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BI-ANNUAL REPORT ON THE ANALYSIS OF TARIFF NOTIFICATIONS SUBMITTED TO ICASA FOR THE PERIOD 01 JANUARY 2025 TO 30 JUNE 2025 – 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 January 2025 to 30 June 2025. This report is produced for the benefit 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 covered the period 01 January 2025 to 30 June 2025. The second Bi-annual report covers the period 01 July 2025 to 31 December 2025.

- 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 interests 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 325 tariff notifications, which consisted of 110 new promotions, 108 amendments, 55 extensions, 4 terminations and 48 new products from the period 01 January 2025 to 30 June 2025.

4. Key Findings from ICASA’s Tariff Notification Analysis

4.1. Mobile Data Services Market

In the mobile data services market, the Authority observed tariff filings pertaining to 30-day standard prepaid data bundles by the major MNO’s, namely Vodacom and MTN. The amendments by the operators entailed the introduction of new data bundles and/or the replacement of selected data volumes with new ones. For example, MTN introduced 1GB, 40GB and 60GB data bundles in the market which are priced at R 80, R 720 and R 800, respectively. On the other hand, Vodacom revamped its 30-day standard prepaid data bundles by discontinuing its 75MB, 240MB, 400MB, 600MB, 1.2GB, 2.5GB, 4.5GB, 7GB and 12GB, and introducing the 120MB, 300MB, 500MB, 700MB, 1.5GB, 3GB, 6GB, 10GB and 20GB data bundles, which are priced from R 15 to R 499.

4.2. MNO and MVNO Market

- The Authority provided a comparative analysis of contrast in prices of standard prepaid data bundles offered by MNOs and MVNOs in the market.

The analysis shows that MVNOs generally charge lower data bundle prices than MNOs. MVNOs such as Capitec Connect, Shoprite K'nect, Sakeng, and Old Mutual Connect offer strong pricing advantages, along with longer validity periods (for example, non-expiry for Old Mutual Connect, 90 days for Sakeng, and 60 days for Shoprite K'nect), enhancing their overall value to consumers.

In the 1GB to 1.2GB category, for example, the average price charged by MNOs and MVNOs is approximately R 71. Among the MVNOs, C-Connect offers 1GB at R 60, while Shoprite K'nect offers its 1GB at R 39, and Old Mutual Connect charges a competitive R 45, which are all below the average price by 15.5%, 45% and 36.6%, respectively. Although Sakeng's 1GB bundle is priced higher at R 80 (12.7% above the average price), it comes with a 90-day validity, giving it a long-term value. MTN maintains their pricing at R 89 for 1.2GB, translating to a R 0.07 per MB in-bundle rate, while Vodacom replaced its 1.2GB bundle with a 1.5GB bundle which is priced at R 95. The in-bundle rates for MVNOs in this range are between R 0.04 and R 0.08 per MB, while MNOs' in-bundle rates are between R 0.06 and R 0.08 per MB, remaining competitive with, or lower than MNOs.

4.3. Voice Services Market

- In the voice services market, the Authority observed an increase in OOB voice rates from MTN and Vodacom. For example, in its efforts to align with market conditions and safeguard revenue, Vodacom increased its OOB voice rates for selected prepaid tariff plans by R 0.02 per minute in the period under review.

- MTN’s OOB voice rates increase in the period under review ranged between R 0.06 to R 0.15 per minute, which it stated was in response to “ongoing macroeconomic challenges and rising operational costs” .

- Figure 1 shows flat-rate voice tariffs offered by Vodacom, MTN, Cell C and Telkom.

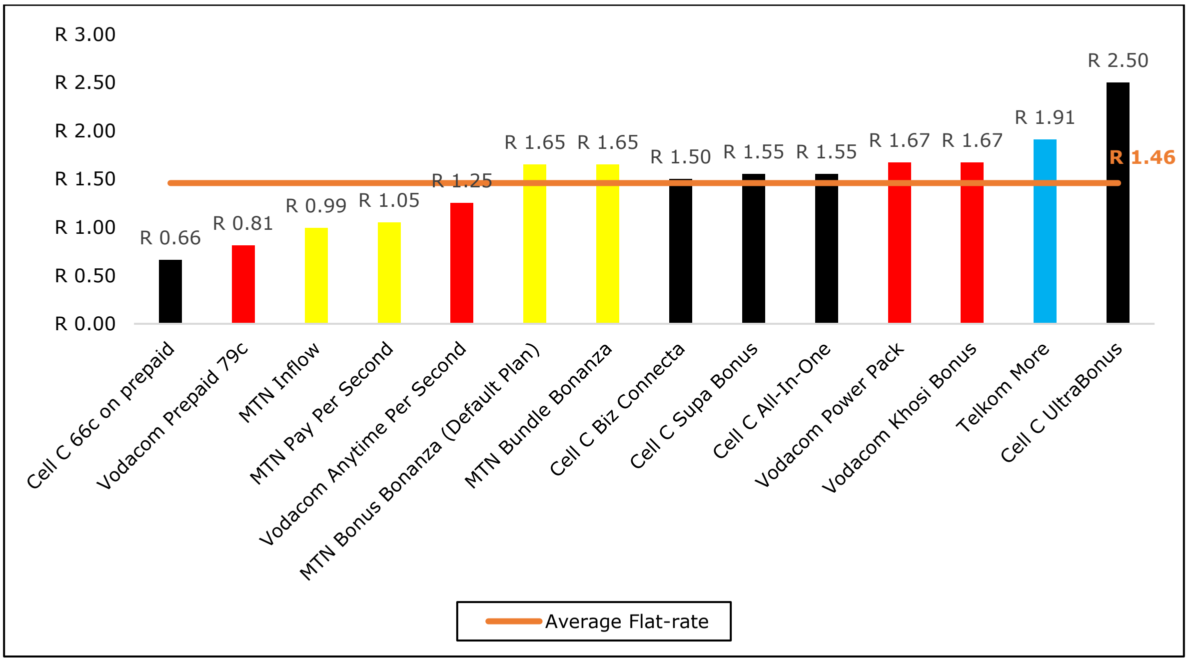
- Cell C’s 66c on Prepaid tariff plan remains the lowest priced flat-rate offered by the MNOs, and the Cell C Ultra Bonus remains highest priced on the depicted flat-rate tariffs. The current average price is approximately R 1.46 per minute on OOB rate voice calls, which has increased from R 1.38 per minute as a result of the increase in OOB voice rates from MTN and Vodacom.

