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BI-ANNUAL REPORT ON THE ANALYSIS OF TARIFF NOTIFICATIONS SUBMITTED TO ICASA FOR THE PERIOD 01 JULY 2021 TO 31 DECEMBER 2021 – ABRIDGED REPORT

1. Introduction

- This is an abridged report of Bi-annual Report on the analysis of Tariff Notifications submitted to ICASA for the Period 01 July 2021 to 31 December 2021. This report is produced for the benefits of those consumers that may not have time to read the full report.
- Section 2 highlights the aim of the tariff analysis report. Section 3 indicates the number of tariff notifications received by ICASA. Section 4 provides key findings from ICASA's tariff notification analysis. Section 5 gives the conclusion.

2. What is the aim of the Tariff Analysis Report?

- ICASA produces two (2) Bi-annual reports on the Analysis of tariff notifications submitted to ICASA by various telecommunications licensees on an annual basis. The first Bi-annual report covering the period 1 January 2021 to 30 June 2021 is available on ICASA's website. The second Bi-annual report covers the period 1 July 2021 to 31 December 2021.
- The Tariff Analysis Report gives an overview of the Bi-annual Tariff Notifications as well as an update on tariffs that were filed by various telecommunications licensees during the period under review.

- The aim of the Tariff Analysis Report is to ensure that there is retail price transparency in line with object 2(n) of the Electronic Communications Act, 2005 which is to “*promote the interest of consumers with regard to the price, quality and the variety of electronic communication services*”.

3. How many tariff notifications were received?

- ICASA received a total of 270 tariff notifications, which consisted of 7 new promotions, 105 amendments, 26 extensions, 65 new products and 1 termination from the period 01 July 2021 to 31 December 2021.

4. Key Findings from ICASA’s Tariff Notification Analysis

4.1 Mobile Data Services Market

500MB

- Vodacom amended the price of its 500MB data bundle, reducing it from R 79 to R 69.
- MTN also revised the price of its 500MB data bundle from R 75 to R 69.
- Cell C replaced its 800MB data bundle which it offered for R 80 with a 500MB data bundle offered for R 65, thus making it the most affordable 500MB among the four operators.
- Telkom Mobile’s 500MB is still offered for R 69.
- On average, the 30-day standard prepaid 500MB data bundle is priced at R 68, based on the prices for this data bundle across the four MNO’s.

1GB

- In the period under review, all four major Mobile Network Operators (MNOs) (i.e. Vodacom, MTN, Cell C and Telkom Mobile) revised their 30-day standard prepaid 1GB data bundle downwards.

- The largest price decrease in both absolute and percentage terms occurred on Telkom Mobile, wherein the 1GB data bundle price decreased by R 20 or 20.2% from R 99 to R 79, making it the most affordable 1GB prepaid data bundle amongst the four operators.
- Vodacom and MTN reduced the prices of their 1GB data bundles, both from R 99 to R 85.
- Cell C also reduced its 1GB data bundle price from R 95 to R 85.
- On average the 30-day standard prepaid 1GB data bundle currently costs R 83.50, based on the prices for this data bundle across the four MNO's.

