



PRESS STATEMENT

18TH SEPTEMBER 2018

PRESS STATEMENT ON FINDINGS OF THE FORENSIC AUDIT ON REGISTRATION OF SIM CARDS

It will be recalled that in May 2018, the Authority issued an update on the status of adherence to the Kenya Information and Communications (Registration of SIM-Cards) Regulations, 2015, which require Mobile Network Operators (MNOs) to register all SIM-cards prior to activation.

The update was informed by the Authority's concern over reports of rampant hawking of SIM cards, which is a contravention of the law. The Authority, at the time, directed mobile operators to suspend, with immediate effect, all SIM cards whose registration status was not in compliance with the SIM card registration Regulations.

Despite the directive, the Authority continued receiving reports, which were also corroborated by law enforcement agencies, that there were still some unregistered SIM cards that were still active on the mobile networks. These reports were contrary to returns from the Mobile Network Operators that claimed total compliance with the SIM card registration obligations.

In light of the gravity of this matter, the Authority subsequently undertook an exercise to verify the extent to which the operators had adhered to the SIM card regulations. This included market surveillance and forensic audit of the operator data.

The market surveillance revealed that a number of agents do not request for identification documents at the point of purchase of the SIM cards. There is also little or no verification of the identities of SIM card buyers *vis a vis* the documents they have presented. It was further noted that hawking of SIM cards was still rampant, and in some cases, the agents were also charging buyers an additional fee for registration.

In light of the afore-cited findings, the Authority, in partnership with other government agencies, and pursuant to Section 27 of the Kenya Information and Communications Act, 1998 (as amended) and the Regulation 4(4) and 11 of the Kenya Information and Communications Regulations (Registration of SIM cards), 2015, undertook a forensic audit on subscriber registration by the mobile operators.

The exercise focused primarily on determining whether all the subscribers were properly registered in accordance with the law. The Audit also sought to establish the completeness and accuracy of the registration data.

The audit revealed that while all the MNOs had data access security policies in place, there were a number of non-conformities with the SIM card registration regulations.

In cases where subscribers used passports as a form of identification, various anomalies were noted, especially in the numerical length of the Kenyan passports.

According to the findings, it was evident that operators are not in control of the agents. This was occasioned by weak controls in management of SIM sales agents. In most cases, a dangerous trend was noted where the MNO databases that had records which appeared to have been populated from other secondary sources. Other SIM cards were found to have multiple registrations with different identity details, with potential use for criminal purposes.

On overall, the audit showed that the data in the subscriber databases of the MNOs was incomplete and inaccurate, pointing to the need for a verification system to help enhance authenticity of the data.

It was also noted that the agreements between the operators and agents are purely commercial and do not place any obligations on the agents with respect to adherence to the SIM card regulations. This is a dangerous trend that jeopardises the security of citizens in the country and must therefore stop.

In view of these findings, the Communications Authority of Kenya has directed the mobile network operators as follows:

- a) To review their respective subscriber registration databases and confirm that SIM cards that are unregistered, partly registered, improperly/un-procedurally registered, fraudulently registered, and SIM cards with multiple ownerships are immediately switched-off and no longer reside on their network going forward from their networks. Failure to which immediate regulatory action shall be instituted in line with the provision of the Kenya Information and Communications (Registration of SIM-Cards) Regulations, 2015.
- b) To ensure agents verify identification documents with the *Integrated Population Registration System (IPRS)* when subscribers present them at the time of registration.
- c) To submit to the Authority, details of agents and sub-agents that deal in sales and subscriber registration on their behalf. The details required include the company registration details, number of outlets and locations in which they operate, duration in which such agents have been in operation, contacts details, ownership details, among others.

In view of foregoing, the Authority plans to undertake a further audit to ascertain compliance with these directives in three (3) months time. The Authority has also initiated discussions with the Ministry of Interior and Coordination of National Government on possibility of accessing the *Personal Identification Secure Comparison and Evaluation System (PISCES)*

for online verification of passport details.

I wish to once again remind all Kenyans that SIM-card Registration Regulations outlawed the hawking of SIM cards. Hawking SIM cards is an offence that attracts a fine of up to Ksh.500,000 or 12 months imprisonment or both. In addition, subscribers must appear in person and provide correct information. Providing incorrect information is an offence that attracts a fine Ksh.100,000 or imprisonment for six (6) months or both.

As I conclude, I wish to note here that the security of our nation is in our hands. SIM card registration is one of the deterrent measures, which if left unattended poses an enormous risk. I therefore call upon all concerned parties including MNOs, their agents and subscribers, to adhere to the SIM card registration requirements.

Thank you.

Issued by

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Director General