GENERAL NOTICES • ALGEMENE KENNISGEWINGS

INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA

NOTICE 3354 OF 2025



PROPOSED AMENDMENTS TO THE DRAFT NUMBERING PLAN REGULATIONS, 2016 UNDER CHAPTER 11 OF THE ELECTRONIC COMMUNICATIONS ACT, 2005 (ACT NO. 36 OF 2005)

- On 21 September 2023 the Independent Communications Authority of South Africa ("ICASA / the Authority") published the Draft Amendment Numbering Plan Regulations, 2023 for public input. By the deadline, 02 November 2023, the Authority had received four (4) written submissions from Cell C, MTN, Telkom and Vodacom.
- 2. The Authority held public hearings on 17 April 2024 wherein the abovementioned stakeholders participated in the public hearings.
- Subsequent to the above consultations and considerations of submissions made by stakeholders, the Authority has decided, having taken into account the inputs received, to further consult on the proposed amendments.
- 4. The Authority hereby publishes the proposed amendments to the Draft Numbering Plan Regulations for a final public consultation.
- 5. A copy of the draft Regulations is available on the Authority's website at http://www.icasa.org.za.
- Written representations on the draft Regulations must be submitted to the Authority thirty (30) working days from the date of the publication of this notice by e-mail to: <u>ELetlape@icasa.org.za</u>.

- Non-confidential versions of the written representations received by the Authority pursuant to this notice will be made available on the Authority's website and for inspection at the Authority's library.
- 8. Stakeholders may request confidentiality in terms of section 4D of the the Independent Communications Authority of South Africa Act, 2000 (Act No. 13 of 2000) ("ICASA Act"), on any information submitted to the Authority. Such request for confidentiality must be accompanied by a confidential and non-confidential version of the stakeholder's submission. The Authority hereby refers stakeholders to the Guidelines for Confidentiality Request published in Government Gazette No. 41839 (Notice No. 849) of 17 August 2018.
- Persons submitting written representations are further invited to indicate, as part of their submissions, whether they require an opportunity to make oral presentations on the draft Regulations should the Authority elect to hold public hearings.
- 10.All enquiries should be directed to Mr Elias Letlape, Project Manager at 012 568 3323 between 09h00 and 16h00, from Monday to Friday.

Mothibi G. Ramusi ICASA Chairperson

Date: <u>27</u> / <u>06</u> / 2025

ELECTRONIC COMMUNICATIONS ACT, 2005 (ACT NO. 36 OF 2005) REGULATIONS

The Authority has under section 4, read with section 68 of the Electronic Communications Act, 2005 (Act No. 36 of 2005) made the regulations in the Schedule.

SCHEDULE

1. Definitions

In these regulations "the Regulations" means the regulations published by Government Notice No. 370 (Government Gazette No. 39861) of 24 March 2016, as amended by Government Notices No. 245 (Government Gazette No. 43230) of 15 April 2020 and No. 1719 (Government Gazette No. 48328) of 29 March 2023.

2. Amendment of regulation 1 of the Regulations

Regulation 1 of the Regulations is hereby amended -

2.1. by the insertion, after the definition "harmonised number", of the following definition:

"**Inactive mobile number**" means a number that:

- a. has not performed a revenue generating activity for 90 consecutive calendar days; or
- (b) has been deactivated from the mobile network."
- 2.2. by the insertion after the definition of "reserved" of the following definition:

"**Revenue Generating Activity**" means an action by a subscriber that may generate revenue for a licensee for the use of its network or services, such activities by the subscriber include but are not limited to:

- (a) the use of voice services; or
- (b) SMS; or
- (c) the use of mobile data services, which include:
 - (i) text messaging; or
 - (ii) multimedia messaging (MMS); or
 - (iii) data and internet services"

