



Independent Communications Authority of South Africa

350 Witch-Hazel Avenue, Eco Point Office Park

Eco Park, Centurion.

Private Bag X10, Highveld Park 0169

Telephone number: (012) 568 3000/1

BRIEFING NOTE ON RESPONSES TO QUESTIONS OF CLARITY RAISED BY LICENSEES WITH REGARD TO MARKET INQUIRY INTO MOBILE BROADBAND SERVICES

Date of issue: 08 January 2019

1. Purpose:

- 1.1. The Independent Communications Authority of South African received questions of clarity on the notice (GG 42044) published 16 November 2018.
- 1.2. The purpose of this note is to provide clarity on the questions raised by stakeholders in their letters to the Authority.

2. The specific areas to be clarified are:

- 2.1. General questions relating to process.
- 2.2. Questions on the questionnaire attached to the notice of intention to conduct market inquiry into mobile broadband services.

3. General questions relating to process;

3.1. **Legal basis for inquiry into mobile broadband services**

3.1.1. Cell C paragraph 1 (page 1): *"Since the prioritisation exercise was not undertaken in terms of section 67 of the ECA, we are uncertain about the legal basis on which ICASA can has taken [sic] a decision to proceed with conduct an inquiry into "mobile broadband services". We request that ICASA clarify this."* Linked to this, Cell C later asks (paragraph 2, page 7): How are the mobile broadband services identified in the current notice linked to the markets identified in the priority markets inquiry?

3.1.2. Cell C paragraph 1 (page 7): *"Did ICASA apply the internationally accepted three criteria test, or 3CT, in deciding to hold an inquiry in relation to 'mobile broadband services' in terms of section 67 of the ECA?"*

3.1.3. The Authority's response:

Legal basis to conduct inquiry: Please refer to paragraph 1.2 of the Notice (GG 42044).
The criteria test: The three-test criteria test is not legislative requirement in terms of the ECA. Mobile broadband services is linked to mobile services identified by the Authority in terms of the prioritisation exercise.

3.2. **Collecting information on market definition and market power at the same time, and 2010 Guideline for Conducting Market Reviews**

3.2.1. Cell C paragraph 4 (page 8): *"The Authority's response: Does ICASA intend to rely on these Guidelines any longer, and if not, why not? Will these guidelines be withdrawn?"*

3.2.2. The Authority's response:

The approach to be followed by the Authority accords with the process outlined in the Guideline published by the Authority in March 2010. The Guideline was published in the context of setting out the general outline of how the Authority intends to implement

the provisions of section 67 of the ECA which deal with the enhancement of competition. The purpose of the Guideline is to provide clarity to stakeholders regarding the conduct of market reviews including the public consultation process, relevant powers of the Authority when gathering information, and the type of information that may be requested by the Authority. It should however be noted that the Guideline is only a guide and is not legally binding to the Authority but it has decided to follow this approach as it is the process that has been communicated to stakeholders.

3.2.3. ISPA paragraphs 3&7: "clarity on targets the Authority is seeking information from." "Is the information limited to licensees?"

3.2.4. The Authority's response:

Please refer to section 4B and 4C of the ICASA Act. The Authority endeavours to gather information from all stakeholders (including interested persons in terms of the ICASA Act) with information that may be relevant in this process.

3.3. Process to be followed (including timetable)

3.3.1. Cell C paragraph 5.1-5.2 (page 5): "*...the time periods provided for this process in the Notice are wholly inadequate for parties to be able to participate...*"

3.3.2. The Authority's response:

The time periods provided for this process are deemed adequate and are also in line with section 4B(2)(a) of the ICASA Act. Therefore, the Authority does not intend to extend these timelines.

3.3.3. Cell C paragraph 2.8 (page 3): "*It is furthermore not correct to assume, as seems to have been done in paragraph 4.1.4 of the Notice, that there will be regulations as a result of this process...*"

3.3.4. Cell C paragraph 3 (page 7): "*(i) Please advise on what basis ICASA proposes to publish draft Regulations in Phase 4? (ii) If this is an error, please confirm that ICASA will provide a Reasons Document even if it does not proceed with Regulations?*"

3.3.5. The Authority's response:

Please refer to para 3.1 and 4.1.4(a) of the Notice, which states that the Authority will publish findings document and draft regulations, *if necessary* (our emphasis).

3.3.6. Cell C paragraph 5 (page 8): "*Please confirm that ICASA does intend to hold industry workshops and to keep stakeholders informed about process.*"

3.3.7. The Authority's response:

The Authority is committed to ensuring a co-operative and continuous dialogue with licensees in terms of this inquiry. Such dialogue may include meetings or workshop arranged where deemed necessary.

3.3.8. Vodacom Q2: "*What role does the Authority accord to the Policy Directions relating to conducting an inquiry into the "mobile broadband market?"*

3.3.9. The Authority's response:

Section 4 (3A) of the Independent Communications Authority of South Africa Act No.13 of 2000 ("the ICASA Act") states "The Authority, in exercising its power and performing its duties- (a) must consider policy made, and policy directions issued, by the Minister in terms of this Act, the underlying statuses and any other applicable law."

