SOUTHERN AFRICAN BROADBAND NETWORK ALLIENCE

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16 February 2026

ELECTRONIC COMMUNICATIONS ACT, 2005 (ACT NO. 36 OF 2005) NOTICE OF INTENTION TO CONDUCT AN INQUIRY INTO NEW INDIVIDUAL ELECTRONIC COMMUNICATIONS NETWORK SERVICE LICENCES

Dear Mr. Peter Mailula

1. Introduction

This correspondence serves as a formal expression of support for the immediate lifting of the moratorium on Individual Electronic Communications Network Service (I-ECNS) licenses. The current regulatory framework is not only antiquated but also stifles competition and innovation in the telecommunications sector, particularly for emerging Internet Service Providers (ISPs) that are instrumental in bridging the digital divide across South Africa.

2. Background and Context

2.1. The moratorium on the issuance of new I-ECNS licenses was instituted ostensibly to manage the burgeoning complexities within the telecommunications landscape, to ensure that existing licensees could effectively utilise their allocated resources.

2.2. However, the unintended ramifications of this moratorium have resulted in a stagnation of market entry, thereby obstructing the influx of innovative players capable of invigorating the sector and enhancing service delivery to the South African populace.

3. Response to Questions

3.1. Current Licensing Framework and Its Impact on Competition

3.1.1. **Hindrance to Competition**: The current licensing framework for I-ECNS and Individual Electronic Communications Service (I-ECS) licenses, as delineated in Section 13 of the Electronic Communications Act (ECA), fundamentally favours entrenched market players, thereby erecting formidable barriers for new entrants. The moratorium on new I-ECNS licenses has effectively curtailed competition, limiting consumer choice and innovation.

3.1.2. **Evidence**:

- According to the **ICASA State of the ICT Sector Report**, the three dominant operators command over 80% of market share, severely constraining consumer options and suppressing the diversity of service offerings available to the public.
- Comparative case studies from jurisdictions such as the UK and Australia elucidate that an open licensing process catalyses innovation and enhances service quality, a phenomenon conspicuously absent in the current South African context.

3.2. Authority Intervention in the Sale and Transfer Market

3.2.1. **Should the Authority Intervene?** Yes, the Authority must take decisive action to intervene in the current sale and transfer market for I-ECNS and I-ECS licenses.

3.2.2. **Extent of Intervention**:

- **Facilitating License Transfers**: The Authority should institute a streamlined process for the sale and transfer of existing licenses, ensuring that these can be acquired by entities committed to enhancing service delivery and competition.
- **Setting Conditions**: ICASA must impose conditions on license transfers that explicitly promote the entry of black-owned and small ISPs, thereby fostering a more equitable market landscape.

3.2.3. **Reasons for Intervention**:

- **Promoting Competition**: The facilitation of license transfers to new entrants will catalyse heightened competition within the telecommunications market. By dismantling the monopolistic structures entrenched by existing licensees, ICASA can foster an environment where diverse service offerings flourish, ultimately benefiting consumers through improved pricing, enhanced service quality, and greater innovation.
- **Enhancing Consumer Choice**: A more competitive landscape enables consumers to select from a broader array of service providers, thus empowering them with the autonomy to choose solutions that best meet their specific needs. This paradigm shift is particularly crucial for underserved communities that have historically lacked access to quality telecommunications services.
- **Encouraging Inclusive Economic Growth**: The promotion of black-owned and small ISPs through targeted interventions will contribute to broader economic inclusivity. By prioritising the entry of these entities, ICASA will stimulate entrepreneurship, create jobs, and drive economic development in historically disadvantaged communities.
- **Mitigating Market Inequalities**: The current market structure disproportionately benefits a select few operators, perpetuating economic disparities and limiting access for disadvantaged groups. ICASA's intervention is critical to levelling the playing field and ensuring that marginalised populations can participate in the digital economy.

