



**L E S O T H O
T E L E C O M M U N I C A T I O N S
A U T H O R I T Y**

**THE ORDER OF THE LESOTHO
TELECOMMUNICATIONS AUTHORITY BOARD ON THE
HEARING IN CONNECTION WITH INTRODUCTION OF
THE LEKOMO FLEXI SERVICE BY TELECOM
LESOTHO – HEARING NO. 4 OF 2005 -04-12**

The Board of Directors of the Lesotho Telecommunications Authority (hereinafter referred to as “the Board”):

- HAVING received an application by Telecom Lesotho (TL) dated the 6th June 2002, for an authorization to provide fixed telephone services using fixed cellular terminals (FCT’s) and mobile handsets;
- HAVING favourably considered the application and granted an authorization of the 14th June 2002 (hereinafter referred to as “the authorization”) for TL to provide the said services under the following conditions:
 - (a) That the handsets shall be SIM card locked and sector locked;
 - (b) That because of mobility limited to a sector, TL shall have a slightly higher tariff than that of fixed copper line service and shall accordingly file such a tariff with the Authority for approval.
- HAVING been informed by TL of the introduction of the Lekomo Flexi Service on the 6th January 2005;

- HAVING had reservations on the compliance of the service with the authorization granted;
- HAVING convened a hearing on the 12th day of April 2005 to determine whether the service complied with the authorization as granted;
- HAVING heard submissions made by all interested parties and having read the papers filed of record;
- AND HAVING reviewed all evidence adduced during the hearing as well as from all the papers filed in support of the submissions, makes an Order with the following terms:
 1. The conditions attached to the authorization shall still apply.
 2. The Lekomo Flexi Service does not conform to the authorization for the following reasons:
 - (a) Telecom Lesotho's subscribers are able to receive and make calls outside their designated home zone (sector) using mobile handsets;
 - (b) The handset is not sector locked since it allows TL's subscribers to maintain a connection with a network of another licensee whilst outside the assigned geographical location.
 3. The Board concludes that the Lekomo Flexi Service violates the authorization and orders TL to ensure that the necessary technical adjustments are effected on all subscribers who are already on the service in compliance with the authorization and that their handsets are SIM card locked and sector locked. In this regard TL shall ensure that Lekomo Flexi handsets operate within the scope of its services and subscribers do not access services offered by other licensees. This adjustment should be made within a period of thirty (30) days as contemplated in Section 59 (2) of the LTA Act 2000.
 4. The Board notes that during the hearing TL undertook to file a slightly higher tariff in conformity with the authorization. TL is instructed to file the tariff within twenty-one (21) days of the issuing of this Order.

5. The Board notes that TL entered into an agreement with Econet Ezi-Cel Lesotho (EEL) whose effect was to enable TL's customers to receive and make calls outside the authorized home zone (sector) as EEL's customers. The said agreement was not duly approved by the Board and is a violation of Section 34 (1) of the LTA Act of 2000.

After satisfactorily meeting the terms and conditions of the authorisation, TL will be at liberty to offer the product to the market in order to meet its corporate mandate.

VODACOM LESOTHO'S (VCL) SUBMISSIONS

The Board notes that VCL intervened as an interested party to the proceedings and rules as follows:

The Board has satisfied itself that the FCTs and mobile terminals that TL has been authorized to use, operate on EEL's GSM platform deploying frequencies assigned to EEL by the Authority. The Board further notes that the hearing was confined to the authorization and whether or not the Lekomo Flexi Service conformed to the authorization as reflected in the Notice of Hearing.

REQUEST FOR RECONSIDERATION

The Board informs all parties to the proceedings who may feel aggrieved by this decision to invoke the provisions of Rule 54 of the LTA (Administrative, Procedural and Service Provision) Rules 2000.

BY ORDER:

Board Member:

Board Member:

Board Member:

Board Member:

Board Member:

DATED AT MASERU ON THIS 10TH DAY OF MAY, 2005.