3.3.10. Vodacom Q11: "*Can Vodacom have an extension until 29 March 2019 to deliver the requested information?*"

3.3.11. The Authority's response:

Please refer to the Authority's responses to Cell C's question on timelines above.

3.3.12. Vodacom Q1: *Vodacom notes that in the Findings Document on Priority Markets Inquiry, the Authority stated that the relevant market would be determined only as the product of the market review required by section 67(4), and asks whether the issues of market definition, effective competition and SMP remain to be determined by the market inquiry and have not been pre-determined?*

3.3.13. The Authority's response:

The issues of market definition, effective competition and SMP remain to be determined by the market inquiry and have not been pre-determined.

3.4. Scope of the Inquiry

3.4.1. Vodacom Q3: *"Please clarify what the Authority regards as included in the "mobile broadband services value chain", and how this concept captures the boundaries of the matter that is to form the subject of the inquiry. Please explain and illustrate via diagram".*

3.4.2. The Authority's response:

As indicated in the Notice the purpose of this inquiry is to understand the state of competition in respect of the markets or market segments along the mobile broadband services value chain which may require regulation in terms of section 67(4) of the ECA. The boundaries of the mobile broadband services value chain will be dependent on the outcome of this inquiry.

3.4.3. Vodacom Q4 and Q5: *Are questions 1, 2, 4, 8, 10.5, 16, 17 and 18 aimed only at mobile broadband products and if not, why not? Why is information on fixed service and fixed access relevant to the scope and purpose of the inquiry defined in the notice?*

3.4.4. The Authority's response:

The questionnaire refers to mobile and fixed products and services. This is so since a full examination of the nature of competition in mobile broadband markets includes an assessment of the extent to which other services may exert a significant competitive constraint on mobile broadband services.

3.5. The Competition Commission's Data Market Inquiry

3.5.1. Cell C paragraphs 6.1-6.2 (page 6) and 14 (i-ii) (page 11): *"Has the Authority liaised with the Competition Commission, why does the Authority not simply access information from the Commission directly, and could the Authority not simply review such information and indicate whether additional information is needed?"*

3.5.2. Telkom paragraph 1-3: *"Will the authority have a view of information gathered for the Competition Commission Data Services Inquiry, why can the Authority not use that information and will the outcome of the inquiry be used as inputs."*

3.5.3. MTN paragraph 4: *"How does ICASA intends to deal with overlaps between this market inquiry and the Competition commission data services market inquiry?"*

3.5.4. ISPA para 8: *Seeking confirmation that ICASA will have access to submissions, transcripts/recordings made to the competition Commission.*

3.5.5. Vodacom Q7: *"Please clarify what precise relationship and interaction the Authority envisages between its market review and the CC's data market inquiry, and how precisely this fits into the framework of section 67(4) of the ECA and sections 4B and 4C of the ICASA Act."*

3.5.6. The Authority's response:

Please refer to para 5.2 of the Notice.

3.6. Other policy and legislative processes

3.6.1. Vodacom Q8 and 9: *"How will the MBI relate to other processes including the policy direction on assignment of high demand spectrum and proposed changes to the ECA? Will the Authority wait until these processes have concluded before taking any decisions on the MBI?"*

3.6.2. The Authority's response:

Please refer to the Authority's response on policy directions

3.6.3. Vodacom Q10: *"How should Vodacom make forward looking assessments (e.g. in Q10.5 and Q19 of the questionnaire) without clarity on spectrum assignment, coverage obligations and the WOAN?"*

3.6.4. The Authority's response:

Vodacom can provide forward looking assessments in a range of scenarios, or in whatever manner it conducts forward planning on an internal basis.

3.7. Existing documents and information available to the Authority

3.7.1. Cell C paragraph 10 (page 10): *"Will ICASA be referring to the study it has already conducted when considering number porting?"*

3.7.2. The Authority's response:

The Authority will consider past studies to assist it in developing the Discussion Document and in as far as it is referred to it by Stakeholders in assisting it in this market inquiry.

3.7.3. Cell C paragraph 13 (page 11): "*Facilities-leasing agreements have to be filed in terms of the ECA. Please clarify why ICASA is requiring copies of these agreements in this inquiry?*"

3.7.4. The Authority's response:

The question is relevant to licensees who did not submit facilities leasing agreements in terms of the ECA.

3.8. **Documents to be provided**

3.8.1. Cell C paragraph 11 (ix) (page 10) and paragraph 16(iii): "*Please confirm that draft documents, and any documents which are subject to a claim of legal privilege are excluded.*"

3.8.2. The Authority's response:

Draft documents are excluded, however a list of documents excluded on the basis of a claim of legal privilege must be provided to the Authority together with a basis for the relevant claim.