3. Amendment of regulation 6A of the Regulations

- 3.1. Regulation 6A of the Regulations is hereby amended by the substitution for sub regulations (1) to (3) of the following sub regulations:
 - "(1) Churn rate must be calculated by taking the quantity of numbers that have not initiated a revenue generating activity from the services of a licensee for ninety (90) consecutive calendar days and divide this quantity by the quantity of active numbers at the beginning of the defined timeframe.
 - (2) Inactive mobile numbers must be quarantined for a period of one (1) month before being placed into the pool of available numbers.
 - (3) If a subscriber has not initiated a revenue generating activity on their assigned mobile number for sixty (60) consecutive days, a licensee must notify the subscriber of its intention to deactivate the assigned mobile number."
- 3.2. Regulation 6A of the Regulations is hereby amended by the substitution for sub regulation (3A) to (3C) of the following sub regulations:

- "(3A) A licensee must afford a subscriber a grace period of thirty (30) consecutive calendar days to object to the deactivation notice issued in terms of sub regulation (3) by performing a revenue generating activity. The licensee must within the grace period, issue periodic reminders to the subscriber of the impending deactivation if the subscriber has not yet objected to the deactivation.
- (3B) In the event a subscriber anticipates that their assigned mobile number may be inactive for more than sixty (60) consecutive calendar days or becomes aware that their assigned mobile number is subject to deactivation in terms of sub regulation (3), a subscriber can apply to a licensee for an exemption to sub regulation (3) and retain use of the assigned mobile number.
- (3C) The exemption in terms of sub regulation (3B) is valid for183 calendar days from the date of activation."
- 3.3. Regulation 6A of the Regulations is hereby amended by the insertion of the following after sub regulations (3C):
 - "(3D) Sub regulation (3) does not apply to subscribers on a postpaid service plan."
- 3.4. Regulation 6A of the Regulations is hereby amended by the substitution for sub regulation (4) of the following sub regulations:
 - "(4) A licensee must abandon the deactivation of a mobile number in terms of sub regulation (3) when a subscriber performs a revenue generating activity in terms of sub regulation (3A) or applies for an exemption in terms of sub regulation (3B)."

4. SHORT TITLE AND COMMENCEMENT

These regulations are called the proposed amendments to Numbering Plan Regulations, 2025 and will come into effect on the date of publication in the Government Gazette.



INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA

EXPLANATORY MEMORANDUM ON THE PROPOSED AMENDMENTS TO THE DRAFT NUMBERING PLAN REGULATIONS, 2025

1. Introduction

The Independent Communications Authority of South Africa ("the Authority") decided to amend the Numbering Plan Regulations, 2016 ("the Regulations") in September 2023 in line with its powers provided in terms of section 68 (1) of the Electronic Communications Act, 2005 (Act No. 36 of 2005).

Following from consultations with stakeholders on the Draft Numbering Plan Fourth Amendment Regulations, 2023 ("**Draft Amendment Regulations, 2023**")¹ the Authority has decided to further consult on the proposed amendments.

2. Background

- 2.1. On 21 September 2023 the Authority published the Draft Amendment Regulations, 2023 for public input. By the deadline, 02 November 2023, the Authority had received four (4) written submissions. namely:
 - a) Cell C Limited;
 - b) Mobile Telephone Networks (Pty) Ltd ("MTN");
 - c) Telkom SA SOC Ltd ("Telkom"); and
 - d) Vodacom (Pty) Ltd ("Vodacom").
- 2.2. The Authority held public hearing on 17 April 2024 wherein the abovementioned stakeholders participated.
- 2.3. During the public hearings, stakeholders were provided with an opportunity to make supplementary submissions in response to specific aspects of their written submissions by 26 April 2024.
- 2.4. Subsequent to the above consultations and considerations of submissions made by stakeholders, the Authority has decided that it is necessary to further consult on the proposed amendments.

