



Independent Communications Authority of South Africa

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**BI-ANNUAL REPORT ON THE ANALYSIS OF TARIFF NOTIFICATIONS
SUBMITTED TO ICASA FOR THE PERIOD 01 JANUARY 2022 TO 30 JUNE
2022 – 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 2022 to 30 June 2022. 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 01 January 2022 to 30 June 2022. The second Bi-annual report covers the period 01 July 2022 to 31 December 2022.

- 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 265 tariff notifications, which consisted of 72 new promotions, 101 amendments, 35 extensions, and 57 new products from the period 01 January 2022 to 30 June 2022.

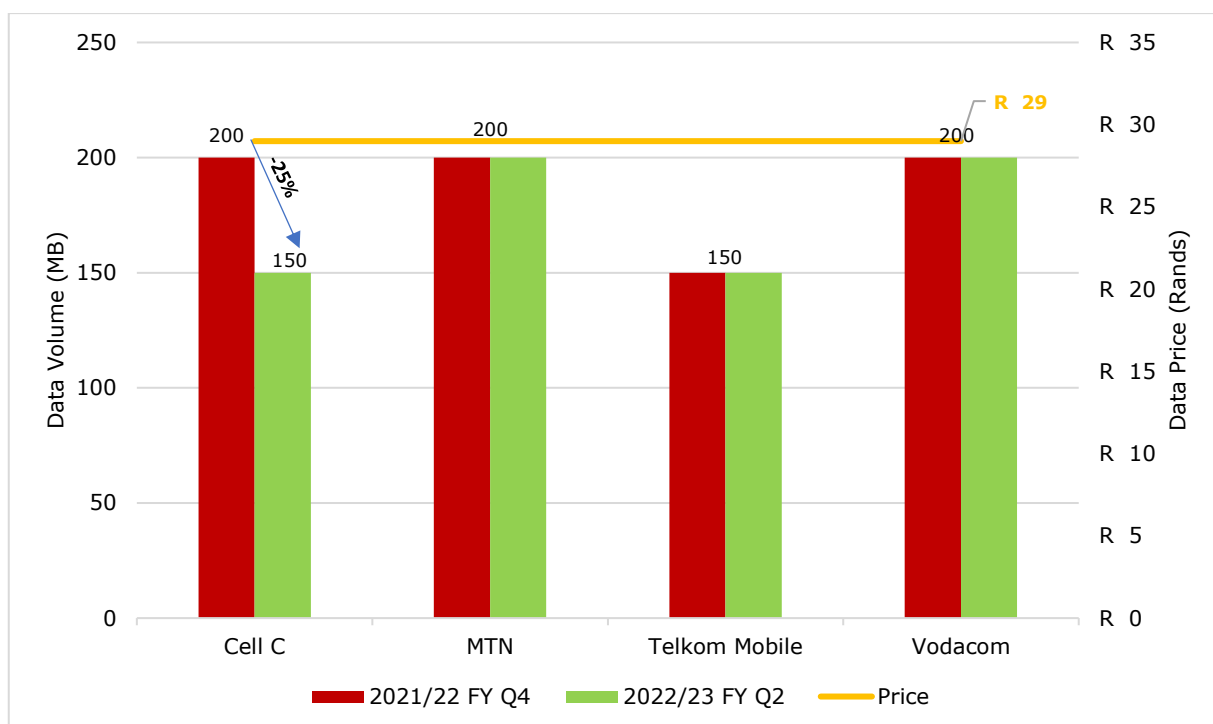
4. Key Findings from ICASA’s Tariff Notification Analysis

4.1. Mobile Data Services Market

150MB - 200MB

- Cell C replaced its 200MB data bundle which it offered for R 29 with a 150MB data bundle also offered for R 29, translating to a 25% decrease in data bundle volume and an increase in the in-bundle rate from R 0.15 per MB to R 0.19 per MB.
- MTN and Vodacom currently offer their 30-day standard prepaid 200MB data bundle for R 29 (i.e., in-bundle rate of R 0.15 per MB).
- Telkom Mobile and Cell C currently offer the highest in-bundle rate of R 0.19 per MB when compared to the other two MNOs, based on the prices for this data bundle across the four MNO’s.
- Figure 1 below graphically depicts the changes on the 150MB to 200MB data bundle range.