Licensees can claim confidentiality on legally privileged documents in terms of section 4D of the ICASA Act.

4. Questions on the questionnaire

Enquiry number	Questionnaire section, page and question number	Questionnaire text	Stakeholder and question number	Question submitted to the Authority	The Authority's response
4.1.	S1, P4, Q1	Provide a list of all unique products which you offered between January 2015 and December 2018 based on the product codes system used in your datasets. The Authority should be able to identify on a monthly basis every product available to customers of the licensee (including the relevant product code), and the specific pricing and characteristics	General clarification		Please include tariff plans excluding devices and excluding device subsidy (please ignore columns J and K in the Products tab). Provide tariffs for licensed services (voice, SMS, data) only. Provide tariffs available to the market between January 2015 and December 2018. Tariffs provided must be capable of being matched with customer-level data provided in section 7.
4.2.			Vodacom Q12	Please clarify and confirm whether question 1 is aimed only at mobile broadband products. If not, please explain why this is relevant to the scope and purpose of the inquiry defined in the Notice.	Q1 refers to mobile and fixed products. A full examination of the nature of competition in mobile broadband markets includes an assessment of the extent to which fixed services compete with mobile services.
4.3.			Cell C paragraph 6 (page 8)	What does ICASA regard as a "unique product" in the context of mobile broadband services?	This is a product that is separate from all others, in that it has a separate price and service or services associated with it. Two tariffs with the same name but different attributes (perhaps over time) are two separate products and are recorded in separate rows on the spreadsheet. Please see responses 4.2 and 4.4.
4.4.			Vodacom Q13	Is the requested information required for all tariff plans and add-	Information is needed for all tariff plans and add-on bundles.

		of each product. See attached spreadsheet (ANNEXURE A – PRODUCTS) as a guide for the relevant information and format that the data should be provided. If alternative fields are used by the licensee please provide a description of these fields		on bundles or only for those that relate to mobile broadband services?	
4.5.			Vodacom Q14	Is the requested Product Information required for enterprise-specific products like Reverse Billed Data and APN?	No
4.6.			Vodacom Q15	Is the requested Product Information required for bespoke enterprise products like Enterprise Voice and Data Bundles?	No
4.7.			Vodacom Q16	Where should access to free services such as zero-rated portals and URLs via the customers tariff plan be recorded on Annexure A – Products? Please provide an example.	Zero rated portals and URLs can be treated as a separate product. To the extent that free services are specific to certain tariff plans, this should also be noted under Notes (column AT).
4.8.			Vodacom Q17	Please clarify how tariff or value proposition changes over the period of the questionnaire on a unique product should be reflected on Annexure A – Products. Please provide an example.	Where this is the case, please provide information on a separate row for each change in the plan and indicating when the change occurred using the “date tariff made available” and “date tariff withdrawn” fields (columns C and D).
4.9.			Vodacom Q18	Column D: Please clarify in detail what is meant by “tariff withdrawn”. Should tariffs withdrawn before January 2015 be excluded from this list? Are only offers available to the market during the period January 2015 to December 2018 to be included in the list?	Please exclude tariffs withdrawn during the period January 2015 to December 2018. Note that tariffs provided must be capable of being matched with customers in the individual level dataset (section 7) with a tariff plan.
4.10.			Vodacom Q19	Column D: Is it only offers available to the market during the period January 2015 to December 2018 that should be included in the list?	See response to enquiry 4.9 above.

4.11.			Cell C paragraph 6 (ii), p. 9	Does ICASA require the information specified between 1 January 2015 and 31 December 2018?	See response to enquiry 4.9.
4.12.			Vodacom Q20	Column E: Please provide the definition for "Business" and "Consumer" that should be applied.	Business and consumer products should be defined according to the customer to whom the product is targeted and/or in terms of how the licensee classifies them internally. Please provide details of how the products are classified internally. Where products are targeted at both markets, "Both" can be entered in column E.
4.13.			Vodacom Q21	Column F: Please clarify and confirm that only Mobile products are required. If the Authority wants fixed products to also be included, please explain why this is relevant to the scope and purpose of the inquiry defined in the Notice.	See response to enquiry 4.2.
4.14.			Vodacom Q22	Column G: Most add-on bundles are common to Prepaid and Contract tariff plans. Please clarify how this field should be completed.	When referring to a bundle common to all tariff plans, "All" should be entered in column G.
4.15.			Vodacom Q23	Column H: Some add-on bundles are integrated bundles, i.e. offer 2 or more services in a single bundle. Please clarify how this field should be completed.	This column need not be completed. It is included to ensure that licensees understand that bundles need to be shown as separate tariffs on separate rows.
4.16.			Vodacom Q24	Column H: Should this field be completed only for add-on bundles and not for contract integrated tariff plans with inclusive units?	Yes
4.17.			Vodacom Q25	Column K: Excluding VAT?	Including VAT
4.18.			Vodacom Q26	Column N, O and Q: Excluding VAT?	Including VAT
4.19.			Vodacom Q27	Column N, O and Q: Is "Monthly subscription fee" the monthly	Yes, "Monthly subscription fee" is not the fee for add-on bundles.

