2 February 2026

Subject: Plan-S response to the Notice of Intention to Conduct an Inquiry into New Individual Electronic Communications Network Service Licences

Dear Mr. Mailula,

Plan-S Satellite and Space Technologies (Plan-S) respectfully welcomes the opportunity to contribute to “Notice of Intention to Conduct an Inquiry into New Individual Electronic Communications Network Service Licences”.

We commend the Authority for initiating this consultation, which addresses fundamental questions concerning market entry, competition, innovation, and universal access and services in South Africa’s electronic communications sector. This consultation is both timely and necessary, particularly in light of new and emerging technologies, evolving service models, and the growing importance of satellite connectivity in achieving national digital inclusion objectives.

Plan-S is an international satellite operator focused on delivering standards-based satellite IoT and connectivity services, designed to complement terrestrial networks and extend coverage to rural, remote, unserved and underserved areas. As a prospective entrant to the South African market, Plan-S has a direct interest in ensuring that the licensing framework supports fair competition, efficient spectrum use, and rapid deployment of innovative services for the benefit of South African citizens and industries.

In the attached submission, Plan-S provides its views on the effectiveness of the current licensing and licence transfer framework and proposes practical, proportionate regulatory measures aligned with international best practice. Our comments are intended to support ICASA’s mandate to promote competition, innovation, universal access, and long-term sector sustainability.

Plan-S affirms its readiness to engage in any further consultative processes initiated by the Authority and requests an opportunity to make oral representations should public hearings be convened.

Plan-S remains committed to constructive engagement with the Authority and stands ready to support ICASA’s efforts to modernise South Africa’s electronic communications framework.

Yours faithfully,

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Below please find the responses of Plan-S Satellite and Space Technologies Inc. to the questions relevant to its operations and proposed activities.

Question 1.1: What are your views on the current licensing framework in relation to the sale and transfer of I-ECNS and I-ECS licences (section 13 of the ECA)? In particular, does the current licensing framework hinder or promote competition? In providing your response, please provide reasons supported by evidence or case studies, where applicable.

Plan-S is of the view that the current framework governing the sale and transfer of I-ECNS and I-ECS licences under section 13 of the ECA hinders effective competition and creates unnecessary barriers to market entry.

In practice, the framework directs new market entrants towards acquiring licences exclusively through existing licensees, effectively positioning incumbent license holders as gatekeepers to market entry. Entry into the South African market therefore becomes contingent on the willingness of an existing licensee to sell or transfer a licence, rather than on regulatory assessment by the Authority based on objective public-interest criteria. This dependency effectively grants incumbent I-ECNS and I-ECS licensees gatekeeping power over market entry, regardless of whether those incumbents actively deploy infrastructure or services.

This structure limits competition, inflates entry costs, and undermines the principles of market openness. Instead of facilitating competition, the framework reinforces incumbency advantages and restricts innovation, particularly for new entrants, small-scale operators, and especially satellite operators.

By comparison:

- **European Union (EU):** Electronic communications services are generally authorised through general authorisation regimes if they don't require exclusive spectrum rights, with market access based on compliance with technical and public-interest obligations rather than acquisition of licences from incumbents.
- **United Kingdom:** Ofcom applies a technology-neutral general authorisation framework, allowing service providers to enter the market without reliance on licence transfers, provided spectrum conditions are met.
- **Australia:** ACMA enables electronic communication services through direct authorisation mechanisms, separating market entry from secondary trading of network licences.

These approaches demonstrate that effective competition can be promoted without forcing new entrants to depend on incumbents for market access or awaiting any policy that enable opportunity for applying for license.

Removing or reforming this dependency would play a significant role in enhancing competition and opportunities for the citizens and industries of South Africa and aligning the South African licensing framework with the best practices.

Question 1.2: In your view, should the Authority intervene in the current sale and transfer market to facilitate the purchase of existing licences? If yes, to what extent should the Authority intervene? Please motivate your response by providing reasons and any supporting evidence or data.

