



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 JULY 2022 TO 31 DECEMBER
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 July 2022 to 31 December 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 341 tariff notifications, which consisted of 128 new promotions, 100 amendments, 41 extensions, 65 new products during the period under review, i.e., 01 July 2022 to 31 December 2022.

4. Key Findings from ICASA’s Tariff Notification Analysis

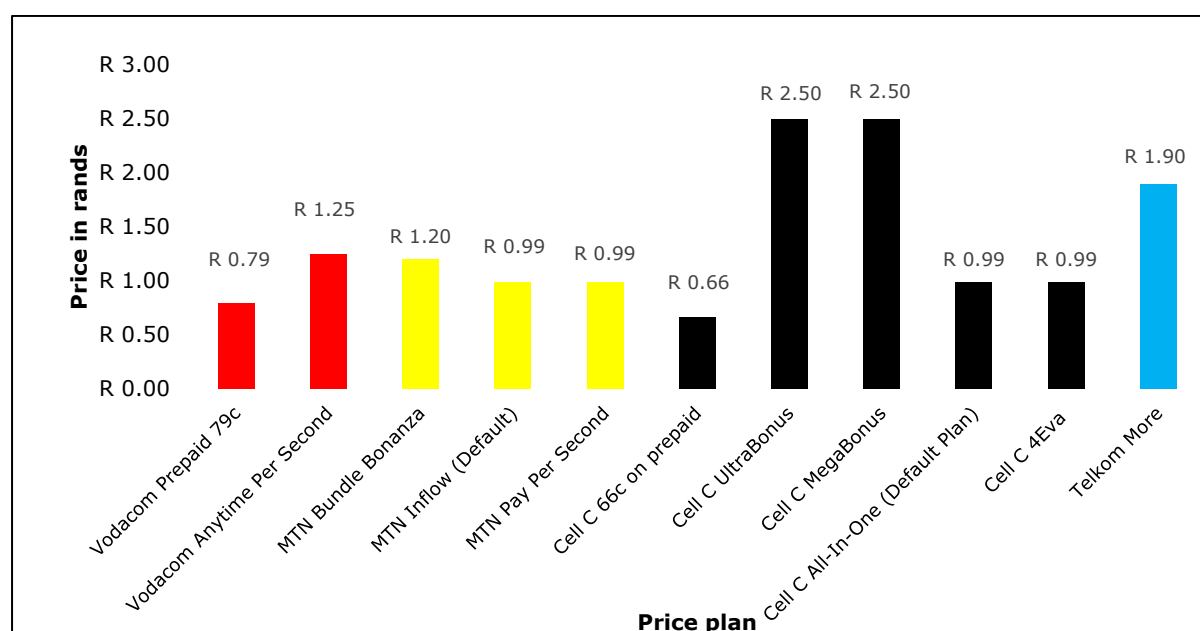
4.1. Mobile Data Services Market

- In the period under review, Vodacom and MTN filed personalised data bundles with the Authority offering customers data bundle deals based on individual spending patterns/profiles and geographic location.
- MTN introduced its Dynamic Data bundle plan wherein it rewards customers with free bonus data from 10% to 100% of the purchased value, based on their locations and spending patterns.
- Vodacom offers prepaid customers personalised data bundles through its Everyday-ta Bundles, which the operator opted to make permanent in the market in the period under review. The offer entails personalised daily recurring data bundles that are purchased on a once-off basis.

4.2. Voice Services Market

- In an aim to increase the utilisation of voice services, MTN filed a number of notifications regarding voice bundles (on-net and all-net). The operator amended its All-net Bundle portfolio by upsizing the voice bundle allocations. For instance, the Daily R 20 voice bundle size was increased by 100% from 60 minutes to 120 minutes, while the price remained unchanged, which translated to a R 0.16 decrease in the effective rate from R 0.33 to R 0.17 per minute.
- MTN introduced its Prepaid Inflow tariff plan which replaced MTN's Bundle Bonanza as a default tariff plan, with the plan offering an OOB flat-rate of R 0.99 per minute. Cell C also introduced its 4Eva Tariff Plan, which offers an OOB flat-rate of R 0.99 per minute.
- 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 1: Flat-rates per minute



Source: ICASA Database based on Filed Tariff Notifications

- The figure above shows that the OOB voice rate of the newly introduced MTN Inflow and Cell C 4Eva Tariff Plans resulted in the plans' flat-rate tariffs being the joint 5th highest among the depicted flat-rate tariffs.

4.3. Fibre Services Market

- There were 115 notifications filed regarding fibre services (up from 82 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 726 per month, with Cybersmart's 20/20Mbps on Vodacom being the highest priced

at R 1 139 (57% above the average) and Cybersmart's 20/20Mbps in the Big Bay MPOA being the lowest priced at R 399 (45% below the average).

- The average price of the sampled 50/50Mbps line speeds was R 802 per month, with Cell C's 50/50Mbps on Vumatel being the highest priced at R 1 099 (37% above the average) and Cybersmart's 50/50Mbps on Vumatel being the lowest priced at R 628.90 (21.6% below the average).
- The average price of the sampled 100/100Mbps line speeds was R 984 per month, with Vodacom's 100/100Mbps on WAN's network being the highest priced at R 1 229 (24.9% above the average) and Lasernetet's 100/100Mbps both on Vuma Fibre being the lowest priced at R 765 (22.3% below the average).

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

- The Authority also observed a continued increase in the provision of LTE and Wireless Internet services, the introduction of 5G products and wireless fibre Internet services. For example, Telkom's Unlimited All Hours and Off-Peak LTE Promotions offer customers an unlimited prepaid package valid for 7 days at R 299 and R 129, respectively. The wireless Internet services may also serve as an alternative to fixed broadband services, especially in areas where there is no fibre footprint.

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 2022 to 31 December 2022 is available on ICASA's website.