¹ Government Gazette No. 49329

3. Purpose

- 3.1. The explanatory memorandum canvasses the reasons for the proposed amendments to the Regulations, which includes the preliminary views of the Authority following considerations of the written representations, public hearings and supplementary submissions made in the consultation process for the Draft Amendment Regulations, 2023.
- 3.2. On 29 March 2023 the Authority published Numbering Plan Second Amendment Regulations 2023 (the Regulations, 2023) to include aspects relating to the churn, inactivity period, quarantine period and notification for deactivation of an assigned mobile number all in the effort to standardise the recycling period for mobile numbers.
- 3.3. However, upon publication of the Regulations, 2023 the Authority received submissions that reflected that though the principle of standardising the recycling period was accepted, concerns were raised regarding the period of inactivity.
- 3.4. These proposed amendments seek to further clarify and standardise terms and processes related to the recycling and recycling period of mobile numbers.

4. Amendments of regulation 1 of the Regulations

4.1. Insertion of the definition of "inactive mobile number".

The Authority has incorporated the term "inactive mobile number" to ensure that there is no ambiguity in the application of the Regulations.

4.2. Insertion of the definition of "revenue generating activity".

- 4.2.1. The term "Revenue Generating Activity" was introduced into the Regulations, 2023. The objective of its inclusion being that of an accepted indictive means by which a subscriber can signal usage of the assigned mobile number and thus object to a withdrawal of the assigned mobile number.
- 4.2.2. The Authority now seeks to clarify what the term means in order to avoid inconsistent application of sub regulation 6A (3).

5. Amendment of regulation 6A of the Regulations

5.1. Insertion of regulation 6A (1) in the Regulations

- 5.1.1. Telkom has raised concerns on the inclusion of the term "churn rate" as well as its definition in the Regulations. It raises the point that the Regulations, aside from sub regulation 6A(1) do not make use of the term in the body of the Regulations.²
- 5.1.2. Cell C submitted that the Churn rate must be calculated by taking the quantity of mobile numbers that are in quarantine that have not initiated a revenue generating activity from the services of a licensee for sixty (60) consecutive calendar days and divide this quantity by the quantity of active numbers at the beginning of the defined timeframe.³
- 5.1.3. MTN submitted that the churn rate must be calculated by taking the quantity of numbers that have not initiated a revenue generating activity from the services of a licensee for ninety (90) consecutive calendar days and divide this quantity by the quantity of active numbers at the beginning of the defined timeframe.⁴

² Page 3 of Telkom's Submission.

³ Page [insert] of Cell C's Submission.

⁴ Page 5 of MTN's Submission.

5.2. The Authority's preliminary view

- 5.2.1. It is the Authority's considered view that the term "churn rate" be retained because it is used in regulation 6A(1) of the Regulations. Sub regulation 6A(1) prescribes how the churn rate should be calculated, this is essential and a requirement for number application process specifically the numbering application process for mobile numbers.
- 5.2.2. In the absence of a standardised formulae, the interpretation of the above numbering applications wherein they contain churn rates would be inconsistent.
- 5.2.3. Thus, while standardising the recycling process for better efficient and effective use of numbering resources, it would be undesirable to leave the churn rate as an inconsistent variable.

5.3. **Insertion of regulation 6A (2) in the Regulations**

5.3.1. Telkom proposed that the Authority consider the adoption of the term "inactive mobile number " and that sub-regulation 6A (2) be amended as follows:

"(2) **Inactive mobile numbers** must be quarantined for a period of one (1) month 30days before being placed into the pool of available numbers."⁵

5.3.2. Further, Cell C proposed that since the Churn Rate definition includes "quarantined" a new definition for "quarantine" must be included into the Regulations.

⁵ Page 4 of Telkom's submission

- 5.3.3. On the other hand, Vodacom stated that in relation to the notice period in which a subscriber can object to a withdrawal being 30 days it is of the view that that the quarantine period be kept at a minimum. ⁶Vodacom has proposed that quarantine period be kept to 7 calendar days in favour of a 90 or 120 days inactivity.
- 5.3.4. MTN agreed with the proposed draft provision.