Plan-S does not believe that further intervention by the Authority in the secondary market for licence transfers is the appropriate solution. Such intervention would likely impose additional administrative and regulatory burdens on ICASA and raises practical challenges regarding the Authority's role in commercial negotiations, particularly in relation to the valuation of licences held by selling parties.

As the current framework stands, licensees effectively assume a role similar to that of the regulator by controlling access to the market. Where no scarce national resource (such as spectrum) is being newly assigned, this arrangement amounts to the granting of a regulatory privilege, rather than serving a public-interest objective.

Instead of intervening in transfer pricing or facilitating transactions between private parties, the Authority should consider removing or substantially simplifying licensing requirements that do not involve new resource allocation. This would reduce artificial scarcity, lower barriers to entry, and restore the Authority's central role in determining market access.

Question 1.3: What other considerations or interventions would be useful for the Authority to consider regarding the effectiveness and efficiency of the current sale and transfer licensing framework so as to promote competition?

Where the transfer of genuinely scarce resources, such as exclusive spectrum rights, is concerned, such mechanisms may, in principle, promote competition and market efficiency when aligned with international best practices. However, this rationale does not apply in the same manner to licence categories that do not involve the assignment or transfer of scarce resources.

Rather than attempting to engineer outcomes between two market participants through private, bilateral licence transfer transactions, Plan-S believes that the Authority should focus on liberalising the market structure itself. Measures that enhance openness, transparency, and ease of market entry would be more effective in promoting competition than continued reliance on licence transfers as the primary route to market access.

In addition, Plan-S considers that ICASA should review the effectiveness of licences that remain unused for extended periods following their grant. Introducing clear and proportionate "use-it-or-lose-it" provisions, where services in the scope of the licences that have not been deployed within a defined timeframe may lead licenses to be revoked and made available immediately to new entrants, could improve market dynamism without requiring the initiation of a new licensing cycle.

Question 2.1: In your view, are there sufficient market opportunities to justify issuing new I ECNS and I-ECS licences? Please motivate your response.

Yes. There are sufficient market opportunities to justify the issuance of new I-ECNS and I-ECS licences.

Issuing new licences would:

- Facilitate direct market entry,
- Enable faster deployment of new technologies and services such as satellite services.
- Reduce reliance on costly secondary transactions, which are also subject to the willingness of the current licensees,
- Prevent artificial inflation of licence values, and

This would ultimately benefit South African consumers through increased competition and innovation.

Question 2.2: Have you, or are you aware of any licensee or interested party who has, considered or is considering launching or expanding network infrastructure or providing services in South Africa? What technologies, network architecture and/or spectrum frequencies do you think would be appropriate for any new I-ECNS licensees? Please provide examples or evidence where possible.

Plan-S is considering entry into the South African market to provide satellite-based IoT and connectivity services, in partnership with a South African company based locally. These services are designed to complement terrestrial networks by extending coverage to rural, remote, unserved and underserved areas using Low Earth Orbit (LEO) satellite systems.

As the Internet of Things (IoT) ecosystem grows, the need for dependable, cost-effective, and global connectivity becomes increasingly critical to enhance efficiency of business operations in various industries, which will eventually contribute to the country's economy. Satellite IoT technologies, including those based on 3GPP and LoRaWAN standards, offer numerous advantages such as extending coverage to remote unserved and underserved areas where terrestrial networks are impractical or economically unviable and providing resilient connectivity that is less susceptible to natural disasters or terrestrial infrastructure failures.

As a satellite operator, we are committed to addressing global coverage challenges and advancing a sustainable future for the IoT ecosystem. CONNECTA IoT Network, a cutting-edge solution optimized for massive narrowband IoT connectivity based on LoRaWAN and 3GPP standards, offers unparalleled cost efficiency, high reliability, high capacity, low latency, comprehensive global coverage, and standardized industry-leading technology solutions. Additionally, CONNECTA IoT Network will provide global connectivity capacity through a low-cost constellation for billions of devices. Its LEO architecture and innovative standardized offerings allow customers to use IoT solutions at a low cost anywhere in the world where the service is authorized.