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- **Aligning with National Development Goals**: The proposed interventions align seamlessly with South Africa's national development goals, particularly those outlined in the National Development Plan and the SA Connect initiative, which aim to achieve universal broadband access. By facilitating access for new entrants, ICASA will be instrumental in realising these transformative objectives.
- **Leveraging International Best Practices**: The adoption of similar regulatory measures in other jurisdictions has proven effective in fostering competitive markets. For instance, countries that have implemented streamlined licensing processes for new entrants have witnessed significant advancements in service delivery, consumer satisfaction, and overall market dynamism. ICASA can draw on these examples to inform its strategy and enhance its regulatory framework.
- **Addressing Infrastructure Gaps**: By facilitating the entry of new players, ICASA can address critical infrastructure gaps that exist in many underserved regions. New entrants often bring innovative solutions and technologies tailored to local needs, thereby enhancing connectivity and supporting socio-economic development in these areas.
- **Long-Term Sustainability of the Sector**: Ensuring a diverse and competitive telecommunications market is vital for the long-term sustainability of the sector. A vibrant ecosystem of ISPs will not only enhance service delivery but also stimulate ongoing investment in infrastructure, technology, and talent, thereby securing the future of South Africa's digital landscape.

4. Market Opportunities for New I-ECNS and I-ECS Licences

4.1. There exists an abundance of market opportunities that unequivocally justify the issuance of new I-ECNS and I-ECS licenses in South Africa.

4.2. **Motivation**:

- The insatiable demand for reliable, high-speed internet services continues to surge, driven by the digital transformation across various sectors, including education, healthcare, and commerce.
- However, it is imperative to recognise that the digital economy must serve as a transformative force to redress the profound economic imbalances that have historically marginalised vast segments of the South African population. The issuance of new I-ECNS and I-ECS licenses will open crucial pathways for previously disadvantaged communities to access the digital economy, thereby fostering inclusive growth and equitable opportunities.
- **Transforming Material Conditions**: The integration of new ISPs, particularly those owned and operated by individuals from historically marginalised backgrounds, can catalyse substantial changes in the material conditions of these communities. Improved access to digital services will empower local entrepreneurs to participate in the digital marketplace, access vital resources, and develop solutions tailored to their unique needs.

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- **Creating Economic Opportunities**: The opening of new licenses will stimulate job creation across various sectors, from technology and customer service to logistics and e-commerce. According to the **International Telecommunication Union (ITU)**, broadband connectivity is a key driver of job creation, with evidence suggesting that a 10% increase in broadband penetration can lead to a substantial increase in GDP. In South Africa, the potential revenue generated from a robust broadband ecosystem could exceed R600 billion, significantly contributing to national economic growth.
- **Bridging the Digital Divide**: By facilitating the entry of diverse ISPs, ICASA can effectively bridge the digital divide that has perpetuated socio-economic disparities. Increased competition will drive down costs and improve service quality, making digital services more accessible to lower-income households and rural communities.
- **Fostering Innovation and Local Solutions**: New entrants often bring innovative ideas and a grassroots understanding of local challenges. This localised approach can lead to the development of services that are not only economically viable but also socially relevant, addressing the specific needs of disadvantaged populations.
- **Ensuring Local ISPs Are Not Left Behind**: Local ISPs mustn't be marginalised in this transformative process. By prioritising the entry of these entities, ICASA can ensure the benefits of the digital economy are equitably distributed, enabling a diverse range of services that reflect the unique demographics and needs of South African communities.
- **Aligning with National Development Goals**: The commitment to universal broadband access, as outlined in the National Development Plan and the SA Connect initiative, necessitates a strategic focus on transforming the economic landscape. New licenses are pivotal in actualising these goals, ensuring that the benefits of digital connectivity extend to all South Africans, particularly those in underserved regions.
- **Empowering Communities**: Ultimately, the introduction of new I-ECNS and I-ECS licenses is not merely a regulatory adjustment; it is a profound opportunity to empower communities. By dismantling barriers to entry and promoting diverse ownership, ICASA can foster a telecommunications landscape that reflects the nation's demographics and champions the rights and aspirations of all its citizens.

