

Good day

As someone in the information technology sector, I truly appreciate the opportunity you've given us express our views on such an important topic.

My answers will be in red:

Current market research suggests that data prices in South Africa are significantly higher than many other countries, both in Africa and internationally. In light of the recent research, the following questions pertaining to prices for data services in South Africa:

9.1 In your view, how do data prices in South Africa compare to other countries?

I feel data prices in South Africa should be a lot lower than they are now. Other countries, African countries, in particular, have lower prices than us so it actually doesn't even make sense why we pay so much.

9.2 For which specific data markets, products or services (whether for data services alone or a product that includes additional services) are prices high in South Africa?

Please substantiate your response. In Kenya and Tanzania respectively, users are paying the equivalent of R131 and R101. Whereas in SA we pay R299 for the same product. (<https://vodacom.co.za/internetservices/postpaidpackages/postpaid-data-bundles> & <https://www.safaricom.co.ke/personal/internet/getting-connected/choosing-your-bundle>)

9.3 In your view, what are the main causes for the higher prices for data services in South Africa? In your answer you could refer to probable causes such as cost issues, competition issues or regulatory issues. Please elaborate and provide any available evidence.

In MY view, I believe it's greed. Last month MTN's CEO tried to make us understand why data is so expensive in an article on mybroadband dot com - <https://mybroadband.co.za/news/cellular/227485-mtn-ceo-explains-why-mobile-data-is-so-infernally-expensive.html>. He didn't make any sense and he tried to make seem like a complex science (his words). It's not a complex science and my evidence is above in question 9.2

9.4 With regards to data services and related products used in South Africa, please list all services that you currently use as an end-consumer and/or as a business or other such entity. Please provide details on the following:

9.4.1 The exact products/services used;

Vodacom R1000 airtime every month and I convert R299 of that airtime to 3 Gbs of data.

Afrihost 10 GB pm ONLY mobile data, no voice - R348

Uncapped 10mb/s Smart Village fibre line - R899

9.4.2 Whether you use these as a private consumer or business/organisation (or both where appropriate);

Both.

9.4.3 The name of the service provider/s; and

Vodacom

Afrihost (partly owned by MTN)

Smart Village (owned by MTN)

9.4.4 The pricing and contractual arrangements involved. The data services value chain

Smart Village - 12-month contract (in 2017, ridiculous). Uncapped/unthrottled.

Vodacom prepaid. Data expires if I don't use it within a month.

Afrihost - month to month contract. Data expires if I don't use within a month.

10. Describe the entire value chain for the provision of data services. Include the following in your description:

10.1. The different levels of the value chain and the activities thereof;

10.2. A list of all stakeholders active in each of the levels of the value chain (to the best of your knowledge); Investors, Opinion formers and experts, Non-governmental organisations (NGOs), Enterprise customers, Consumers, Industry, Communities, Governments and regulators, Employees & Suppliers

10.3. The nature of commercial relationships between the different levels of the value chain; and

10.4. How each level of the value chain identified above is linked to other parts of the Information and Communication Technology sector, and the economy more broadly. The state of competition in the provision of data services

11. How do existing firms conduct themselves in the markets for the provision of data services, whether with respect to other firms (competitors or potential entrants) or with respect to their customers?

11.1. Are there firms that operate as monopolies at any level of the value chain for the provision of data services? Are there firms which have market power in any data market, service or product? Elaborate and provide examples.

11.2. Across the value chain for data services, are there any firms that engage in any conduct that could be seen as unfair or anti-competitive? Please elaborate and provide examples. Telecommunications regulation and spectrum allocation

12. There are a variety of regulations, legislation, and regulatory bodies – including the Independent Communications Authority of South Africa (“ICASA”), the Department Of Telecommunications and Postal Services (“DTPS”), and the Department of Communications (“DOC”) – that inform the functioning of the telecommunications sector in South Africa. In light of this, please answer the following questions:

12.1. How does the current regulatory environment in the telecommunications sector impact (i) the ability of existing firms to charge high prices for data, (ii) the level of competition, and (iii) the potential for entry?

12.2. Provide your understanding and view of the roles of ICASA, DTPS, DOC and any other relevant body in the sector with respect to prices for data services in South Africa.

12.3. Provide your view of any recent regulatory changes and proposed amendments to the Electronic Communications Act – such as those focusing on rapid rollout of infrastructure and sharing of network infrastructure – to the extent that they relate to prices for data services and products.

13. As the demand for data in South Africa escalates, the allocation of, and access to, spectrum in South Africa has become a key issue in the sector and for data services in particular. With regards to spectrum, please answer the following questions:

13.1. How do issues of spectrum access and allocation affect competition and the potential for new entry?

13.2. How do you view the role of spectrum in the mobile market and how do you think spectrum affects costs and pricing of data services? Adequacy of data supply quality and coverage

14. Please address the following questions:

14.1. In your view, is data supply quality and coverage in South Africa adequate by international standards and the country's development needs? Please elaborate. **I do believe the telocommunication companies have created amazing products, with great coverage. It's just expensive.**

14.2. How are businesses and consumers in low-income, under-developed, or rural areas affected by South Africa's data services challenges?

Because of the high data prices, people in these areas don't have access to information that can educate them. Education is a massive problem in South Africa. The majority of the country can't afford (we know it will never be free, the government has no money) to go to tertiary education but the internet has so many free sources like Udemy, EDX and Coursera. Others like CodeFreeCamp and CodeAcademy teach people programming, valuable skills in the world we are in now.

FREE GUYS FREE. Imagine if people had access to study and learn FREE courses from some of the best institutions in the world. If that isn't reason enough to push these telecom companies to drop their prices then I don't know.

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Regards,

Kuziva Muzondo