various media outlets in the past few weeks.

BRIEF ON SIGNIFICANT MARKET POWER (SMP) AND THE MTN ZONE BUNDLE

Introduction

There have been recent public concerns raised about the temporary suspension of the MTN Data Zone Bundle. The concerns bordered on the relevance of the measures instituted to remedy the imbalances in the mobile sector in view of MTN's dominance in mobile voice, data and SMS. We would like to shed light on the Significant Market Power (SMP) in mobile voice, data and SMS as they relate to MTN and to clarify issues regarding the MTN Data Zone Bundle.

Background

Simply put, Significant Market Power (SMP) is a concept in market competition relating to the dominance of an operator in a particular market.

In Ghana, the National Telecommunications Policy, 2005 (NTP'05) established that SMP will be deemed to exist for an organization providing telecommunications services that controls at least 40% of a relevant market segment.

Additionally, section 20(10) of the Electronic Communications Act, 2008, Act 775, mandates that the Authority may classify a network operator as dominant if that operator enjoys a position of economic strength that enables it to behave to an appreciable extent independently of competitors and users.

When a network operator is classified as SMP, regulatory intervention is needed to prevent the dominant operator from abusing its position in the market and to offer an opportunity for correction of the imbalances in competition in the market place.

To this end, the NCA commenced discussions in July 2014 on the regulation of market competition. This led to the appointment of Analysys Mason in November 2015 as Consultant to undertake a study to determine whether any particular operator in Ghana had significant market power (SMP) in one or several of the relevant voice markets, including retail and upstream wholesale markets.

At the end of the study in 2016, MTN was identified as an SMP in the Retail Mobile Voice Market with a market share of 46%.

In October 2019, the NCA commenced a review of competition in the market, using the monthly and quarterly data statistics from the industry.

The review established that MTN fits the definition of a Significant Market Power (SMP) in the retail mobile voice, data and SMS markets. Hence MTN was formally declared SMP in October of 2020.

Seven remedial measures were put in place.

So far, MTN has been in compliance with all the SMP measures. However, in January 2023, the NCA took note of an MTN product called MTN Data Zone Bundle, a 24-hour data bundle which offered discounts of up to 35% for various data allocations. Some market players also raised concerns about the predatory nature of this package.

Consequently, the NCA engaged MTN and reviewed the product. It was found that for a number of price points the MTN Data Zone Bundle was the lowest in the market in violation of the SMP directives. Also, the required prior approval was not obtained before the product was rolled out. Further, the licence obligation for all MNOs to publish their tariffs including the terms and conditions was not adhered to in respect of this product. MTN was therefore directed to discontinue the product until such time that all the violations have been remedied. After a series of engagements with the Authority, MTN complied with the directives and the product was withdrawn on 5th April 2023.

MTN has since submitted a revised Data Zone Bundle which has been approved by the Authority for implementation. It is our expectation that the product will soon be available to customers.

Conclusion

We will like to assure consumers and the general public that the regulatory interventions resulting from the classification of MTN as SMP are intended to sustain choice for consumers and protect consumer interest regarding the provision of innovative services and competitive pricing. The protection of competition in the marketplace will protect the interest of consumers in the long term.

NATIONAL SIM REGISTRATION - THE JOURNEY SO FAR

1. History of SIM Registration

This is the second time the SIM Registration Exercise is being conducted. For those of you who may recall, the first SIM Registration Exercise commenced on 1st July, 2010 and was supposed to run for a year. The exercise was, however, extended and the Subscriber Identity Module Registration Regulations, 2011, LI 2006 was promulgated to govern the process.

The Registration and Verification of SIMs and IDs used were the responsibility of the MNOs as per LI 2006. The exercise also began with no verification of the IDs used until the NCA set up a temporary SIM Registration Unit where only manual verification of the Passports used for SIM Registration was done; with manual verification, your guess is as good as mine with regard to errors.

However, there was no verification of the other IDs that were used for the SIM Registration.

2. Challenges with the Previous Exercise

The previous SIM Registration exercise recorded some challenges which impacted the integrity of the SIM databases held by the Mobile Network Operators (MNOs). These included:

- a. The use of a manual and unsustainable verification process for the passport used for the exercise as explained above.
- b. No limit on the number of SIM Cards registered by an individual.
- c. Lack of verification which allowed the agents of the MNOs to use the IDs of unsuspecting individuals as well as invalid IDs to pre-register SIMs for sale.
- d. Lack of a Central SIM Registration Database to allow the NCA to independently and adequately monitor the registrations that had been completed as well as the activities of the MNOs regarding the SIM registration.
- e. The use of multiple IDs for registration of SIMs.
- f. Inability of Security and Law enforcement Agencies to trace IDs of individuals involved in SIM-related breaches of the law.