				subscription fee for contract tariff plans explained above? Please confirm that it is not the fee for add-on bundles.	
4.20.			Vodacom Q28	Column N, O and Q: Is "Bundle fee" only for add-on bundles?	Yes. In respect of prepaid services, we consider a consumer buying a data bundle at a retail outlet as buying an 'add-on' bundle.
4.21.			Vodacom Q29	Column P: The template indicates that this is only required for add-on bundles and not for inclusive service units in contract integrated tariff plans. Please confirm that this understanding is correct.	Yes
4.22.			Vodacom Q30	Column R: Is this the inclusive contract Top-Up Flexi airtime value? Please confirm that nothing else is required here	Yes
4.23.			Vodacom Q31	Column S to AF: Please confirm whether this information is the service units included in both contract integrated tariff plans and add-on bundles.	Yes
4.24.			Vodacom Q32	Column AG to AO: Please clarify how dynamic discounted tariffs should be recorded on Annexure A – Products in columns AG to AO. Please provide example entry.	Please list each dynamic discounted tariff as a separate product. Be sure to add a row for each period in which the tariff or any other product characteristic changes.
4.25.			Vodacom Q33	Column AG to AO: VAT exclusive?	VAT inclusive
4.26.			Vodacom Q34	Column AP: Please clarify how this field should be approached for mobile services. Also provide an example of a response for a mobile data bundle that can be used on 2G, 3G and 4G.	Please provide the maximum/most-advanced technology available for each product. If this information is not available it need not be provided.

4.27.			Vodacom Q35	Please explain the relevance of fixed network technologies as part of this MBI	See response to enquiry 4.2.
4.28.	S1, P4, Q2	On a monthly basis, between January 2015 and December 2018, provide detailed information on each and every available unique product based on the product codes system used in your systems, referred to in paragraph 1. Information should include on a monthly basis. See attached spreadsheet (ANNEXURE A – AGGREGATE) as a guide for the relevant information and format that the data should be provided in.	General clarification		These data need only be provided annually, for each calendar year, to the extent that monthly data are not readily available.
4.29.			Vodacom Q36	Please clarify and confirm that question 2 is aimed only at mobile broadband products. Please explain why this is relevant to the scope and purpose of the inquiry defined in the Notice.	Q2 is aimed at mobile and fixed broadband products. See response to enquiry 4.2.
4.30.			Vodacom Q37	Column E: Vodacom's current financial reporting systems do not provide the revenue information at the granularity sought in Annexure A of the questionnaire. The only possible methodology for Vodacom is to refer to the customer-billed revenue from its data warehouse systems. Importantly, this will not match to the accounting view of revenue, as this would be before any usage-based deferrals and other accounting adjustments. Please confirm that this methodology is acceptable.	This is acceptable.
4.31.			Vodacom Q38	Column E: Accurate billing data is only available from February 2016, which limits the time series for which Vodacom can provide data. Will this period be sufficient?	To the extent that monthly data is not available, annual data may be provided (see response to enquiry 4.28 above). If the data are not available for certain periods then those data need not be provided.
4.32.			Vodacom Q39	Column E: Vodacom understands that it is only licensed services revenue that is required. Please confirm that this understanding is correct.	This is correct

4.33.			Vodacom Q40	Column E: For certain tariffs (data bundles), the total revenue and the data revenue would be the same. There would be a duplication here between the tariff category and bundle category. How should we address this in the data request?	Where this is the case, please put the same figure in column E and column F.
4.34.			Vodacom Q41	Column E: Is the amount VAT exclusive?	VAT inclusive
4.35.			Vodacom Q42	Column F: It will not be possible to provide data revenue separately on contract integrated tariff plans and integrated add-on bundles, where the split by bearer type is not available at a billing level. Should column F be left blank in these instances?	Yes
4.36.			Vodacom Q43	Column F: Does it include all data bundle purchases and all out-of-bundle data usage?	Yes
4.37.			Vodacom Q44	Columns H, I and J: "Total data used: Regular", "Total data used: Night-time/off peak" and "Total data used: Other". Please provide the definition for each category and explain what the differences are. Also provide an example of each.	To the extent that the licensee offers special tariffs on data usage at specific times of the day, the licensee should provide details of this (such as times in which the tariff is applicable) and provide data accordingly.
4.38.			Vodacom Q45	Columns H, I and J: Vodacom does not differentiate between peak/off peak usage for data traffic. All data traffic is regarded as "standard" in our reporting and Vodacom has no "other" rate period. Given this limitation, should all data traffic be reported as "standard"?	See response to enquiry 4.37 above.
4.39.			Vodacom Q46	Columns H, I and J: Please confirm which hours are regarded as "regular" and "night-time"	See response to enquiry 4.37 above.