- Figure 1: 2021/22 FY Q4 to 2022/23 FY Q2 Data Price and volume changes for 150MB and 200 MB standard 30-day prepaid data bundles

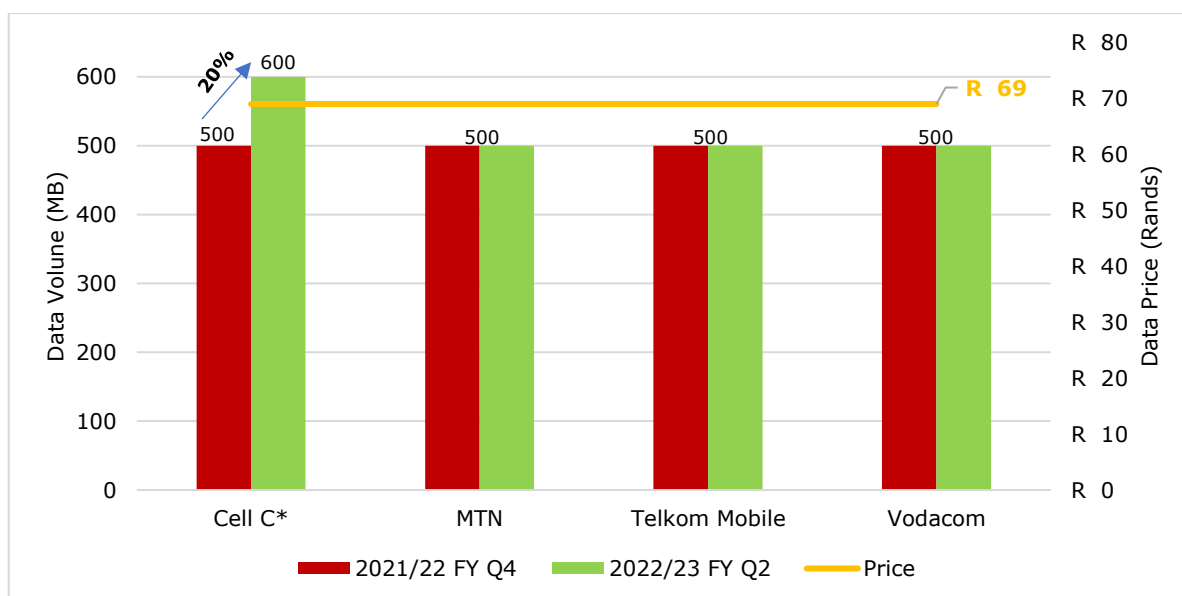


- Source: ICASA Database Based on Filed Tariff Notifications

500MB – 600MB

- Cell C replaced its 500MB data bundle which it offered for R 65 with a 600MB data bundle offered for R 69, thus making it the most affordable in the 500MB to 600MB data range among the four operators.
- Telkom Mobile, MTN and Vodacom's 500MB is still offered for R 69.
- On average, the 30-day standard prepaid 500MB data bundle is priced at R 69, based on the prices for this data bundle across the four MNO's.
- Figure 2 below graphically depicts the changes in the 150MB-200MB data bundle range.

- Figure 2: 2021/22 FY Q4 to 2022/23 FY Q2 Data Price changes for 500MB and 600MB standard 30-day prepaid data bundles



- *Cell C offered the 500MB data bundle for R 65 and has replaced it with the 600MB offered for R 69.
- Source: ICASA Database Based on Filed Tariff Notifications

1GB – 2GB

- In the period under review, none of the four major Mobile Network Operators (MNOs) (i.e., Vodacom, MTN, Cell C and Telkom Mobile) revised their 30-day standard prepaid 1GB and 2GB data bundles.
- On average the 30-day standard prepaid 1GB and 2GB data bundle currently costs R 83.50 and R 149, respectively, based on the prices for these data bundles across the four MNO's.