5. Interest in Launching or Expanding Network Infrastructure

5.1. Numerous entities are actively considering the launch or expansion of network infrastructure within South Africa.

5.2. **Examples of Technologies**:

a) **Fixed Wireless Access (FWA)** and **Fibre Optic Networks** are at the forefront of these initiatives.
b) **Undersea Cables**:
    i. South Africa is strategically positioned as a key landing point for several major undersea cables that enhance global connectivity. These include:

- **West Africa Cable System (WACS)**: Connecting South Africa to the UK and several West African countries, WACS significantly increases data capacity and improves latency.
- **Africa Coast to Europe (ACE)**: This cable links South Africa to France, facilitating improved internet access across the West African coast and enhancing connectivity for various ISPs.
- **SAT-3/WASC**: This undersea cable connects South Africa to Europe and West Africa, providing vital bandwidth for various telecommunications operators.
- **DigoPole**: This new cable system will connect South Africa to other African countries and the Middle East, further enhancing regional connectivity.

ii. **Service Providers**: Major telecommunications players such as **Telkom**, **MTN**, **Vodacom**, and **Liquid Telecom** leverage these undersea cables to enhance their service offerings, ensuring that they can provide high-speed internet access and robust data solutions to businesses and consumers alike.

c) **Satellite Internet Providers**:

i. Companies like **Starlink**, **OneWeb**, and **Amazon's Project Kuiper** are making significant strides in expanding satellite internet access in South Africa, particularly in remote and underserved areas.

ii. **Engagement with Local Communities**:

- **Starlink**: Actively engages with South African regulatory bodies to ensure compliance and support for local initiatives. The company aims to collaborate with local ISPs to offer bundled services, thereby enhancing competition in the local market. Starlink's approach includes establishing partnerships with local businesses to facilitate service distribution and customer support, creating jobs and promoting local entrepreneurship.
- **OneWeb**: This provider often partners with local telecommunications companies to integrate its satellite services into existing offerings. By doing so, OneWeb not only enhances connectivity but also empowers local businesses to offer satellite services, thereby expanding their service portfolios and generating additional revenue streams. This collaborative model encourages shared investment and local ownership opportunities.
- **Amazon's Project Kuiper**: Although still in development, Project Kuiper is expected to adopt a similar partnership approach, collaborating with local ISPs and technology firms to ensure that services are effectively tailored to meet the unique needs of South African consumers. This strategy will likely include initiatives to foster local talent and expertise in satellite technology, supporting long-term economic growth.

iii. **Promoting Local Business and Ownership**:

- All three satellite providers recognise the importance of fostering local business ecosystems. By engaging with local entrepreneurs and establishing partnerships, they aim to promote shared ownership models

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that enable local businesses to participate in the value chain. This may involve:

- **Franchising Opportunities**: Allowing local businesses to become franchisees, providing them with the necessary training and resources to sell satellite services.
- **Local Content Development**: Encouraging local content creators to produce relevant digital content, thereby enhancing the attractiveness of internet services and ensuring that local cultures are represented.
- **Investment in Local Infrastructure**: Committing to invest in local infrastructure, such as community internet hubs or training centres, that can empower communities and stimulate economic activity.

iv. **Impact on the Local Economy**:
- By promoting local business involvement and ownership, satellite internet providers can significantly contribute to economic development. This approach not only creates jobs and strengthens skills but also fosters a sense of community ownership of digital resources, ultimately leading to a more resilient and inclusive economy.

v. **Compliance with Local Laws**: Given South Africa's unique historical background, these providers must adhere to the country's transformation agenda and comply with Broad-Based Black Economic Empowerment (BBBEE) regulations as an uncompromisable rule of entry. This not only aligns with national objectives for economic inclusivity but also ensures that the benefits of digital services are equitably distributed among all South Africans, particularly those from historically disadvantaged backgrounds.

6. Acquisition of I-ECNS and I-ECS Licences

6.1. Entities that have navigated the sale and transfer market for I-ECNS or I-ECS licenses report a spectrum of experiences, underscoring the need for regulatory reform.

a) **Skills, Knowledge, and Access to Capital**:
- One of the primary hindrances to effective market participation is the lack of skills, knowledge, and access to capital among many existing license holders. Despite holding licenses for over 20 years, several entities have failed to utilise these resources effectively, resulting in a significant underutilization of spectrum and infrastructure. This not only stifles competition but also hinders the growth of the digital economy.

b) **New Entrants with Potential**:
- In stark contrast, numerous young and energetic ISPs have demonstrated their capability by building networks and providing services. These new entrants bring innovative ideas, modern technologies, and a profound understanding of the local

market. However, they face challenges in obtaining the necessary licenses to expand their operations and serve broader communities.

