Comments and Suggestions with Respect to the Notice of Intention to Conduct an Inquiry into new Individual Electronic Communications Network Service (I-ECNS) and Individual Electronic Communications Service (I-ECS) licences

No.	Consultation Questions	Eutelsat Comments
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.	Eutelsat is of the view that the current licensing framework is hindering competition because it sets access and cost barriers for new entrants. Since individual licenses cannot be obtained through a normal administrative process other than an Invitation to Apply (ITA) process, new market entrants wishing to provide ICT services or deploy infrastructure nationally can only obtain an I-ECNS and/or I-ECS license through a transfer process which is available on a willing-buyer-willing-seller basis. The price of these licenses is not regulated and left at the seller's discretion, which can be substantial and challenging to estimate. The transferee also needs to pay additional administration fees for the transfer of the license and associated resources (i.e spectrum and numbers). For example, the ICASA administration fees for a license transfer application is R 82 111,00 per I-ECS and I-ECNS licence transfer application as per the 2025 fees. Furthermore, the transfer process takes 180 working days (approximately to 8 to 9 months) to complete. Considering the dynamic nature of the ICT industry, Eutelsat asserts that the current framework may unintentionally delay or discourage the timely introduction of new technologies and services into the South African market and thereby limiting consumer choice and depriving them of the benefits that come with new disruptive technologies. The reliance on a secondary market model as the primary mechanism for entry creates structural uncertainty for new investors, as entry depends on the commercial willingness of existing licensees rather than on transparent and predictable regulatory processes.

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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.	Considering the Authority's key strategic objectives to promote competition, promote the digital agenda and improve the stakeholder and consumer experience, Eutelsat is of the view that the Authority may strategically intervene in the current license transfer process. In the spirit of promoting competition, a regulator can assist in removing any barriers to entry to the market, particularly those that are introduced by inefficient operational processes and regulatory burdens to new market entrants. It is evident that leaving the price of individual license purely to the accord of the secondary market and the cumbersome transfer process are hindering the Authority's strategic objective to promote competition. Eutelsat respectfully recommends that the Authority conducts a review study on current holders of individual licenses that have not been operational for a set period of time (e.g 12 month) and consider introducing a structured "use-it-or-review-it" compliance assessment mechanism for inactive licence holders, consistent with international regulatory best practice. The Authority can then issue notices for willing and qualifying buyers to facilitate transparent transfer windows, supported by regulatory oversight to ensure that administrative costs remain proportionate and that processes are predictable and time-bound. Furthermore, ICASA could endeavor to streamline the transfer process to reduce the timelines to not more than 3 months. While the ITA mechanism is legally available, Eutelsat respectfully submits that a periodic or rolling application process may provide greater regulatory predictability and reduce bottlenecks compared to ad hoc invitation rounds. A structured and recurring administrative process could better align with the dynamic evolution of the ICT sector.
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?	See comment to 1.2 above – Eutelsat respectfully wishes to highlight that the Authority's intervention should be limited at a strategic level for sale/transfer of licenses so as not to introduce additional regulatory processes and stringent requirements that will make the sale/transfer of licenses more cumbersome for new market entrants. In this context, Eutelsat supports the Directive (as per Government Gazette No. 53855 Vol.726 of 12 December 2025) that was issued to the Authority by the Honourable Minister of the Department of Communications and Digital Technologies and further invites the Authority to honour this directive to enable international entities to invest and contribute to competition in the ICT sector.