4.40.			Vodacom Q47	Columns K, L and M: Vodacom does not report on expired data. This is not a business requirement so no development has taken place in this regard. It will not be possible to supply these metrics. Given this limitation, should these fields be left blank?	Yes. Nonetheless, licensees are encouraged to provide a careful explanation where they indicate that data is not available, as the Authority has requested that is typically available.
4.41.			Vodacom Q48	Column N: Please confirm what activity rule should be applied. Vodacom reports customers on three measures, i.e. subscriber closing base, 1 month active and 3 month active	Active subscribers should be defined as those who have generated revenue in the last calendar month (1 calendar month active).
4.42.			Vodacom Q49	Column N: Vodacom understands that this field is to be completed for tariff plans only and not for add on bundles. Please confirm that this understanding is correct.	This is correct.
4.43.			Vodacom Q50	Column N: Number of subscribers added will be derived from the difference between the Closing and Opening Base. Unique additions cannot be provided. Will this be acceptable?	This is acceptable.
4.44.			Vodacom Q51	Column P: Please define and explain what "transaction" means in this context	The number of bundles purchased. This only needs to be provided for bundles and not for tariff plans.
4.45.			Vodacom Q52	Column P: Please explain what is required on the number of transactions for pre-paid and contract tariff plans. Also provide an example	The column can be left blank for pre-paid and contract tariff plans where no bundles are purchased.
4.46.	S2, P5, Q3	Section 2: financial information	Cell C paragraph 4 (p. 5)	Please indicate why ICASA is seeking the information set out in section 2.	Cost information is needed in order to assist with market definition (if prices are significantly above costs for one or other service, then it is more likely that the service falls within a separate market) and

					with assessing the effectiveness of competition.
4.47.			Cell C paragraph 7 (p. 9)	Which part of the analysis in section 67(4) does this relate to?	The Authority is currently conducting an Inquiry in terms of section 4B of the ICASA Act, read with section 67(4) of the ECA. The decision to whether or not develop regulations in terms of section 67(4) of the ECA will be informed by the findings of the inquiry
4.48.	S2, P5, Q3.2	Monthly management accounts (in excel format) or (equivalent management reports that record such information) for the business and individual business units where this is tracked.	Clarification in general		To the extent that data requested elsewhere in this questionnaire is available in the management accounts, the data need not be provided again but the licensee must indicate where in the management accounts the relevant data is recorded.
4.49.			Telkom, Q4	Telkom's management accounts are available on a similar level as its published annual financial statements. Please confirm if this level of information would meet the Authority's requirements.	The management accounts should be provided at a disaggregated level by business unit.
4.50.			Vodacom Q53	Please clarify what is meant by "individual business units"	Individual business units means the disaggregated divisions within the licensee for which separate management accounts are prepared.
4.51.			Telkom, Q5	Is it sufficient to provide management accounts only for the mobile business?	Yes
4.52.			Vodacom Q54	Is it only business units that relate to mobile broadband?	
4.53.			Telkom, Q5	How will the authority use management accounts when conducting the inquiry?	Management accounts may be used to define markets (since they provide information on how licensees analyse their business, including customer segments), assess the effectiveness of competition. The cost information in management accounts

					will also be used for the purposes described in enquiry 4.46 above.
4.54.	S3, P5	Input costs	General clarification in respect of all of section 3		This section is not intended to require licensees to provide documents and data (though licensees may do so) but is rather an opportunity for licensees to provide descriptive responses, event at a high level, in relation to the questions.
4.55.	S3, P5, Q4	Provide a description of the main input cost drivers in respect of data services, and any available data or other information on trends in those costs over time. Please include a description of the value chain in delivering data services, such as in respect of international bandwidth, national, metro and local connectivity and the costs of high sites. To the extent possible,	Vodacom Q55	Over what period is the information to be provided?	From January 2015 to December 2018
4.56.			Cell C paragraph 8(i)	Which part of the analysis in section 67(4) does this relate to?	See response of enquiry number 4.47 above.
4.57.			Vodacom Q56	Please explain what is meant by "input cost drivers in respect of data services" and provide a practical example using the mobile market.	This means the key inputs to providing mobile data services from a cost perspective, e.g. electricity, site rental, radio equipment, maintenance, customer support etc.
4.58.			Cell C paragraph 8(ii)	"Please clarify what is meant by "input costs"?" Relates to all of section 3.	The costs of providing mobile broadband services. See response to enquiry 4.57 above.
4.59.			Cell C paragraph 6 (iii), page 9	"Data services" are not defined, what are these? In addition, Cell C does not operate a national fibre network, so it is unclear why this is relevant to "mobile services", please advise?	The term data services here refers to mobile broadband services. 'Data services' provide end-users with access to the internet, and this question is intended to identify cost drivers in respect of these services. Fibre networks may be an important input cost for mobile broadband services (including in respect of fibre connections to mobile operator high sites), and licensees are requested to provide information on all input costs.
4.60.			Vodacom Q57	Please clarify and confirm that question 4 is aimed only at mobile data. If information for non-data products is required, please explain why this is relevant to the scope	The question is aimed at all input costs relevant to the cost of providing mobile data services, including upstream costs such as spectrum and infrastructure costs.