c) **Spectrum as a Scarce Resource**:
   - Spectrum is a limited resource, and competition for it is intense not only in South Africa but also globally. Countries such as **India**, **Brazil**, and **Nigeria** face similar challenges in managing spectrum allocation efficiently. The increasing demand for mobile and broadband services has led to a situation in which spectrum is becoming more expensive and scarce, often limiting access for smaller, emerging players.

d) **Criteria for Licensing**:
   - ICASA must adopt a rigorous approach to licensing, issuing new I-ECNS and I-ECS licenses only to competent ISPs that have already begun building networks and providing services. Given that licenses are scarce, it is essential to prioritise candidates committed to effective service delivery and with a proven track record.

e) **Revocation of Underutilised Licenses**:
   - To address the issue of license hogging, ICASA should implement policies that allow for the revocation of licenses from entities that have failed to utilise them effectively. These licenses should then be reissued to qualified ISPs that demonstrate the capability and commitment to expanding services and enhancing connectivity.

f) **License Expiry and Renewal**:
   - Introducing an expiry date for licenses will enable ICASA to conduct regular checks, assessments, and renewals. This approach will ensure that licenses are actively used rather than held indefinitely by entities that do not use them, thereby promoting a more dynamic and competitive telecommunications market.

7. Infrastructure and Services Provided

7.1. **Major Players in the Telecommunications Space**: The South African telecommunications sector is dominated by several key players, each providing a range of services and enjoying varying revenue shares. Below are some of the main players, their services, revenue shares, and annual revenue figures:

a) **Telkom**:
   i. **Services**: Fixed-line services, mobile services, broadband internet, and business solutions.
   ii. **Revenue Share**: Approximately **18%** of the market.
   iii. **Annual Revenue**: **R34 billion** (2022).

b) **MTN**:
   i. **Services**: Mobile voice and data services, digital services, and enterprise solutions.
   ii. **Revenue Share**: Approximately **35%** of the mobile market.
   iii. **Annual Revenue**: **R194 billion** (2022).

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c) **Vodacom**:
   i. **Services**: Mobile voice and data services, IoT services, and financial services through Vodacom's mobile money platform.
   ii. **Revenue Share**: Approximately **40%** of the mobile market.
   iii. **Annual Revenue**: **R90 billion** (2022).
d) **Cell C**:
   i. **Services**: Mobile voice and data services, broadband services.
   ii. **Revenue Share**: Approximately **7%** of the mobile market.
   iii. **Annual Revenue**: **R10 billion** (2022).
e) **Liquid Telecom**:
   i. **Services**: Wholesale telecommunications, fibre infrastructure, and cloud services.
   ii. **Revenue Share**: Not publicly disclosed, but focuses heavily on the wholesale market.
   iii. **Annual Revenue**: Estimated at **R10 billion**.
f) **Major FTTH Providers**:
   i. **Frogfoot Networks**: Estimated market share of **5%**, with growing revenues from FTTH services.
   ii. **Vumatel**: Leading in FTTH, contributing significantly to the expanding fibre market, with revenues estimated at **R3 billion**.

7.2. **Revenue Generated by the Telecommunications Sector**:

a) The total revenue generated by the South African telecommunications sector is approximately **R400 billion** annually, reflecting a diverse and competitive landscape, although heavily skewed towards the major players.

7.3. **Recent Developments**:

a) **Vodacom Acquisitions**: Recently, Vodacom has been actively acquiring smaller telecom providers, such as **Neotel** and **Router**. These acquisitions are aimed at expanding its service offerings and market reach, further consolidating its position against competitors.
b) **MTN's Expansion**: MTN has acquired various entities in the fintech space and is expanding its operations into other African countries, enhancing its revenue streams and customer base.
c) **Cell C's Restructuring**: Cell C has been undergoing restructuring to improve its financial viability, which includes seeking partnerships and investment.

7.4. **Competition Analysis**:

a) The dominance of a few key players heavily influences the competitive landscape in South Africa. Despite the presence of smaller ISPs, the market is largely controlled by Telkom, MTN, and Vodacom, which collectively account for over **80%** of the telecommunications revenue.