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		The Authority may also consider publishing anonymised data regarding licence transfer timelines and administrative processing metrics. Increased transparency would enhance investor confidence and reduce perceived regulatory risk.
2.1	In your view, are there sufficient market opportunities to justify issuing new IECNS and I-ECS licences? Please motivate your response.	Eutelsat notes that there has been no ITA issued for I-ECNS and I-ECS for over 20 years and that no meaningful market structure changes since the Altech case in 2008 where all VANS licences were converted to individual licenses. This is notwithstanding the Authority's own inquiry into the state of competition in the South African ICT sector in 2014 and the Competition Commission's Inquiry into Data Services Market, which both clearly highlighted the need for policy and regulatory reforms to address current competition issues particularly in the broadband market. South Africa is also characterized by high cost to communicate where data cost are ranked amongst the highest in the world and a persistent digital divide despite universal access obligations on incumbent licensees and government policy intervention (i.e SA Connect). International experience demonstrates that the introduction of alternative infrastructure platforms, including satellite broadband, exerts downward pressure on retail pricing and improves service quality in concentrated markets. Eutelsat is of the view that opening the market to new entrants will introduce emerging technologies such as high speed, low latency satellite broadband connectivity that will effortlessly provide coverage to rural and remote areas that have been challenging to cover with terrestrial infrastructure and also provide high quality connectivity alternatives for broadband consumers in multiple use cases (i.e. individuals and households, business to business, government, etc.).
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.	Our LEO network architecture would require ground infrastructure (i.e. Satellite Earth Stations). Therefore, the ability to obtain an infrastructure license will enable satellite operators to directly operate ground infrastructure in South Africa and obtain relevant spectrum licenses. It is important to clarify that an I-ECNS licence would primarily enable the operation of satellite gateway infrastructure and associated ground facilities, rather than retail service provision directly to end users. Eutelsat would further like to highlight the current challenge of high spectrum fees for ground infrastructure.

		Moreover, Eutelsat appreciates the work that has been done by the Authority after the invitation to consider the blanket license approach for satellite user terminals. We would respectfully like to encourage ICASA to expedite the implementation of the recommended blanket approach method to reduce input cost for operators and ensure that satellite becomes a viable and affordable alternative for consumers.
2.3	If you are an existing licensee, did you acquire your I-ECNS and or I-ECS licences through the sale and transfer market (i.e. bought from another licensee) or did you obtain them directly from the Authority (not through transfer or change of ownership)? If acquired from the secondary market, please provide details on your experience.	Eutelsat is not an existing holder of a license despite having a locally registered entity because of the non-issuance of an ITA to allow for acquisition of new licenses and current ownership and equity requirements, while aligned with national transformation objectives, may benefit from structured flexibility mechanisms to facilitate infrastructure investment in emerging technologies.. The aim of the local entity was not to provide services directly to consumers but rather to hold the requisite permits to operate the ground infrastructure and related spectrum rights. Due to the aforesaid challenges, Eutelsat has been compelled to utilize a partnership model to facilitate the operations of ground infrastructure in the country.
2.4	If you have/had I-ECNS and/or I-ECS licences, have you been approached or have you received unsolicited or solicited interest from an interested buyer to acquire your licence? Please elaborate and provide as much information as possible, if applicable.	N/A
2.5	If you have I-ECNS and/or I-ECS licences and are not intending to sell your licence(s) in the next 3 - 5 years, please describe the infrastructure used (mobile, fixed, satellite or combination). Provide a list of services that you currently provide and whether those are provided to private consumers and/or businesses/organisations (or both where appropriate)?	N/A

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?	Demand for satellite services is growing rapidly, driven by the need for high-speed, low-latency connectivity in underserved and remote areas, as well as by expanding use cases such as enterprise networks, financial services, education, e-health and other government services, and disaster recovery. The current licensing regime significantly impacts on how quickly and effectively this demand can be met. A non-restrictive, technology-neutral licensing framework, streamlined market access requirements, and cost effective and predictable spectrum assignment processes will encourage investment and accelerate service rollout. Hence, Eutelsat respectfully invites the Authority to consider key points raised in response to questions 1.3, 2.1 and 2.2 above.
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.	Eutelsat strongly believes that by lowering barriers to entry for new market entrants and reducing dependence on incumbent fixed-line and mobile operators, emerging and innovative technologies such as satellite will increase competitive pressure across the market. This competition encourages innovation, improves service quality, and can lead to more affordable pricing and flexible service offerings for consumers and enterprises. For customers, satellites expand the range of available broadband options, enabling greater choice based on performance, coverage, and price, and ensuring that connectivity is not constrained by geography or the reach of legacy networks.
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.	Eutelsat is of the view that enabling for license offering in South Africa will result in healthy competition among stakeholders to ensure affordable and high-quality services offering to end users. On the contrary the current mechanism creates competition deficiencies by relying on limited number of licensees, as resulted from ITA process market is concentrated among a small number of dominant network providers. There is therefore potential for dominance abuse which may lead to new market entrants finding it difficult to secure adequate market share to compete effectively. Furthermore, there may be limitations due to the availability and cost of resources such as Radio Frequency Spectrum.
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 IECNS licences compete	Eutelsat recommends that ICASA works closely with the Competition Commission to conduct periodic reviews on the state of the competition in the ICT sector to ensure that any antitrust issues are identified and addressed before they adversely affect competition and consumers. The Authority may also ensure that Radio Frequency Spectrum is assigned in a non-discriminatory and transparent

