

Legal Practitioners Arbitrators Notaries Public

## NCC Issues Directive to Simplify Telecom Tariff Plans and Promotions

The Nigerian Communications Commission (NCC) has announced a significant move aimed at enhancing transparency and clarity in the telecommunications sector. On July 29, 2024, the NCC issued a directive titled "Guidance on the Simplification of Tariffs in the Nigerian Communications Sector," mandating telecommunications operators to simplify their tariff plans, bundles, and promotional activities.<sup>1</sup>

The directive's primary objective is to enhance transparency, promote fair competition by simplifying tariff structures, and ensure that subscribers have access to clear, easy-to-understand, and accurate information regarding the costs associated with voice, short messaging service (SMS), and data services. This initiative is a result of extensive consultations with industry stakeholders, including Mobile Network Operators (MNOs), Consumer Focus Groups, and in-depth data analysis of consumer preferences and expectations.

Key Highlights of the Directive:

### 1. **Comprehensive Tariff Tables**:

MNOs are required to publish detailed tables showcasing the features of their tariff plans and bundle offers.<sup>2</sup> These tables must include information on add-ons, their prices, opt-in and opt-out procedures, renewal terms and conditions, and rollover policies.

### 2. **Consumer-Friendly Information**:

Service providers must display all relevant tariff information, such as plan names, prices, validity periods, per-second rates for on-network, off-network, and international calls, expected data speeds, and fair usage policies.<sup>3</sup>

#### 3. Simplification and Education:

<sup>&</sup>lt;sup>1</sup> See, NCC, "NCC Directs Telcos on Tariffs Transparency" available at <u>https://www.ncc.gov.ng/media-</u> <u>centre/news-headlines/1465-press-release-ncc-directs-telcos-on-tariffs-transparency</u>.

<sup>&</sup>lt;sup>2</sup> See, Article 4, Paragraph 4.4 of the Guidance on the simplification of Tariffs in the Nigerian Communications Sector.

<sup>&</sup>lt;sup>3</sup> Ibid.

Operators are allowed to maintain existing bonus-led tariff plans until December 31, 2024.<sup>4</sup> During this period, they are expected to educate and migrate all subscribers to the simplified tariff plans.<sup>5</sup>

# 4. **Clear Communication**:

Tariffs must be communicated in clear language and a user-friendly format in accordance with the provisions of the Commission's Consumer Code of Practice Regulations and other applicable regulatory instruments.<sup>6</sup> Subscribers should have full disclosure of their tariff plans via Unstructured Supplementary Service Data (USSD).

# 5. Fair Pricing and Practices:

Operators must offer stand-alone data bundles at fair prices, avoid bundling products unnecessarily, state promotional bonuses in actual value, and eliminate access fees and asymmetric fee structures.<sup>7</sup>

The NCC emphasized that these guidelines aim to reduce the complexity of tariff plans, ensure transparency and fairness in promotional activities, protect consumer interests by providing understandable tariff information, and promote fair competition among telecom operators by standardizing tariff structures.

In addition to complying with this guidance, operators must also meet the Key Performance Indicators (KPIs) outlined in the Quality of Service (QoS) Regulations 2013.<sup>8</sup>

For further details and to view the comprehensive guidance, subscribers and industry stakeholders are encouraged to visit the NCC's official website, or access an electronic copy of the Guidance on the Simplification of Tariffs in the Nigerian Communications Sector 2024 <u>here</u>.

<sup>&</sup>lt;sup>4</sup> See, Article 4, Paragraph 4.1 of the Guidance on the simplification of Tariffs in the Nigerian Communications Sector.

<sup>&</sup>lt;sup>5</sup> See, Article 6, Paragraph 6.4 of the Guidance on the simplification of Tariffs in the Nigerian Communications Sector.

<sup>&</sup>lt;sup>6</sup> See, Article 4, Paragraph 4.4 of the Guidance on the simplification of Tariffs in the Nigerian Communications Sector.

<sup>&</sup>lt;sup>7</sup> See, Article 4, Paragraph 4.5 of the Guidance on the simplification of Tariffs in the Nigerian Communications Sector.

<sup>&</sup>lt;sup>8</sup> See, Quality of Service Regulations 2013, <u>https://www.ncc.gov.ng/accessible/documents/731-legal-regulations-quality-of-service-regulation-2013/file</u>.