INFORMATION & COMMUNICATION TECHNOLOGIES AUTHORITY

1 st Floor, Jade House, Remy Ollier & Car Jummah Mosque Streets,

Port Louis, MAURITIUS

No. ICTA/CT/TO/06/2003 25 th July 2003

THE TELECOMMUNICATION ORDER (6 of 2003)

In exercise of the powers conferred upon it under the Information & Communication Technologies Act 2001, the Information & Communication Technologies Authority (hereinafter referred to as " **the Authority"**) hereby makes the following order in respect of tariff for cellular subscribers of both Cellplus Mobile Communications Limited and Emtel Ltd.

- 1. Short title, extent and commencement:
- i. This Order shall be called "The Telecommunication Order (6 of 2003)".
- ii. The Order shall come into force with immediate effect.
- 2. Tariff for Cellular Subscribers
- i. The Authority has determined cost based Interconnection Usage Charges (IUC) in respect of mobile to fixed, fixed to mobile, and other types of calls and prescribed the same by telecommunication order No.5 of 2003.
- ii. The resultant tariff, after considering the savings in IUC charges is specified in Schedule-I hereto.
- iii. The resultant tariff shall be the maximum that can be charged from subscribers. The operators may at their option charge a lower amount than the amount arrived at after applying the reduction prescribed in Schedule-I.
- iv. The revised charges in accordance with the above shall be implemented as from the 1 st of August 2003, after intimating the same to the Authority.
- 3. Explanatory Memorandum

This Order contains at Annexure-A, an explanatory memorandum to provide clarity regarding the tariffs specified in this Order.

BY ORDER

N Parameswaran

Executive Director

To:

- i. M/s Cellplus Mobile communications Limited, 9th Floor, Telecom Tower, Port Louis .
- ii. M/s Emtel Limited, 1, Boundary Road, Rose Hill.

| 1 | Date of Implementation | 1 st August 2003 |
|---|---|--|
| 2 | Charges for outgoing calls to fixed, IDD and inter island | Uniform reduction of Rs.0.90 per minute to be made in all post paid plans and the pre-paid plans |
| 3 | Charges for incoming calls from fixed, IDD and inter island | Uniform reduction of Rs.1.10 per minute to be made in all post paid plans and the pre-paid plans |
| 4 | Pulse rate | For all post paid and the pre-paid plans remains same as currently applicable |
| 5 | Other charges | As currently applicable |

Annexure-A

EXPLANATORY MEMORANDUM

- 1. The ICT Authority issued Telecommunication Order (No.5 of 2003) on 7 th July 2003, wherein the charges payable by mobile operators to Mauritius Telecom are reduced with effect from the 1 st of August, 2003.
- 2. For calls between the mobile and fixed networks, the mobile operators are paying to Mauritius Telecom Limited, irrespective of the direction of the call, as below:

Mobile to Fixed Call (paid by Call Originating Operator) Rs.1.7496 per minute

Fixed to Mobile Call (paid by Call Terminating Operator) Rs.1.2150 per minute

3. These charges ultimately form part of the charges levied on the customers. The ICT Authority initiated fixation of cost based interconnection usage charges for calls between mobile and fixed line operators. The revised charges to be paid to the fixed line operator by the mobile operator are as under:

Mobile to Fixed Call (payable by Call Originating Operator) Rs.0.75 per minute

Fixed to Mobile Call (payable by Call Terminating Operator) Rs. Nil

- 4. As part of the participatory regulatory policy, a meeting was held with Cellplus & Emtel on the 8 th of July 2003 to emphasize upon them the need to reduce the customer charges after the IUC reduction. The operators requested time up to 15 th July 2003 to respond, which was agreed.
- 5. In their written responses, both operators expressed their inability to pass on the full savings in IUC to the customers, owing to following:
- (a) The cost of the calls is much higher and they proposed an increase in call charges of intra network calls, in addition to lower reduction in mobile to fixed and fixed to mobile calls, and
- (b) The pulse rate for customers is higher than the pulse rate for interconnection. Therefore, in order to maintain existing retention, a lower amount than the savings in IUC should be given as reduction in customer tariff.
- 6. The ICT Authority examined the proposals of the operators as under:
- (a) The higher cost of mobile calls needs detailed examination on the lines carried out for fixed telephones. In this respect, the ICT Authority will separately seek full cost details from the operators. At present no changes other than those arising from IUC reduction can be considered.

(b) As regards, the other argument, it is agreed that the net revenue per minute is dependent upon the pulse rate fixed by the mobile operators. The existing subscriber pulse rates are from 1 second to 60 seconds, whereas interconnection pulse rates are uniformly one second. Mobile operators shall be allowed to retain 10% of gross savings in IUC, on account of this. The resultant amount, as below, is the minimum that has to be passed on to the consumer as reduction in tariff:

All charges in Rs per minute

| Direction of Call | Existing IUC payment by mobile operator | Revised IUC payment by mobile operator | Gross Savings to mobile operators | Amount allowed as retention towards differential pulse rates | Minimum amount to be passed on to customers as reduction in tariff |
|-------------------|---|--|---|--|---|
| | 1 | 2 | 3 (1-2) | 4 | 5 (3-4) |
| Mobile to Fixed | 1.7496 | 0.75 | 0.9996 | 0.0996 | 0.90 |
| | | | | | |
| Fixed to Mobile | 1.2150 | 0 | 1.215 | 0.115 | 1.10 |

- 7. The reduction has to be allowed in all post-paid plans and the pre-paid plans by both Cellplus and Emtel.
- 8. Both operators will also maintain the existing pulse rates under all the plans.
- 9. The new IUC payments are applicable as from 1 st August 2003. Accordingly the revised tariff will also apply as from the 1 st August 2003.
- 10. The charges for all other services and charges for other categories of calls shall be as currently applicable.