	effectively with the incumbents? Provide examples of the kinds of remedies you would expect to see.	manner to all new market entrants and endeavor to allocate more spectrum to emerging technologies. Eutelsat further supports the approach of tailoring license conditions and obligations appropriately to the technology utilized across licensees that hold individual licenses to ensure a level playing field.
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 market entrants that will deploy emerging technologies such as satellite broadband connectivity will advance the extension of communications coverage to areas where terrestrial networks are economically or physically difficult to deploy. Their contribution spans connectivity, inclusion, resilience, and socio-economic development. Satellite technologies will contribute to universal services access by: • Extending coverage to sparsely populated and hard-to-reach communities • Connecting community and / or institutions, including schools, health facilities, and government service centres • Enabling rural mobile network expansion through satellite backhaul solutions • Enhancing disaster resilience and emergency communications capabilities
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?	As submitted in question 3.3 above, Eutelsat supports the incorporation of similar universal access and service obligations into the terms and conditions of all licensees that hold the same type of license and privileges irrespective of the technologies they deploy. This will increase coverage and contribute to equitable access to communications services across South Africa.
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?	While infrastructure deployment may raise considerations such as site approvals, environmental compliance, and spectrum coordination, these are already addressed within existing regulatory and environmental frameworks and do not present disproportionate or novel risks. Eutelsat does not anticipate negative consequences that will be associated with the rollout of new infrastructure by new I-ECNS licensees as current processes that are deployed by the Authority for the management of licensees and spectrum are sufficient to ensure that licensees will comply with their license conditions and address any issues relating to fair and equitable use of spectrum and other resources.

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.	As compared to terrestrial networks, satellite services can be deployed much faster, with minimal civil works and lower upfront infrastructure requirements at the users' end. This makes satellite services an effective tool for extending broadband access to underserved and / or unserved communities and for complementing national broadband strategies. By providing high-quality connectivity where traditional networks cannot reach, satellite technologies help narrow the digital divide and support inclusive economic and social development. Satellite systems introduce competitive dynamics into the broadband market by offering a credible alternative and a reliable complementary solution to incumbent fixed and mobile services. Competition in the market encourages innovation in service design, pricing models, and customer experience. It also stimulates technological progress across the ecosystem, including advances in user terminals, antennas, software-defined networking, and space manufacturing. For governments and enterprises, satellite technologies enhance connectivity resilience, support critical communications, and reduce dependence on a single network type. In emergency and disaster-response scenarios, satellite networks can be rapidly activated to restore communications when terrestrial infrastructure is damaged or unavailable. Rather than replacing terrestrial networks, satellites increasingly function as a complementary layer within an integrated connectivity ecosystem. They can provide backhaul for mobile networks, extend coverage to hard-to-reach areas, and offer redundancy for critical services. This convergence supports more flexible, resilient, and efficient broadband architectures.
6.1	Do you have any additional comments regarding this Inquiry process that you would like the Authority to consider?	Eutelsat appreciates the opportunity to participate in this Inquiry and reiterates its commitment to supporting South Africa's digital transformation objectives through responsible investment, technological innovation, and collaboration with the Authority.

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