Plan-S intends to operate direct-to-satellite IoT connectivity based on the LoRaWAN standard in the 862-870 MHz band, consistent with the spectrum availability in South Africa. This band is harmonised with Europe and are already widely used for LPWAN applications.

In Europe, satellite-IoT operations in license-exempt short-range devices (SRD) bands have been validated through extensive technical studies, field trials, and early deployments. This work culminated in ECC Report 357 - *"Regulatory analyses of satellite use in the band 862-*

870 MHz to communicate with terrestrial SRD", and the adoption of **ECC Decision (25)02** - *"Low power devices communicating with satellites (LPD-S) within the frequency range 862-870 MHz"*, which harmonises satellite IoT use in the 862-870 MHz band across CEPT countries while protecting incumbent services through stringent power-flux-density limits, alignment with ERC Recommendation 70-03, and binding privacy safeguards under the ITU Radio Regulations.

The Connecta IoT Network is explicitly listed as a compliant satellite system in Annex 2 of ECC Decision (25)02, demonstrating regulatory confidence in the technical and operational soundness of this model. Importantly, this framework extends existing terrestrial SRD rules to space, promoting spectrum efficiency, regulatory clarity, and market-driven innovation.

While Device-to-Device (D2D) services are often discussed in the context of 3GPP mobile technologies, European regulators and the EU Radio Spectrum Policy Group (RSPG) also recognise satellite-to-IoT communications in SRD bands as a form of IoT-NTN. Enabling this approach in South Africa would enhance universal access, foster competition, lower market entry barriers, and directly support unserved and underserved and rural communities.

Plan-S is also interested in operating in the 2 GHz MSS band for direct-to-satellite IoT connectivity based on 3GPP NTN standards, including NR-NTN and IoT-NTN, as defined under 3GPP Release 17. This band is globally harmonised under the ITU Radio Regulations for MSS and is essential for the provision of standards-based satellite IoT and M2M services that complement terrestrial mobile networks using the same ecosystem.

Globally, regulators are increasingly recognising the need for shared and proportionate access to the 2 GHz MSS band for narrowband IoT services. For example, the Australian Communications and Media Authority (ACMA) has designated 2005-2009 MHz and 2195-2200 MHz for narrowband MSS (IoT) use on a shared basis. Similarly, the RSPG has examined the allocation of 2x5 MHz within the 2 GHz MSS band to support multiple IoT/M2M operators, acknowledging the feasibility of time-sharing, the non-real-time nature of IoT traffic, and the benefits of competition and innovation.

Enabling satellite-IoT use in the 2 GHz MSS band would unlock significant socio-economic benefits, strengthen national resilience and emergency communications, and accelerate the deployment of next-generation IoT applications across South Africa.

Question 2.6: Are there any additional points that you think would be useful for the Authority to consider regarding the demand for I-ECNS and I-ECS licences?

Despite the relatively high number of issued licences, the sector remains highly concentrated. This indicates that licence quantity alone does not equate to effective competition. The current framework limits the practical usability of licences and favours incumbents rather than promoting dynamic market entry.

In addition, Plan-S considers that ICASA should monitor the licences that remain unused for extended periods following their grant. Introducing clear and proportionate "use-it-or-lose-it"

provisions, where services in the scope of the licences that have not been deployed within a defined timeframe may lead licenses to be revoked and made available immediately to new entrants, could improve market dynamism without requiring the initiation of a new licensing cycle.

Question 3.1: In your view, do you believe that new I-ECNS licences will promote or improve competition in the market? Please substantiate your answer.

Yes, new I-ECNS licences would promote competition. However, Plan-S would strongly prefer simplification and liberalisation of the licensing process rather than a lengthy procedure dependent on ministerial policy directions, announcements, and discretionary approvals. Otherwise, ICASA may need to regularly commence such licensing cycles for enabling new entrants and emerging technologies in the market, bringing solutions that the South African citizens need.