		explain the link between these input costs and the financial information requested above in question 3.		and purpose of the inquiry defined in the Notice.	
4.61.			Vodacom Q58	How should cost drivers and value chain common to all services be described?	The licensee should ensure that it is clear which costs are data-specific and which are common costs.
4.62.			Vodacom Q59	Is it intended that the value chain examples provided of international bandwidth etc. cover only network costs?	Please provide information on all costs that contribute to the cost of providing mobile data services (See response to enquiry 4.57 above).
4.63.			Vodacom Q60	Explain with a practical example how to link the description of input costs with the management accounts provided in Q3.	Please explain how the trends in cost drivers described in Q4 can be observed in the management accounts, i.e. which line items relate to which costs, and what impact changes in these costs have had on the overall financial position.
4.64.			Telkom, Q6	Telkom proposes that the Authority should also focus on the cost of handset devices. These devices contribute to a large component of the cost of providing a mobile service. The factors that contribute to the cost of handset devices are very important and need to be interrogated.	Licensees are encouraged to provide inputs on all costs, including handsets.
4.65.	S3, P5, Q5	Provide a breakdown of annual investments since 2015 per cost category such as: new RAN antennae/towers, upgrading of existing RAN antennae,	Vodacom Q61	What is the difference between an investment and a cost category?	Cost category in this instance refers to different categories of investment such as those listed in Q5.
4.66.			Vodacom Q62	We do not categorise our investments according to the listed options. Vodacom can provide the categories reported on in its management accounts. Will this be acceptable?	This is acceptable
4.67.			Vodacom Q63	Does this refer only to Capex? Not to Opex?	Yes. Nonetheless, licensees are encouraged to provide Opex as well, including linking

		backhaul to RAN antennae, metro fibre connections, national fibre networks, other fixed infrastructure, etc			this information to information in the management accounts.
4.68.	S3, P5, Q6	Please detail and quantify which of the input costs listed above could have been avoided if the licensee had access to additional radio frequency spectrum. Relate this as far as possible to the licensee's costs of providing data services and to market prices.	Vodacom Q64	How much additional spectrum should be assumed? Which bands?	The licensee can provide information in relation to whatever scenarios it deems appropriate and/or any existing analysis it has conducted which illustrates the costs which could be avoided if the licensee had access to more spectrum. Please see response to enquiry 4.54 and 4.118 above.
4.69.			Vodacom Q65	How much do we assume is paid for the spectrum?	See response to enquiry 4.68 above.
4.70.			Vodacom Q66	Over what period?	See response to enquiry 4.68 above.
4.71.			Vodacom Q67	The impact of access to additional spectrum is much broader than mere cost avoidance. It would also have a material impact on network capacity, quality and reach that could have been achieved over the period. Vodacom is concerned that the Authority's request for information is incomplete. Please explain the purpose of the question, so that Vodacom is in a position to determine the scope of additional information it believes appropriate to provide to avoid an incomplete picture.	The purpose of the question is to understand the importance of spectrum in terms of the cost of providing mobile broadband services. The licensee may also explain any other impacts which additional spectrum would have on its ability to provide mobile broadband services.

4.72.	S3, P5, Q7	Provide a discussion on which, if any, of the above input costs are 'essential facilities' as defined in the Electronic Communications Act, no. 36 of 2005.	Cell C, paragraph 6 (iv), page 9	Cell C does not know what is required under this paragraph. Please advise.	Costs may arise from licensees making use of electronic communications network facilities that are essential facilities as defined in the ECA. Licensees are encouraged to make submissions on what, in their view, such essential facilities might be.
4.73.	S4, P5, Q8	For the period from 2015 onwards, provide all studies, assessments or strategic documents dealing with a) switching between operators by customers, b) customer churn rates, and / or c) customers purchasing from multiple networks.	Vodacom Q68	Please clarify and confirm that questions 8 is aimed only at mobile broadband products. If not, please explain why this is relevant to the scope and purpose of the inquiry defined in the Notice.	Q8 is only aimed at mobile broadband products.
4.74.			Cell C paragraph 9 (p. 9)	Which part of the analysis in section 67(4) does this relate to?	See response of enquiry number 4.47 above.
4.75.			Cell C paragraph 9(i) (p. 9)	What does ICASA mean by 'studies, assessments or strategic documents'?	See enquiry 3.8.2 above
4.76.			Cell C paragraph 9(ii) (p. 9)	Cell C does not know what ICASA means by information regarding "customers purchasing from multiple networks", please clarify.	This refers to customers that have more than one SIM card where at least two such SIM cards are from different licensees.
4.77.	S4, P6, Q9	In respect of number porting, provide on a monthly basis between January 2015	Telkom, Q7	Why is information on fixed customers required	As part of the market definition exercise it is necessary to understand fixed to mobile substitution and to understand the constraint on mobile by fixed line services. As such, information on fixed customers and services is required. See also response to enquiry 4.2 above.
4.78.			Vodacom Q69	Please explain why information fixed services is relevant to the scope and purpose of the inquiry defined in the Notice.	