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b) **Legislation and Regulations**: Current legislation and regulations tend to favour established operators, creating significant barriers for new entrants. Factors contributing to this include:
   i. **High Licensing Costs**: The cost associated with obtaining licenses is often prohibitive for smaller ISPs, limiting their ability to compete.
   ii. **Spectrum Allocation**: The process for spectrum allocation can be biased towards larger providers with more resources to navigate regulatory hurdles.
   iii. **Infrastructure Investments**: Established players have already invested heavily in infrastructure, making it challenging for new entrants to compete on quality and coverage.

c) **Impact on New Players**: The regulatory environment often stifles innovation and growth among smaller ISPs, as they struggle to gain market share in a landscape dominated by well-resourced incumbents. This creates a cycle where larger players continue to consolidate their positions, making it increasingly difficult for new competitors to emerge.

7.5. **Recommendations for Market Improvement**: To foster a more competitive environment in the South African telecommunications sector, ICASA needs to implement reforms that lower barriers to entry for new players, particularly focusing on empowering black-owned ISPs. The following recommendations are proposed:

a) **Revising Licensing Fees**:
   i. **Special Concessions for Black-Owned ISPs**: Establish a reduced licensing fee structure specifically for black-owned ISPs. This would ease the financial burden of obtaining licenses and enable these entities to compete more effectively in the market.

b) **Streamlining Spectrum Allocation**:
   i. **Priority Access for Emerging ISPs**: Implement a policy that grants priority access to spectrum for black-owned ISPs. This would help level the playing field and enable these operators to establish a viable presence in the market, thus fostering competition.

c) **Promoting Infrastructure Sharing**:
   i. **Collaboration Incentives**: Encourage existing major players to allow infrastructure sharing with black-owned ISPs. This could involve creating partnerships or joint ventures that enable resource pooling, thereby reducing costs for new entrants.

d) **Access to Funding and Capital**:
   i. **Establish a Dedicated Fund**: Create a dedicated funding mechanism to support black-owned ISPs in their startup and operational phases. This fund could provide grants, low-interest loans, or investment capital specifically tailored to these companies.

e) **Capacity Building and Training Programs**:

i. **Skills Development Initiatives**: Partner with educational institutions and organisations to offer training programs focused on telecommunications, business management, and technology for entrepreneurs from historically disadvantaged backgrounds. This would enhance their skills and capabilities, enabling them to compete more effectively.

f) **Regulatory Support and Guidance**:
   i. **Mentorship Programs**: Establish mentorship initiatives pairing emerging black-owned ISPs with established operators. These programs can provide valuable insights into navigating the regulatory landscape and developing effective business strategies.

g) **Monitoring and Evaluation**:
   i. **Regular Assessments**: Implement a framework for regular monitoring and evaluation of the impact of these concessions on the market. Assess whether these initiatives effectively promote the growth of black-owned ISPs and contribute to a more competitive telecommunications environment.

h) **Community Engagement**:
   i. **Local Content Promotion**: Encourage black-owned ISPs to focus on local content development and community-oriented services. This approach would not only enhance service offerings but also foster a sense of ownership and empowerment within local communities.

8. Additional Considerations for Demand for I-ECNS and I-ECS Licences

8.1. **Regulatory Clarity and Proactive Support**:

a) Regulatory clarity and proactive support for emerging technologies must be paramount in fostering a competitive environment. The telecommunications landscape in South Africa can benefit significantly from adopting best practices from countries with thriving telecommunications sectors.

8.2. **International Licensing Practices and Market Analysis**: Several countries have established effective frameworks for issuing telecommunications licenses that can serve as models for South Africa. Below are examples of these countries, their telecommunications market analysis, and the obligations they enforce on license owners:

1. South Africa

a) **Market Overview**: The telecommunications sector is dominated by a few major players, primarily Telkom, MTN, and Vodacom.
b) **Top Players and Market Share**:
   - **Vodacom**: 40%
   - **MTN**: 35%
   - **Telkom**: 18%

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- **Cell C**: 7%
- **Liquid Telecom**: N/A (focuses on wholesale)
- **Frogfoot Networks**: 5% (FTTH provider)
- **Vumatel**: 4% (FTTH provider)

c) **Current Licensing Analysis**: The moratorium on new I-ECNS licenses has created barriers for new entrants. The licensing framework needs reform to promote competition and inclusivity, particularly for black-owned ISPs.