3. The Current SIM Registration and Modalities

In light of the above and to address the identified gaps, the Hon. Minister for Communications and Digitalisation, Mrs. Ursula Owusu-Ekuful issued a policy directive on the current SIM Registration Exercise which commenced on 1st October, 2021 in line with Government's Digital Transformation Agenda.

Following the announcement, the NCA began implementation of the SIM Registration Exercise in collaboration with stakeholders.

To continuously support and guide the exercise, two stakeholder committees (Technical and Communications) were put together. An Operational Support Centre (OSC) was also set up to provide assistance to consumers and the general public on issues relating to the Registration.

3.1. Modalities of the Current SIM Registration

After extensive engagement with identified stakeholders, the following modalities were put in place to guide the implementation of the SIM Registration exercise:

- a. The use of the Ghana Card for the registration of SIMs in accordance with the National Identity Register Regulations, 2012, LI 2111 and the Subscriber Identity Module Registration Regulations, 2011, LI 2006.
- b. Verification of the ownership of the Ghana Card details against the NIA Database.
- c. Collection of biometric data of a verified subscriber after a positive Likeness and Liveliness check.
- d. Limit of 10 SIMs per individual and 3 SIMs per foreign visitor across all networks.
- e. Establishment of a Central SIM Register in accordance with the Executive Instrument 63, 2020.

3.2. Process of Registration

The new SIM Registration is applicable to existing and new subscribers. Each subscriber group has a different process for registering.

3.2.1. Registration for Existing Subscribers

SIM registration of existing subscribers is done in two stages:

First Stage - Customer initiates registration of existing SIM by submitting the underlisted Ghana Card details via a USSD Short Code '404'. A successful submission will result in the Subscriber being sent a Unique Code to be used for the second stage of the SIM Registration

Second Stage - The second stage involves the use of the SIM Registration App where using the Unique Code the subscriber is subjected to a liveness and likeness check. Upon passing the check, the subscriber proceeds to biometric capture of the subscriber.

4. The Journey so far

At this point, let me take you through some statistics showing the journey so far. We will be using some slides to explain the journey.

Overall National Statistics on 1st October, 2021 and Current

Table 1: Success Rate Using Figures from Start of Exercise to Current Figures

No	Description	SIM Registration Statistics
1	Total Active SIMs at Inception of Exercise with MNOs and BWAs	42,749,709
2	Current Total Active SIMs	36,571,257
3	Active unregistered SIMs	11,122,295*

5. Issues Arising from the current SIM Registration

Ladies and Gentlemen, permit me to touch on some of the issues that we have faced on this journey.

a. Registrations Exceeding the limit of 10

The limit of ten (10) SIM registrations is for individual subscribers while corporate entities can register more than ten (10) SIMs. As a result, there was a need for all SIM registrations shared with the Central SIM Register to be properly classified as either business or individual.

At the beginning of the exercise, the NCA noticed that the classification field for SIM registrations shared with the Central SIM Register was not being completed. The MNOs who were not completing the classification field requested for time to reconfigure their

databases in order to properly classify the SIM Registrations and share same with the Central SIM Register. This gave some subscribers the opportunity to register more than 10 SIMs.

b. Unauthorised Use of Ghana Cards for Registration of SIMs

At the beginning of the SIM Registration Exercise, the MNOs complained that a lot of their agents did not have smartphones required for registering new SIMs in line with the current SIM Registration process.

As a result, the MNOs were allowed to continue to use their legacy platform which only required a feature phone for registration. This opened the process to abuse by some of the actors in the registration process in stage one.

As part of the monitoring processes, the NCA uncovered this abuse and immediately directed all MNOs to discontinue using their legacy platform for registration.

It is important to note that the legacy registration platform only allowed for completion of Stage One of the SIM Registration Exercise without biometric capture.

5.1. Protecting the Integrity of the SIM Register

In order to protect the integrity of the SIM Register, the NCA also directed the MNOs to:

- i. Complete the classification or categorisation of all SIM Ownership into either Individual or Business SIM.
- ii. Deactivate all SIMs that are partially registered (Stage 1).
- iii. Strictly apply the limit of 10 SIMs to Individual SIMs.
- iv. Develop a solution whereby consumers can use a Short Code to check the number of SIMs registered with their Ghana Cards.
- v. Ensure that Consumers that want to delink SIM Cards from their Ghana Cards can do so after a full KYC and eyeballing of the Consumer by the MNO. This delinking will also be done only at the Customer Care Centres of the MNOs to ensure integrity and to ensure that ONLY the right owners of SIMs are allowed to delink.
- vi. Develop enterprise and web-based systems for Businesses to check and delink SIMs that are no longer in use or are unwanted by the Business.