4.79.		and December 2018, for prepaid, hybrid and post-paid mobile customers and for fixed service customers separately...	Cell C paragraph 10 (p. 10)	Please clarify which part of the analysis contemplated in section 67(4) this relates to?	See response of enquiry number 4.47 above.
4.80.	S4, P6, Q9.1.4	The number of days taken to approve requests to port out;	Vodacom Q70	Number of days taken to approve is not available due to data storage limitations. Given this limitation, should this field be left blank?	Yes
4.81.	S4, P6, Q9.1.5	The number of days taken to port numbers out of a network (days between the port out request and when the number is deactivated on the network)	Vodacom Q71	Number of days taken to port numbers is not available due to data storage limitations. Given this limitation, should this field be left blank?	Yes
4.82.	S4, P6, Q9.2.3	The number of days taken to port numbers into a network (days between the port-in request and when the number is	Vodacom Q72	Number of days taken to port numbers is not available due to data storage limitations. Given this limitation, should this field be left blank?	Yes

		activated on the network).			
4.83.	S5, P6, Q10.1	For each year from 2015 to 2018: Provide a list of the radio access network ("RAN") sites used by the licensee in the provision of mobile data services in South Africa on an annual basis. For each site in the list:	General clarification		The detailed information requested in section 10.1 is only required for September 2018. For the previous years (in September each year), provide the total number of sites in each main place area or postal code, per technology (2G, 3G, LTE). Provide speed test data on an annual basis over the period 2015-2018 in the most disaggregated form available (such as per sub-place or suburb, for example).
4.84.			Vodacom Q73	Column A: Please clarify what is required in this field. Is it the date on which the site became operational or is it the complete list of operational sites in 2015, 2016, 2017 and 2018 respectively? Please provide an example.	See response to enquiry 4.83 above.
4.85.			Vodacom Q74	Column B: Is it the site name/ID or is it the cell name/ID?	The site name or ID.
4.86.			Cell C paragraph 10 (p. 11)	Please clarify which part of the analysis contemplated by section 67(4) this relates to?	See response of enquiry number 4.47 above.
4.87.	S5, P7, Q10.1.1	Provide the site main place area and code (Statistics South Africa main place) footnote 1 (http://www.statssa.gov.za/?pageid=4503) or postal code	Vodacom Q75	Stats SA definition reference in the link above refers to Census 2001 and not to the latest Census 2011. 2). The coverage analyses and reporting requested in Annexure A – Sites will be based on Census 2011. Will this be acceptable?	This is acceptable.
4.88.			Vodacom Q76	The StatsSA database contains areas with no Main Place ("MP") and there are MPs with no MP_CODES or MP_NAMES. How should Vodacom	Where MP's or MP codes do not exist, latitude or longitude should be used. If this is not available, then town or suburb and city or postal code should be used.

		and physical address		provide information given non-existing MPs?	
4.89.			Vodacom Q77	In cases of MPs with no MP_CODES or MP_NAMES, how should these be interpreted?	See response to enquiry 4.88 above.
4.90.			Vodacom Q78	Column D: Will postal or MP code suffice as physical address?	Physical address or latitude and longitude is preferred.
4.91.			Cell C paragraph 11(i) (p. 10)	"... does ICASA require the address of all shared sites"	Yes
4.92.			Vodacom Q79	Column D: Will the Latitude and Longitude be required?	Physical address or latitude and longitude should be provided.
4.93.			Vodacom Q80	Column D: If the Latitude and Longitude is provided, what 'datum' should be used? Should coordinates projected or not? What projection co-ordinate system should be used?	The latitude and longitude can be provided in whatever form the data is kept in. Please indicate in your response if a particular date and/or co-ordinate system has been used.
4.94.	S5, P7, Q 10.1.2	Provide the date at which different technologies (2G, 3G, LTE) became available and/or were deactivated	Vodacom Q81	Will the year suffice?	Yes
4.95.			Cell C paragraph 11(ii) (p. 10)	Please advise the which part of the inquiry in section 67(4) of the ECA paragraph 10.1.2 relates to (dates on which technologies were available and were deactivated) to a market definition inquiry?	See response of enquiry number 4.47 above.
4.96.	S5, P7, Q 10.1.3	Provide average download and upload speeds annually or such speed test data as are readily available.	Vodacom Q82	Columns J and K: In order to provide the correct and intended information to calculate average speed appropriately it is important to understand how this information will be used. Please clarify in detail how average speed will used.	The intention is to understand how speeds have varied in different geographic areas over time and to relate this to changes in market structure and competition in these areas. The Authority therefore requires information on speeds over time. Please see response to enquiry 4.83 above.
4.97.			Cell C paragraph	Please explain which part of the inquiry in terms of section 67(4)	See response of enquiry number 4.47 above.

