

16 February 2026

Ref: HJ/0126/07

Mr Peter Mailula
Independent Communications Authority of South Africa
350 Witch-Hazel Road, Eco-Park
Centurion
0157

For attention: Mr. P Mailula Project Manager

By email: iecns-inquiry@icasa.org.za; pmailula@icasa.org.za

Re: Inquiry into new individual electronic communications network service licences

Dear Mr. Mailula,

Vodacom Pty Ltd (“**Vodacom**”) welcomes the opportunity to provide written responses to the Inquiry into new individual electronic communications network service licences (“**I-ECNSL**”) (“**the Inquiry**”) by the Independent Communications Authority of South Africa (“**the Authority**”), published in Notice 3644 of 2025, Government Gazette, No. 53719 on 25 November 2025 (“**the Notice**”).

Please find below our responses to Phase 1. We look forward to participating further in Phases 2 – 4.

Section 1: Transfer of individual I-ECNS and I-ECS licences framework

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.

The licensing framework to let, sub-let, assign, cede or in any way transfer I-ECNSL and I-ECSL or the control thereof (“**Licensing Framework**”) is adequate. However, the execution of this Licensing Framework by the Authority can be improved on. E.g., it was only on 20 November 2025 that ICASA approved Dark Fibre Africa’s application for transfer of control of its I-ECNSL and I-ECSL, i.e. 3,5 years after the application was filed with ICASA on 6 April 2022.

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.

Vodacom (Pty) Ltd
Vodacom Corporate Park
082 Vodacom Boulevard, Midrand, 1685
Private Bag X9904, Sandton, 2146
Phone: +27 (0)11 653 5000

vodacom.com

Directors: MS Aziz Joosub (Group CEO and Chairman), S Mdlalose (CEO)*, R Nkabinde (Financial Director), NM Mashigo, RK Morathi, WP Mzimba, TE Netshitenzhe, B Ngwenya, TD-M Nel. Company Secretary: NR Imasiku
*British
Reg. No. 1993/003367/07

The Licensing Framework is adequate, and the extent of the Authority's intervention should be limited to efficiently executing on the approval of applications brought before it. However, if this Inquiry finds that the Authority's concerns re high purchase prices charged by I-ECNS and I-ECS licensees in the market for such licences are valid, then the Authority could, to mitigate such high purchase prices, issue an ITA for new I-ECNSL following a Ministerial Policy Direction.

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?

As per our responses under questions 1.1 and 1.2 above, effectiveness of the Licensing Framework can be improved via more efficient execution by the Authority. The Licensing Framework should be amended to prescribe timers for the Authority to finalise its decision and reasons for its decision.

Section 2: The demand for new I-ECNS licences

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

We are not aware of any concerns re scarcity of I-ECNSL or I-ECLS and the need for new I-ECNSL or I-ECSL.

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.

We are aware of licensees and interested parties who launched, expanded network infrastructure and provide services in South Africa under the current Licensing Framework. These examples are common knowledge, and, other than the need for more efficient execution by the Authority, Vodacom is not aware of any other specific challenges with the Licensing Framework in allowing / enabling market entry or expansion.

Question 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.

Vodacom obtained its I-ECNSL and I-ECSL directly from the Authority.

Question 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.

No

Question 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)?

Infrastructure used: Mobile, Fixed and Satellite infrastructure.

List of services: Voice, Data and SMS services to consumers, businesses/organisations and other licensees.

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?

Under Section 3 of the Inquiry, the Authority acknowledges the high fixed and common cost structures of the electronic communications sector and the importance of economies of scale and scope to split such high fixed and common costs across different products and increase volumes to reduce unit costs and compete effectively.

When assessing demand for new I-ECNSL to roll-out new national mobile networks, we remind ICASA that the S.A. mobile market increasingly appears different to mobile markets in other countries. This is because, by ICASA's own design, International Mobile Telecommunications ("IMT") spectrum is currently fragmented across 7 licensees (including WOAN/SDIC) where the international trend for mobile networks is towards three vertically integrated mobile operators which hold most, if not all, of the available IMT spectrum and MVNOs that provide an additional source of competition. Given these S.A. specific characteristics, demand for new I-ECNSL to roll-out a new national mobile network is likely not credible.