5.4. The Authority's preliminary view regarding quarantine period

- 5.4.1. In the Authority's view a quarantine period, amongst others, allows:
 - a. for a cooling-off period where there should be disassociation between the number's previous use and future use;
 - b. Reconciliation across networks; and
 - c. Time for the previous user of the number in question to make the necessary contact information updates.
- 5.4.2. While the Authority has noted Cell C's proposal for a definition of the term quarantine, the Regulations prescribes the type of numbers must go into quarantine in order to fulfil the Authority's objective regarding the quarantine period.
- 5.4.3. The Authority has prescribed a quarantine period of at least one (1) month, before number\s can be placed back into circulation or assigned to a subscriber\s, however this quarantine period was confined to numbers that had been ported.⁷

⁶ Page 3 of Vodacom's Submission.

⁷ Sub-regulation 9(7) of the Number Portability Regulations GG 41949, published on 1 October 2018,

In consideration of numbers that had not necessarily been ported i.e. those referenced in sub regulation 6A(2), the Authority is not persuaded by the proposal to prescribe a different quarantine period to such numbers as opposed to the one prescribed to ported numbers. The Authority finds that there is no substantive reason for the differing quarantine periods when the objective of a quarantine period remains the same regardless of whether the number or number block was ported.

5.5. **Insertion of regulation 6A (3) in the Regulations**

5.5.1. Telkom proposed that the Authority consider the adoption of the term "deactivation" as opposed to the term withdrawal and proposed the following revised text:

"(3) Upon thirty (30) consecutive calendar days in which a subscriber has not initiated a revenue generating activity, a licensee must notify the subscriber of the intended **deactivation**. The subscriber must be afforded a grace period of thirty (30) consecutive calendar days to object to the **deactivation** notice by means of a revenue generating activity."⁸

5.5.2. Cell C submitted that it had concerns regarding this provision. The new regulation will negatively affect customers who are accustomed to Cell C's 90-day churn period and no revenue generating rules. Cell C believes it is a commercial decision as to when to place the number into quarantine, since the licensee must consider the customer's profile before churning the

prescribes that once a number or number block is returned to the block operator, the block operator must quarantine said numbering resource for a at least one (1) month.

⁸ Page 5 of Telkom's submission

number. This must be left for the licensee to determine to allow flexibility in reaching this decision.

- 5.5.3. Cell C also indicated that it will be unable to financially report on A2 numbers, this is because it reports its subscriber base numbers using A3 numbers and uses the similar parameters when reporting to the Authority. If a mobile number is not correctly sanitised (quarantined) over time, there is a huge risk that in an A3 churn rule approach, the recycled mobile number will continue to receive communications from previously subscribed entities.
- 5.5.4. Furthermore, Cell C submitted that ICASA's approach is contrary to the Number Portability Regulations and the Amended End-User Service Charter Regulations, in that both regulations safeguard the interests of the subscribers.
- 5.5.5. Vodacom submitted that 30 calendar days is a short period and recommended either a 90- or 120-days inactivity period. Vodacom believes that this would benefit poor customers from the burden and cost of acquiring a new SIM. Vodacom submitted that data suggests economic means is a driver for some customers showing inactivity.
- 5.5.6. MTN proposed that thirty (30) days must be replaced by 60 days as follows:
 - "3) Upon **sixty (60)** consecutive calendar days in which a subscriber has not initiated a revenue generating activity, a licensee must notify the subscriber of the intended withdrawal. The subscriber must be afforded a grace period of thirty (30) consecutive calendar days to object to the withdrawal notice by means of a revenue generating activity."

5.6. **The Authority's preliminary view**

- 5.6.1. The implications of a mobile number being placed into quarantine is that:
 - a. The mobile number concerned is not active on its host network or any other network; and
 - b. there is no communication routed to and from the mobile number concerned subject to a reassignment.
- 5.6.2. In consideration of the implications of a mobile number that is to be placed into quarantine, the Authority is of the view that the deactivation as opposed to the term withdrawn is a more appropriate term to describe the action that must precede quarantine of a mobile number.
- 5.6.3. Despite varying actual practices in so far as they relate to the recycling periods, in the main, the submissions appeared to advance for a period of 120 days in total, MTN sub-divided the total period as follows:



- 5.6.4. The Authority is of the view that the inactivity period to 60 days (as per the above breakdown) as opposed to the earlier proposed 30 days is sufficient, owing to the following:
 - a. The middle ground of the proposed days is calculated to be 112.5 days, rounded to 114 days to align with an even number.