2GB

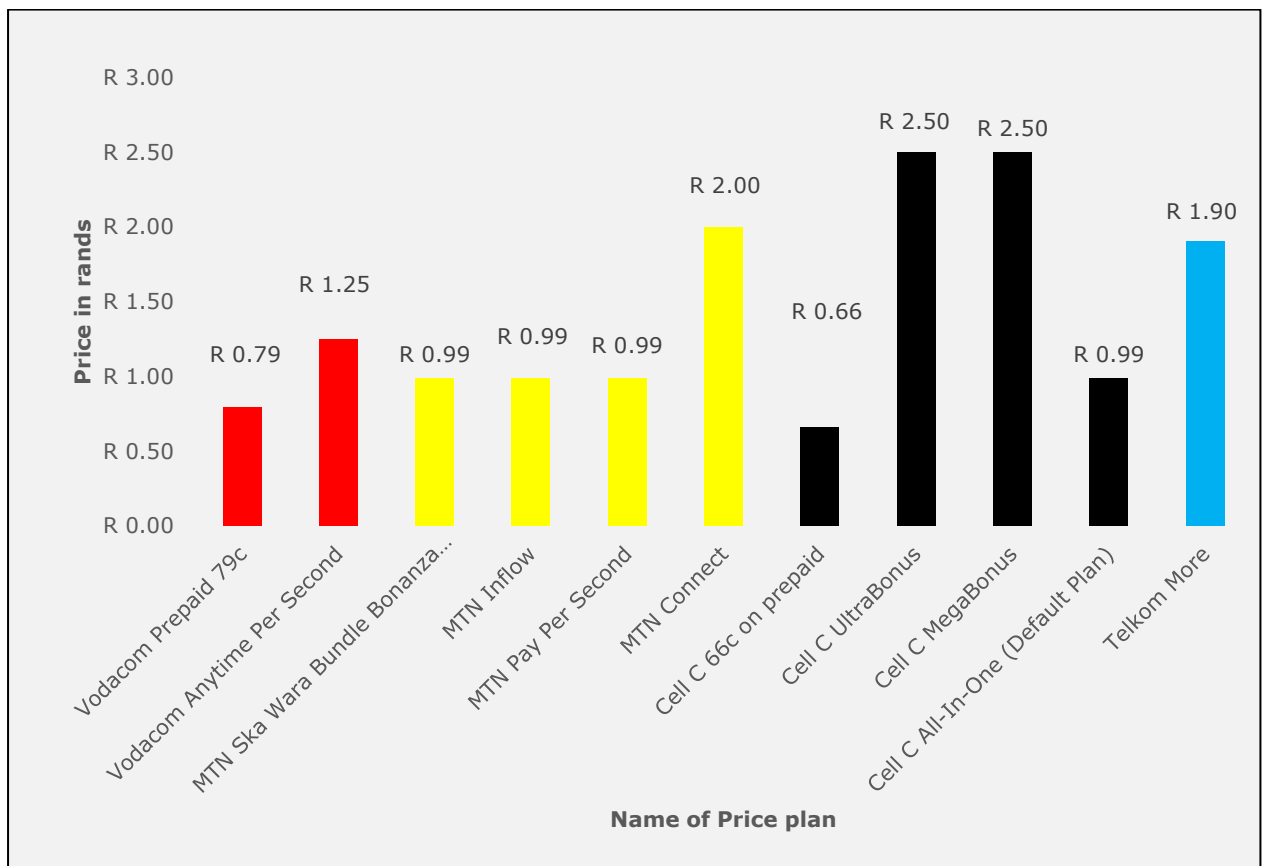
- Vodacom's price reduction of the 2GB data bundle from R 159 to R 149 resulted in an average price of R 147 on the 30-day standard prepaid 2GB data bundle.
- MTN also reduced the price of its 2GB data bundle from R 189 to R 149.
- Cell C also reduced its 2GB data bundle from R 199 to R 149.
- Telkom Mobile's 2GB data bundle remains the lowest among the four operators, price data bundle at R 139.

4.2 Voice Services Market

- Cell C filed amendments to the flat-rate tariffs of the MegaBonus and UltraBonus tariff plans. The flat-rate of the MegaBonus tariff plan was increased by 45.3% from R 1.72 to R 2.50 per minute, while the UltraBonus flat-rate was increased by 25% from R 2 to R 2.50 per minute. The increase in Cell C's voice rates is concerning given the Authority's efforts to reduce costs to communicate through various initiatives including reduced call termination rates.

- MTN also filed its prepaid Personalised Bozza Talk Bundles, wherein it offers voice bundles with low effective rates based on their individual spend profiles and/or locations in the country.
- Figure 1 shows flat-rate voice tariffs offered by Vodacom, MTN, Cell C and Telkom.
- Cell C's 66c On Prepaid remains the lowest price plan in the market charging R 0.66 per minute followed by Vodacom 79c which charges R 0.79 per minute.
- Cell C's MegaBonus and UltraBonus price plans both have flat-rates of R 2.50 per minute, charging the highest prepaid flat-rate among the four operators.

Figure 11: Flat-rates per minute



Source: ICASA Database based on Tariff Notifications

4.3 Fibre Services Market

- There were 79 notifications filed regarding fibre services (up from 50 in the preceding reporting period) from various Fibre Network Operators (FNOs) in the period under review. This signals the growing competitiveness in this market.
- The Authority undertook a comparative analysis of Fibre-to-the Home (FTTH) packages provided on 3rd party FNOs to show how different Internet Service Providers (ISPs) price their packages of the same line speeds versus the average market price.
- The average price of the sampled 20/20Mbps line speeds was R 777 per month, with Cybersmart's 20/20Mbps on Vodacom the highest priced at R 1 139 (47% above the average) and Cybersmart's 20/20Mbps in the Big Bay MPOA the lowest priced at R 399 (49% below the average).
- The average price of the sampled 50/50Mbps line speeds was R 872 per month, with Cell C's 50/50Mbps on Vumatel the highest priced at R 1 099 (26.1% above the average) and MWEB's 50/50Mbps on Frogfoot the lowest priced at R 699 (19.8% below the average).
- The average price of the sampled 100/100Mbps line speeds was R 1 092 per month, with MTN's 100/100Mbps on Vodacom's network the highest priced at R 1 499 (37% above the average) and Cell C's 100/100Mbps on Frogfoot the lowest priced at R 929 (15% below the average).

5. Conclusion

- ICASA continues to observe data price reductions with various amendments filed by licensees. ICASA will continue to monitor and publish its reports with retail market prices to ensure that subscribers have information on the competitive rates which are prevailing in the market.

- The full Bi-annual Report on the analysis of Tariff Notifications submitted to ICASA for the Period 01 July 2021 to 31 December 2021 is available on ICASA's website.