Section 3: Whether new I-ECNS licences will promote competition in the market for I-ECNS

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.

We don't view the current Licensing framework as a barrier to entry and therefore do not anticipate an influx of new national infrastructure roll-out enabled by new I-ECNSL.

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.

Our response under question 3.3 below refers.

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 IECNS licences compete effectively with the incumbents? Provide examples of the kinds of remedies you would expect to see.

The stated purpose of this Inquiry is to "*consider whether new I-ECNSL will promote the ECA objects and specifically improve competition in the market for I-ECNS*". Notwithstanding this clarification, questions 2.3 and 3.3. inappropriately enquires about "*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 effectively with the incumbents? Provide examples of the kinds of remedies you would expect to see*". Chapter 10 of the ECA provides for a specific way by which enquires about competition concerns and remedies must be done, which cannot be circumvented by this Inquiry or any other Chapter of the ECA – including Chapter 3 on Licensing Framework.

Section 4: Potential contribution of new I-ECNS licences to universal access and service

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.

We don't view the current Licensing framework as a barrier to entry and therefore do not anticipate an influx of new national infrastructure roll-out enabled by new I-ECNSL. Nonetheless, if a new entrant were to emerge, then the new I-ECNS licence should come with appropriate obligations to ensure that the new entrant contributes towards universal service, rather than just cherry-picking more profitable areas. Please also see our response under 4.2 below.

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?

Considering whether universal access and service obligations should be incorporated into the terms and conditions of new I-ECNS and I-ECS licences should be informed by a central framework. The Authority should start by developing a central framework for and coordination of all universal access and service initiatives by all stakeholders via an open and transparent consultation process. This framework should establish a non-discriminatory central framework for universal broadband initiatives with relevant definitions for underserved areas. The assignment of responsibilities and setting of conditions / obligations should be determined via a transparent and open consultative process. There is currently no such central framework and, as a result, universal access and service initiatives are suboptimal, i.e., some areas and institutions are covered by more than one initiative whilst some areas are not covered by any. By way of example:

- Despite significant developments in broadband coverage and the Authority's commitment to review every 3 years, the definition of underserved area was last updated in 2012.
- The Authority imposed significant in-kind universal access, service and social obligations via Chapter 8 of the ECA on I-ECNSL holding IMT spectrum licenses. However, these obligations were:
 - Not co-ordinated with initiatives by, amongst others: State-Owned Entities (like SITA and Broadband Infracore), Municipalities, Metros, Competition Commission (public interest conditions imposed by via merger approvals), and Equity Equivalence Programs by the Department of Trade Industry and Competition
 - Imposed only on I-ECNSL holding IMT spectrum licenses, thereby ignoring the most efficient means to deliver universal access and service obligations. By way of example, obligations to provide high bandwidth connectivity to public institutions should be allocated to Fixed networks that are more efficient at delivering high bandwidth connectivity.

Following the finalisation of such a central framework, the Authority should consider how to give effect to this, given the current legal framework. Chapter 3 of the ECA provides for standard terms and conditions applicable to the type of licence, which includes universal access and universal service obligations. Certain elements of this central framework could be imposed on I-ECNSL via such standard terms and conditions. This would ensure that all I-ECNSL contribute to universal access and service and would also act as a disincentive to I-ECNSL hoarding.

Section 5: Benefits of new I-ECNS licences versus costs, including the cost to the authority of monitoring and enforcing compliance with any such licences, and the burden on the environment

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?

We don't view the current Licensing framework as a barrier to entry and therefore do not anticipate an influx of new national infrastructure roll-out enabled by new I-ECNSL. Please also refer to our comments under question 2.6.

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.

We don't view the current Licensing Framework as a barrier to entry and therefore don't anticipate significant additional benefits from new I-ECNSL.

Section 6: Any other comments

Question 6.1: Do you have any additional comments regarding this Inquiry process that you would like the Authority to consider

No

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kefilwe Madingoane', with a long horizontal flourish extending to the right.

Kefilwe Madingoane: Managing Executive: Regulatory Affairs • Public Policy and Regulatory Affairs