- b. Most of the proposals (MTN,⁹ Cell C,¹⁰ and Vodacom¹¹) are for 120 days although varies in terms of application for the inactivity, grace and quarantine period in the representations.
- c. Only one proposal i.e. Telkom is significantly lower (90 days), it can be reasoned that 120 days represents a more balanced and stable period for assessing the churn rate.
- d. Thus, considering the majority consensus and to maintain a standard period for comparison, 120 days is preferred as the churn rate assessment period.
- 5.6.5. The Authority is similarly of the view that a single notice of intended deactivation may not be sufficient to initiate an action by the subscriber., The Regulations have been revised to include periodic reminders to the subscriber of the impending deactivation. This, as was submitted during earlier consultation is done across various communication mediums to "wake up" the subscriber.

5.7. Insertion of regulation 6A (3A), (3B) and (3C) in the Regulations

5.7.1. Telkom requested that this period be flexible up to 6 months (180 days) and not fixed at 183 days. This will allow more flexibility for licensees towards number retention products.

⁹ Page 5 of MTN's Submission.

¹⁰ Annexure A of Cell C's Submission.

¹¹ Page 3 of Vodacom's Submission.

- 5.7.2. Cell C supported the inclusion of sub regulations 6A(3A), 6(3B), 3 (C) and 6A (4) as it provides an option for those subscribers who would like their mobile number to be exempted from being churned, the exclusion of mobile postpaid numbers and the trigger to abandon the withdrawal notification.
- 5.7.3. Vodacom welcomed the Authority's recognition that some prepaid customers may wish to retain their numbers for longer periods without showing activity. Vodacom recommended that the Authority revise sub-regulation (3A) to reflect the default inactivity period as being a minimum of either 90 or 120 days, with the latter being their preferred option. It also recommended that the customer can request a paid exemption from the inactivity rules at any time. Vodacom recommended multiple options for extensions to be placed at various pricepoints.
- 5.7.4. MTN proposed that sixty (60) days be replaced by ninety (90) days to read as follows:

(3A) In the event a subscriber anticipates that their assigned mobile number may be inactive for more than <u>ninety (90) consecutive calendar days</u>, licensees must provide an option, at a cost, for the subscriber to apply for an exemption from sub regulation (3) and retain use of the mobile number.

5.8. The Authority's preliminary view

In terms of section 68 (1)(a)(i) of the Electronic Communications Act No.36 of 2005 (ECA), the Regulations must ensure for efficient use and allocation of numbers. Thus, the Authority remains unwavering in its stance that numbers must be used in an efficient manner and the provisions of sub regulation 6A(3A) become exemptions to the norm.

5.8.1. The Authority is of the view that in consideration of an exemption, such exemption must still advance the objectives as set out in the ECA, those of effective and efficient use of numbers. Thus, the option for an exemption and retention of a mobile number, as per sub regulation (3A) is limited for a period of 183 consecutive days, from its date of activation.

5.9. **Insertion of regulation 6A (4) in the Regulations**

5.9.1. Cell C submitted that the objection of an intended withdrawal by means of a revenue generating activity will require further consideration. It further submitted that there is usage on the number that is not related to a revenue generating activity and that the objection should not be limited to a RGA.

5.10. The Authority's preliminary view

- 5.10.1. The Authority has substituted sub regulation 6A(4) in order to incorporate the exemption introduced by sub regulation 6A(3B).
- 5.10.2. In relation to the above submission, the Authority has proposed a definition for RGA wherein it includes the kinds of activities that will be considered as RGA for the purposes of these Regulations.

End...