2. Singapore

a) **Market Overview**: A highly competitive telecommunications market with advanced infrastructure.
b) **Top Players and Market Share**:
   - **Singtel**: 39%
   - **StarHub**: 27%
   - **M1**: 13%
   - **TPG Telecom**: 7%
   - **Others**: 14%
c) **Obligations**: Universal service obligations, quality of service standards, and consumer protection regulations.

3. United Kingdom

a) **Market Overview**: A competitive market with several well-established players.
b) **Top Players and Market Share**:
   - **BT Group**: 35%
   - **Vodafone**: 27%
   - **Sky Group**: 15%
   - **Virgin Media**: 10%
   - **Others**: 13%
c) **Obligations**: Universal service obligations, quality standards, and consumer protection.

4. Australia

a) **Market Overview**: A competitive landscape with a focus on broadband.
b) **Top Players and Market Share**:
   - **Telstra**: 50%
   - **Optus**: 30%
   - **Vodafone Australia**: 10%
   - **Others**: 10%
c) **Obligations**: Quality of service standards, rural coverage requirements.

5. Germany

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a) **Market Overview**: A well-regulated market with several major players.
b) **Top Players and Market Share**:
   - **Deutsche Telekom**: 40%
   - **Vodafone Germany**: 30%
   - **Telefónica Germany**: 20%
   - **Others**: 10%
c) **Obligations**: Quality of service standards, reporting requirements, and compliance with consumer rights.

6. China

a) **Market Overview**: A massive market dominated by state-owned enterprises.
b) **Top Players and Market Share**:
   - **China Mobile**: 60%
   - **China Unicom**: 20%
   - **China Telecom**: 20%
c) **Obligations**: Compliance with national security regulations, universal service provision.

7. Russia

a) **Market Overview**: A competitive environment with significant state involvement.
b) **Top Players and Market Share**:
   - **MTS**: 30%
   - **MegaFon**: 25%
   - **VimpelCom**: 20%
   - **Tele2**: 10%
   - **Others**: 15%
c) **Obligations**: Compliance with data retention laws and universal service.

8. Brazil

a) **Market Overview**: A competitive market with a focus on mobile services.
b) **Top Players and Market Share**:
   - **Claro**: 28%
   - **Vivo**: 25%
   - **TIM**: 23%
   - **Oi**: 15%
   - **Others**: 9%
c) **Obligations**: Quality of service standards, universal service obligations.

9. Kenya

a) **Market Overview**: An emerging market with a significant focus on mobile money.

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b) **Top Players and Market Share**:
   - **Safaricom**: 65%
   - **Airtel Kenya**: 25%
   - **Telkom Kenya**: 5%
   - **Others**: 5%

c) **Obligations**: Quality of service standards, universal access, and community engagement initiatives.

10. Uganda

a) **Market Overview**: A developing telecommunications market with increasing mobile penetration.

b) **Top Players and Market Share**:
   - **MTN Uganda**: 52%
   - **Airtel Uganda**: 30%
   - **Uganda Telecom**: 10%
   - **Others**: 8%

c) **Obligations**: Service quality standards, rural coverage commitments, and consumer protection measures.

11. Nigeria

a) **Market Overview**: A rapidly growing telecommunications market with a focus on mobile services.

b) **Top Players and Market Share**:
   - **MTN Nigeria**: 39%
   - **Globacom**: 27%
   - **Airtel Nigeria**: 19%
   - **9mobile**: 10%
   - **Others**: 5%

c) **Obligations**: Universal service obligations, quality of service standards, and contributions to a universal service fund.

8.3. **Implications for South Africa**:

Drawing inspiration from these international examples, South Africa can enhance its licensing framework by incorporating the following key obligations for telecommunications license holders:

a) **Universal Service Obligations (USOs)**: Require license holders to provide basic telecommunications services to underserved and rural areas, ensuring equitable access for all citizens.

