

## **National Communications Authority**

Press Release

# NATIONAL COMMUNICATIONS AUTHORITY DECLARES SCANCOM (MTN) AS A SIGNIFICANT MARKET POWER

**Accra, 9th June, 2020:** The National Communications Authority (NCA), has declared Scancom Ghana Ltd. (MTN) as a Significant Market Power (SMP). This decision has since been communicated to the operator.

This is in line with the mandate of the Authority under Section 4.3 of the National Telecommunications Policy, 2005, which states that in the absence of an NCA determination of different standard in a specific case, SMP will be determined to exist for an organisation providing telecommunications services that controls at least 40% of a relevant market segment.

The latest statistics received from the industry as at Friday, 5<sup>th</sup> June, 2020, shows a worrying trend amongst Mobile Network Operators (MNOs) which demands immediate action to correct the growing market imbalance and creation of a near monopoly in the telecoms sector. This imbalance exposes the country to the dictates of the dominant operator, militates against effective competition and impacts negatively upon investment in the sector.

The statistics for Quarter 1, 2020 and shown below, paints a clear picture:

#### Average Voice Subscriber Market Share for MNOs

| • | MTN         | 57.07% |
|---|-------------|--------|
| • | Vodafone    | 20.94% |
| • | Airtel-Tigo | 20.25% |
| • | Glo         | 1 74%  |

#### Average Data Subscriber Market Share for MNOs

| • | MTN         | 67.78%, |
|---|-------------|---------|
| • | Vodafone    | 15.49   |
| • | Airtel-Tigo | 15.81%  |
| • | Glo         | 0.92%   |

Any operator with 40% or more market share in voice, data, SMS and value added services like Mobile Money, is considered a Significant Market Power (SMP) in the National Telecommunications Policy and attendant corrective measures should be implemented to facilitate more market competition than is currently available.

In accordance with the above, and with reference to Section 20 (10) of the Electronic Communications Act, 2008 (Act 775), MTN has, therefore, been declared a Significant Market Power.

To correct this imbalance, the following measures will be taken by NCA:

- 1. With immediate effect, there will be an application of a 30% Asymmetrical Interconnect rates for two (2) years subject to market response, in favour of the disadvantaged operators, in accordance with the law.
- 2. Set floor/ceiling pricing on Voice, Data, SMS, Mobile Money, etc.
- 3. Review and approve all pricing by MTN as required by law.
- 4. Require MTN not to have differential prices for on-net and off-net transactions.
- 5. Ensure various operator vendors are not subject to exclusionary pricing or behaviour.
- 6. Ensure that MTN's access to information does not disadvantage any Value Added Service of non-SMP operators.
- 7. Require MTN to present implementation plans on National Roaming Services within the next 30 days for execution on or before the next 90 days.

We count on the cooperation of the industry and the general public as we work to implement the above measures.

#### Issued by the National Communications Authority:

No. 6 Airport City, Accra

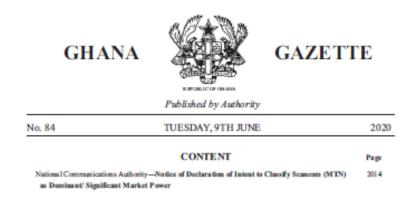
Tel: (0)30 - 2776621/2771701 or 050-145-1522/3.

E-mail: info@nca.org.gh Date –12<sup>th</sup> June, 2020

#### 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.

### Attachment - Gazette of Intention to Declare MTN as Significant Market Power





# DECLARATION OF INTENT TO CLASSIFY SCANCOM (MTN) AS DOMINANT/SIGNIFICANT MARKET POWER

The National Communications Authority (NCA) in the exercise of its mandate under Section 20(13) of the Electronic Communications Act, 2008 (Act 775) hereby declares its intention to classify MTN as a Dominant/Significant Market Power.

#### Issued by the National Communications Authority:

No. 6 Airport City, Accra
Tel: (0)30 – 2776621/2771701 or 050-145-1522/3.
E-mail: info@nca.org.gh
Date –8th June, 2020

#### About NC

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.

PRINTED BY GHANA PUBLISHING COMPANY LIMITED, ASSEMBLY PRESS, BARNES ROAD, PO. BOX GP 124, ACCRA, GHANA.

GPCL/A513/100/06/2020 Website:www.ghanapublishing.com Email:info@ghanapublishing.com

3 | Page