6. Claims that the SIM Database has been Breached

We wish to assure the general public that the SIM Database has not been breached. In the first place, there has been no unauthorised access to the SIM Registration database. The identified abuses of stage one process, which have been resolved, do not amount to unauthorised access to the SIM Registration database.

7. Way Forward

- a. In the coming days, the MNOs will introduce a system to enable subscribers check the number and detail of SIMs registered to their respective Ghana Cards.
- b. Based on the statistics that we showed earlier, there are about 11 million active unregistered SIMs. These include:

- i. Exempted SIMs for Ghanaians on National Duties outside Ghana
 - ii. Foreign Diplomats
 - iii. Refugees
 - iv. Recalcitrant Subscribers who have Ghana Cards but have refused to register
 - v. Subscribers who have registered some but not all of their SIMs
 - vi. Subscribers who do not genuinely have Ghana Cards.
- c. One of the things to note is that **active Mass SIM Registration for Existing SIMs** is coming to a close. As mentioned earlier, we have about 11 million SIMs which are yet to begin the registration process. The subscribers of these Unregistered Active SIMs have up to the end of May 2023, to complete their SIM Registration or have their SIMs deactivated from the network. The only exemptions will be for those I have just listed earlier:
- i. *Exempted SIMs for Ghanaians on National Duties outside Ghana*
 - ii. *Foreign Diplomats*
 - iii. *Refugees*
- Subscribers who do not genuinely have Ghana Cards will have to prove that they do not have Ghana Cards to prevent their SIMs being deactivated.
- d. The SIM Registration Exercise will only be for **NEW SIMs** from the 1st June, 2023.

8. Closing

- a. We can now state that Ghana has a **single central SIM Register** as mandated by Executive Instrument 63, 2020.
- b. It is also important to note that Ghana, now has a SIM Database that has integrity. Every active registered SIM in the current SIM Registration Database can be traced to a unique Ghana Card (*Currently there are 25,448,962 SIMs tied to about 13,982,557 unique Ghana Cards*).
- c. A team has been put in place to periodically audit the individual SIM registers held by the MNOs and BWAs to ensure they are consistent with the Central SIM Register; any MNO or BWA found to be in breach would be held accountable to the fullest extent of the law.
- d. To our valued Consumers, we can assure you that your registration information is safe, your data has not been breached and that the NCA working with stakeholders is committed to ensuring the continuous integrity of the SIM Register.
- e. SIM Registration is a key national assignment fundamental to our digital transformation agenda. It is critical for the building of trust and confidence in the use of telecommunications, financial and other essential services. A reliable SIM Register will support security and law enforcement activities to safeguard our common peace and also promote socio-economic development. We count on all stakeholders including you, the media, to drive the support to enable us achieve a successful SIM registration exercise.

This exercise has been a collaborative one involving several persons and institutions; and we wish to acknowledge them.

9. Acknowledgements

We would like to express our profound gratitude to His Excellency Nana Addo Dankwa Akufo Addo for the decision to embark on this very important exercise aimed at using the telecommunications space to propel the digital transformation agenda.

We also thank the Vice President of the Republic, H.E Mahamudu Bawumia for his contribution to the success of this effort. It could be recalled that the first meeting by key stakeholders to discuss the process of using the Ghana Card to verify SIMs in the country was held and chaired by H. E in his office on 12th April, 2021.

We wish to acknowledge the Minister for Communications and Digitalisation, Hon. Ursula Owusu-Ekufu, for providing policy direction and support.

Our appreciation goes to the Board of Directors of NCA chaired by Mr. Isaac E. Osei-Bonsu Jnr. for taking keen interest in the SIM Registration exercise and providing the relevant guidance for the success of this important national assignment.

We also wish to extend our appreciation to the MNOs, BWAs, Ghana Chamber of Telecommunications, other Ministries, sister agencies, civil society organisations among others.

Special thanks to the National Identification Authority, National Information Technology Agency, and the SIM Registration Technical Partners (KelniGVG).

We are also thankful to consumers for their participation in the exercise and the media for all the publicity; your interviews, calls and requests for media engagement have in no small way impacted positively on the success of this exercise.

Thank you for your presence and attention!