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b) **Quality of Service Standards**: Establish benchmarks for service quality, including metrics for reliability and customer support responsiveness.
c) **Consumer Protection Regulations**: Enforce rules mandating clear pricing, transparent contract terms, and accessible complaint resolution processes.
d) **Reporting and Accountability Requirements**: Mandate regular performance reports covering service quality, coverage, and consumer complaints to promote transparency.
e) **Infrastructure Sharing Obligations**: Encourage or require licensees to share infrastructure, reducing costs and improving service coverage.
f) **Investment in Local Development**: Obligate license holders to invest a percentage of their revenue in local community development initiatives.
g) **Environmental Compliance**: Require adherence to environmental regulations regarding infrastructure deployment.
h) **Data Protection and Privacy Standards**: Implement obligations to safeguard customer data and comply with data protection laws.
i) **Data Sovereignty Compliance**: Ensure that data generated within the country is stored and processed within national borders.
j) **Compliance with Government Security Obligations**: Mandate cooperation with government security agencies for national security purposes.
k) **Compliance with the Country's Transformation Agenda**: Require alignment with South Africa's transformation initiatives, including Broad-Based Black Economic Empowerment (BBBEE).
l) **Accessibility Requirements**: Ensure that services are accessible to persons with disabilities.
m) **Collaboration with Regulatory Bodies**: Encourage cooperation with regulatory authorities on policy development and compliance monitoring.
n) **Promotion of Competition**: Mandate practices to prevent anti-competitive behaviour.
o) **Emergency Services Access**: Require reliable access to emergency services.

8.4. **Fostering Competition and Innovation**:

By adopting a more structured and transparent licensing framework, South Africa can foster an environment conducive to competition and innovation. This approach would not only empower new entrants but also enhance the overall quality of telecommunications services in the country.

8.5. **Collaboration with Industry Stakeholders**:

Engaging with industry stakeholders during the licensing reform process can provide valuable insights and foster a collaborative environment. This can include consultations with existing operators, potential new entrants, and consumer advocacy groups.

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9. Impact of New I-ECNS Licences on Competition and Underserved Communities

9.1. **Enhancing Competition**: The issuance of new I-ECNS licenses will unequivocally enhance competition within South Africa's telecommunications landscape through several key mechanisms:

a) **Increased Market Entry**:
   - New licenses will allow a wider array of Internet Service Providers (ISPs) to enter the market, introducing diverse business models and service offerings that cater to various consumer needs. Fresh entrants often bring innovative technologies and business practices, fostering a culture of creativity and responsiveness to market demands.

b) **Greater Consumer Choice**:
   - With more ISPs in the market, consumers will benefit from a broader range of service options, including different pricing structures, service bundles, and customer support models. This variety enables consumers to select solutions that best meet their specific needs, particularly in underserved communities.

c) **Competitive Pricing**:
   - Increased competition often leads to price reductions as providers vie for consumer attention. This can make telecommunications services more affordable, particularly for low-income households and rural areas.

d) **Improved Service Quality**:
   - As competition increases, ISPs will be compelled to improve their service quality to retain and attract customers. This can lead to higher standards across internet speed, reliability, and customer service.

9.2. Benefits for Underserved Communities

a) **Improved Access to Telecommunications Services**:
   - New entrants will focus on providing services in rural and underserved areas, filling the gaps left by dominant players. This expanded coverage ensures that previously isolated communities can connect.

b) **Affordable Pricing**:
   - The introduction of new players will drive competition, leading to lower prices for telecommunications services. ISPs can create customised service packages tailored to the financial capabilities of underserved communities.

c) **Diverse Service Offerings**:
   - A variety of plans and services will be available, allowing consumers to choose options that meet their unique needs. New entrants can offer innovative solutions tailored to local challenges.

d) **Economic Empowerment**:

- The establishment of new ISPs in underserved areas will create job opportunities, contributing to economic development. Enhanced connectivity will empower local entrepreneurs to access new markets and resources.

e) **Bridging the Digital Divide**:
- Improved internet access allows communities to access educational resources, healthcare information, and government services, promoting socio-economic upliftment. New ISPs can implement community-based programs to enhance digital literacy.

f) **Community Empowerment and Representation**:
- Encouraging the entry of black-owned and community-focused ISPs can lead to greater representation within the telecommunications sector. With more service providers, communities can better advocate for their needs and preferences.

By implementing these recommendations, ICASA can play a pivotal role in promoting inclusivity and economic empowerment within the telecommunications sector. Supporting black-owned ISPs will not only stimulate competition but also contribute to broader socio-economic growth and transformation in South Africa.

Thank you for your attention to this critical matter. We look forward to your positive response.

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