Question 3.2: If you answered yes to Question 3.1 above, are there any competition issues or concerns that may hinder the effectiveness of such new I-ECNS licences in promoting or improve competition? Please provide evidence or examples.

The number of existing licences demonstrates that licences, in isolation, do not automatically generate competitive outcomes. Instead, the current regime primarily confers privileges on existing licence holders without ensuring service rollout, innovation, or tangible consumer benefits.

Accordingly, the issuance of new I-ECNS licences would more effectively promote competition and market efficiency in South Africa's telecommunications sector than continued reliance on the transfer of existing licences for the market entry. The South African telecommunications market should not depend on secondary licence transfers to enable the introduction of new technologies or to create opportunities for citizens and industries.

Question 3.3: What regulatory measures, if any, should the Authority consider to remedy the competition concerns you have identified in Question 3.2 above, or to ensure that any new I ECNS licences compete effectively with the incumbents? Provide examples of the kinds of remedies you would expect to see.

Plan-S recommends:

- Replacing the I-ECNS / I-ECS licensing regime with a simplified framework based on general and individual authorisations, ensuring that regulatory obligations are proportionate to the use of scarce resources and the market impact of the service

"OR"

- allowing open-ended or continuous application windows for I-ECNS/I-ECS licences.
- Plan-S recommends that, within the existing regulatory framework, the Authority issue a standing Invitation to Apply (ITA). This mechanism would enable new entrants to acquire licences on an as-and-when needs basis, thereby eliminating the need for ICASA to await a policy direction before initiating a new licensing process.

- A standing ITA would mitigate reliance on dormant licensees, who currently fuel a secondary trading market. In many cases, these licensees fail to comply with standard licence terms and obligations, including the submission of annual compliance reports, resolution of shareholder issues, and payment of mandatory contributions such as the Universal Service Fund (USF) and annual licence fees.
- Introducing time-bound “use-it-or-lose-it” conditions to prevent licence hoarding.

These measures would promote effective competition without unnecessary regulatory burden and be aligned with the best practices, which will enable new and emerging technologies immediately in the South African market.

Question 4.1: In your view, will new I-ECNS and I-ECS licences contribute to universal access and service within the current electronic communications network and services market? Please explain the mechanisms through which such contribution may occur. Provide any supporting data, case studies, or examples.

New I-ECNS and I-ECS licences, particularly for satellite operators, would significantly contribute to universal access and service. Satellite networks are uniquely capable of serving rural, remote, unserved and underserved areas where terrestrial deployment is economically or technically unviable.

Plan-S aims to collaborate with terrestrial network operators to complement their networks in areas where terrestrial coverage is unavailable or limited. In addition, Plan-S’s satellite network provides a resilient connectivity layer that can support and restore communications during natural disasters or other network disruptions affecting terrestrial infrastructure.

Question 4.2: In your view, how should the Authority incorporate universal access and service obligations into the terms and conditions of new I-ECNS and I-ECS licences to ensure equitable access to communications services across South Africa?

LEO satellite networks are capable of providing seamless, global coverage and can therefore play a critical role in ensuring equitable access to electronic communications services across South Africa. Unlike terrestrial networks, which often require significant time and capital investment to deploy, particularly in remote, rural, or sparsely populated areas, satellite networks can enable connectivity rapidly and at scale where no alternative infrastructure exists.

In this context, the Authority could incorporate universal access and service objectives into new I-ECNS and I-ECS licences by recognising satellite networks as an effective means of meeting coverage and resilience goals, particularly in unserved and underserved areas. Satellite-based services can act as a catalyst for inclusive and balanced socio-economic development by ensuring that communities, industries, and public services across the country have access to reliable connectivity, regardless of geography.

Question 5.1: Are there any potential negative consequences associated with the rollout of infrastructure by the new I-ECNS licensees that the Authority should consider?

Plan-S does not foresee any material negative consequences arising from the rollout of infrastructure by new I-ECNS licensees. From a cost and regulatory oversight perspective, the

monitoring and enforcement of such licences would not impose a greater burden on the Authority than the current regime, which requires ICASA to oversee and approve licence transfers in the secondary market.