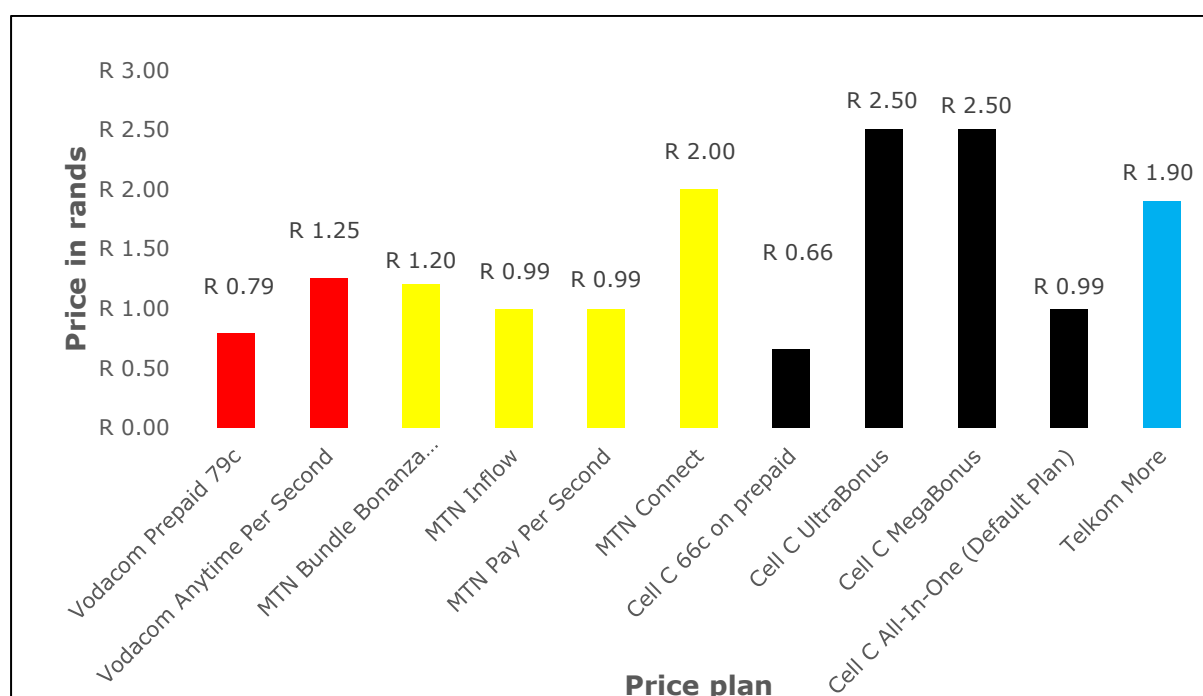
40GB

- Cell C's price reduction of the 40GB data bundle from R 1 199 to R 489 resulted in the 40GB data bundle being priced R 20 higher than the 10GB data bundle offered by the MNOs. Therefore, an extra R 20 earns customers an additional 30GB.
- Cell C and Telkom Mobile are currently the only MNO's offering a 40GB data bundle.

4.2. Voice Services Market

- Vodacom filed its prepaid Pay Upfront Voice Bundles, wherein it offers prepaid and hybrid customers recurring on-net voice bundles that are purchased on a once-off basis.
- MTN also filed additional weekly and monthly voice bundles on the USSD All-Net voice offers based on their individual spend profiles and/or locations in the country.
- MTN's voice rate increase on the Bundle Bonanza Tariff Plan, which entailed an increase in the OOB voice rate by R 0.21 (or 21.2%) from R 0.99 to R 1.20 per minute, resulted in the plan's flat-rate tariff being the 5th highest among the voice tariffs offered by the MNOs as shown in the figure 1 below.
- 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 3: Flat-rates per minute



Source: ICASA Database based on Filed Tariff Notifications

4.3. Fibre Services Market

- There were 82 notifications filed regarding fibre services (up from 79 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 698 per month, with Cybersmart's 20/20Mbps on Vodacom being the highest priced at R 1 139 (47% above the average) and Cybersmart's 20/20Mbps in the Big Bay MPOA being the lowest priced at R 399 (42.8% below the average).

- The average price of the sampled 50/50Mbps line speeds was R 822 per month, with Cell C's 50/50Mbps on Vumatel being the highest priced at R 1 099 (33.7% above the average) and ASAP Internet's 50/50Mbps on MetroFibre being the lowest priced at R 600 (27% below the average).
- The average price of the sampled 100/100Mbps line speeds was R 1 035 per month, with Vodacom's 100/100Mbps on Clear Access's network being the highest priced at R 1 399 (35.2% above the average) and MTN & MWEB's 100/100Mbps both on MetroFibre being the lowest priced at R 799 (22.8% below the average).

4.4 Over-the-Top (OTT) Service Offerings

- In order to capitalise on the growth in uptake of OTT services, licensed operators have launched various product offerings so as to maximise their data revenues.
- In the period under review, Vodacom, Cell C and Telkom filed their Social Bundles and/or amendments thereof with varying validity periods with the Authority.
- Vodacom filed its Social Bundles wherein it offers its prepaid, post-paid and hybrid customers URL-specific data bundles with varying validity periods giving customers access to Facebook, YouTube and WhatsApp.
- Cell C and Telkom filed additional WhatsApp bundles with daily, weekly and monthly validity periods.

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

- The Authority observed a continued increase in the introduction of 5G products.
- MTN filed prepaid Home LTE products with the Authority on 20 April 2022, while Vodacom filed its prepaid Home LTE products on 29 April 2022. The prepaid nature of the plans enable customers to opt-in and out of the service as they see fit, or in accordance to their needs for Internet services. For example, a monetary value of R 99 can afford customers 1.5GB of 30-day standard prepaid data, as compared to the 20GB (10GB Anytime and 10GB Night Express) offered in the MyMTN Home Prepaid LTE SIM Only price plan. MTN also introduced new MyMTN Home Uncapped LTE and MyMTN Home Uncapped 5G price plans in the market, wherein it offers high speed wireless Internet services.

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 January 2022 to 30 June 2022 is available on ICASA's website¹.

¹ Accessible on: <https://www.icasa.org.za/tenders/retail-tariffs-report-quarter-2-2022-23>