- MTN’s amended Bonus Bonanza and Bundle Bonanza flat rates now ranks 8th (from the least expensive to the most expensive) among the depicted tariffs.

- Vodacom’s amended Khosi Bonus and Power Pack flat rates rank 9th among the depicted tariffs and is now 14.6% above the average rate

- Five of the fourteen flat rates shown in the figure below, charge flat rates below the average of R 1.46 per minute.

Figure 1: OOB Flat-rates per minute



Source: ICASA Database based on Filed Tariff Notifications

4.4. Fibre Services Market

- The Authority continues to provide 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 analysis shows that during the period under review, the approximated average prices for the 25/25Mbps and 50/50Mbps increased by 1.4% and 1.2% to R 571.28 and R 780.07, respectively, from the previous reporting period. The average subscription fee for the 100/100Mbps also increased by 1.1% to R 942.03. The increase in the average subscription fees can be explained by an increase in the subscription fees on various fibre packages in the period under review.

- On the 25/25Mbps line speed, MTN's 25/25Mbps FTTH on Zoom Fibre's network had the lowest subscription fee of R 419, which translates to the largest below-average price deviation of 26.7%. Among the sampled fibre plans, MTN's 25/25Mbps package on Linteg has the highest subscription fee of R 759, which translates to the largest deviation above the average price of 33%.

- On the sampled 50/50Mbps line speed, ASAP Internet's 50/50Mbps on Vumatel FTTH has the lowest subscription fee of R 520, which translates to the largest below-average price deviation of 33.3%. Cybersmart's 50/50Mbps package on Openserve has the highest subscription fee of R 1 059, which translates to the largest deviation above the average price of 36%.

- The average price of the sampled 100/100Mbps line speeds was R 942.03 per month, with Cybersmart's 100/100Mbps FTTH on Lightspeed's fibre network having the lowest subscription fee of R 573.85, which translates to the largest below-average price deviation of 39.1%. Vodacom's 100/100Mbps package on SADV has the highest subscription fee of R 1 259, which translates to the largest deviation above the average price of 33.6%.

4.4 Over-the-Top (OTT) Service Offerings

- In order to capitalise on the growth in uptake of OTT services, licensed operators continue to launch various product offerings so as to maximise their data revenues.

- During the period under review, MTN introduced its OTT Subscription Bundles, which offer customers video bundles that are linked to an OTT platform subscription. These URL-specific data bundles benefit customers with affordable prices, which translates to low in-bundle rates.

- MTN introduced its Pulse Refer a Friend incentive, wherein the operator rewards customers with free 1GB Social Pass bundles upon successful migration of the referred customer to MTN Pulse to both the referrer and referee.

- Cell C also introduced its Call Home App Promotion, which offers customers on the Call Home price plan a promotional Call Home App bundle. The bundle provides a Call Home customer with the ability to pair with one Econet Wireless Zimbabwe ("EWZ") customer MSISDN and receive free EWZ mobile data to communicate with the Call Home Customer using the voice calling facility of the Call Home App.

4.5 Fixed Wireless Access Services (LTE, 5G and Wireless fibre Internet services)

- The Authority observed a continued competitiveness in the provision of LTE, 5G and Wireless Internet services, with 18 notifications received during the period under review.

- For instance, Vodacom introduced its Prepaid LTE Plus tariff plan, which offers prepaid customers affordable LTE Anytime and Night Owl data bundles with a 30-day validity period.

- Rain also introduced its R 10 a Gig Promotion, wherein it offers customers a 1GB promotional bundle that is priced at R 10.

5. Conclusion

- ICASA observes efforts by operators to charge competitive data prices, with price reductions from various tariff notifications 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 January 2025 to 30 June 2025 is available on ICASA's website.