On the contrary, the entry of new licensees would foster a more competitive environment, delivering tangible benefits to South African citizens and industries, including improved service quality, greater innovation, and more affordable pricing. Therefore, ICASA should consider such benefits when assessing the costs of enabling new licenses.

Moreover, to reduce any potential administrative burden on the Authority more, licences could be subject to revocation if not used or underutilised within a defined period following their grant.

From an environmental perspective, satellite networks require limited ground infrastructure, primarily consisting of gateway stations necessary to meet regulatory requirements in some cases. As a result, satellite-based deployments can contribute to reducing the overall environmental footprint compared to extensive terrestrial infrastructure rollouts.

Question 5.2: What new or additional benefits, if any, could new I-ECNS licences provide compared to existing licensees? Please provide examples or evidence of potential improvements such as service coverage, infrastructure rollout, technological innovation, competition, or other market and social benefits.

New I-ECNS licences would deliver a range of additional benefits compared to reliance on existing licensees, including:

- **Expanded service coverage especially through satellite networks**, particularly in rural, remote, unserved and underserved areas where terrestrial deployments are limited or uneconomical.
- **Faster adoption of new and emerging technologies**, as new entrants are often able to deploy modern, standards-based solutions without legacy constraints.
- **Increased competition**, which drives efficiency, service differentiation, and improved quality of experience.
- **Greater innovation**, especially through the introduction of new use cases and business models; and
- **Lower consumer prices**, resulting from competitive market dynamics and economies of scale.

Plan-S is well positioned to deliver these benefits through its satellite IoT solutions based on LoRaWAN and 3GPP standards. These two approaches represent innovative yet mature technologies that enable satellite networks to integrate seamlessly with terrestrial ecosystems. By leveraging globally harmonised standards, satellite IoT services can offer interoperable, resilient, and scalable connectivity, while benefiting from the economies of scale already achieved in the terrestrial domain. This, in turn, reduces device and deployment costs and makes satellite-based services more affordable and accessible to a broader range of users.

Furthermore, standards-based satellite IoT enables collaboration with terrestrial network operators, allowing satellite services to complement existing networks rather than duplicate them. This supports continuity of service, enhances network resilience, and enables new applications across sectors such as agriculture, logistics, energy, environmental monitoring, and disaster management.

Finally, the entry of additional I-ECNS licensees would increase competitive pressure in the market, encouraging existing operators to innovate and improve their offerings. This competitive environment would directly benefit South African citizens and industries through improved coverage, better service quality, and more competitive pricing.

Question 6.1 - Additional and final comments

Plan-S strongly supports ICASA's objective of promoting competition, innovation, and universal access within South Africa's electronic communications sector. However, the current I-ECNS and I-ECS licensing regime, particularly its reliance on secondary licence transfers and ministerial policy directions, constitutes a significant barrier to market entry, especially for satellite and other new and emerging technology providers.

The current framework primarily benefits incumbent licence holders by conferring gatekeeping privileges, while delivering limited demonstrable public benefit in terms of service rollout, innovation, or affordability. It also introduces uncertainty, delays, and artificial scarcity that are misaligned with South Africa's broader digital transformation and connectivity objectives.

Plan-S respectfully submits that a more open, flexible, and technology-neutral authorisation framework; one that decouples market entry from licence trading where no scarce resources are assigned would better serve South Africa's long-term interests. Such an approach would align ICASA's licensing framework with international best practices, reduce barriers to entry, enable faster deployment of new and emerging technologies such as satellite IoT, and stimulate sustainable competition.

Reforming the current regime would allow ICASA to reassert its central regulatory role in determining market access based on objective public-interest criteria, rather than private negotiations between market participants. This would ultimately enhance service coverage, resilience, innovation, and affordability, directly benefiting South African citizens, industries, and the national economy.

Plan-S remains keen to enter and invest in the South African market and looks forward to continued engagement with ICASA as it considers the outcomes of this important Inquiry.