			h 11(iii) (p. 10)	the download and upload speeds on an annual basis are relevant to?	
4.98.	S5, P7, Q 10.1.4	Provide details of any operator that shares the site and the price (or monthly fee) for sharing the site	Vodacom Q83	Columns L and M: Should these fields be completed from the perspective of the Access Seeker or the Access Provider? Please explain.	The fields should be completed from the perspective of the Access Provider where the licensee is the Access Provider and from the perspective of the Access Seeker where the licensee is the Access Seeker. Column O will clarify whether the licensee is the Access Seeker or Access Provider.
4.99.			Vodacom Q84	The Access Seeker may not know the identity of the other operators that also share the site. Please clarify what is required in column M and explain how this field differs from column O. Please provide an example.	Where the licensee is the Access Seeker, it is only required to provide the identity of the site operator (Access Provider) (column O) and not any other licensees which may share the site.
4.100.			Vodacom Q85	Column N (Price for sharing site (Rands per month)): Excluding VAT?	Including VAT
4.101.			Vodacom Q86	Column N: Which month?	The average monthly charge for sharing the site for 2018.
4.102.	S5, P7, Q 10.1.5	Indicate which licensee or tower company operates the site. Column O: Operator of site (name of licensee or tower company controlling access)	Vodacom Q87	Vodacom understands this field to be the Access Provider details? Is this understanding correct? Please explain how this field differs from column M and provide an example	This is the Access Provider. See responses to enquiries 4.98 and 4.99 above.
4.103.	S5, P7, Q 10.1.6	Indicate whether the licensee has an exclusive agreement with	Vodacom Q88	Please clarify the difference between site owner in column P and operator of site in column O	Site owner and site operator both refer to the Access Provider.
4.104.			Cell C paragra	Please explain what relevance this has to the definition of a market or	This is relevant for assessing the extent to which a hypothetical monopolist in a certain

		the site owner. Provide a sample of five such exclusive agreements.	h 11(iv) (p. 10)	market segment within "mobile services".	geography would be able to raise prices by 5-10% (this is more likely to be possible if sites are exclusively available to the monopolist), and also assists in assessing the effectiveness of competition and market power.
4.105.	S5, P7, Q10.2	Provide the total number of the licensee's fixed access links available and the number actively taken up by businesses and consumers separately, in respect of the provision of fixed data services in each main place (Statistics South Africa main place) area or postal code area on an annual basis. In your answer, differentiate between (i) the type of connection technology (e.g. ADSL,	Vodacom Q89	Please explain why information on fixed access is relevant to the scope and purpose of the inquiry defined in the Notice.	See response to enquiry 4.2 above.
4.106.			Cell C paragraph h 11 (vi) (p. 10)	Please advise why this is relevant to the definition of a market or market segment within "mobile services".	
4.107.			Vodacom Q90	Please define fixed access link with reference to fixed network topology. Please confirm the network demarcation points.	This question is aimed at understanding the number of fixed lines connected to end users. A unique fixed line is a fixed connection between the customer's premises (using customer premises equipment) and the next significant point of aggregation in the licensee's network (such as a local exchange or switch), such as: <ul style="list-style-type: none"> • Fibre: An ONT connecting to an OLT or similar point of aggregation; • Copper: ADSL or VDSL modem connecting to an MSAN or DSLAM at a local exchange.
4.108.			Vodacom Q91	Is it both wire and fixed wireless?	Yes
4.109.			Vodacom Q92	Are only fixed access links owned and operated by Vodacom included or does it include wholesale networks on which Vodacom provides services as ISP?	Provide both separately, indicating whether the fixed access links are owned and operated by Vodacom or are provided by the licensee as an ISP on other network infrastructure.
4.110.			Vodacom Q93	Vodacom will not be able to provide any coverage information for any other fixed network other than Vodacom's own fixed network.	That is acceptable

4.111.		fibre etc.) and (ii) maximum speed available	Cell C, paragraph 11 (v)	Please explain which part of the inquiry in terms of section 67(4) this question relates to?	See response of enquiry number 4.47 above.
4.112.	S5, P7, Q10.3	Provide the total number of mobile subscribers on the licensee's network in each main place (Statistics South Africa main place) area or postal code area on an annual basis.	Vodacom, Q94	Column B (Main Place or postal code): Please confirm whether Latitude and Longitude, Suburb, Town, City, District and Province will suffice.	This will suffice. Please indicate Statistics South Africa sub-place or main-place name and code if possible.
4.113.			Cell C, paragraph 11 (vii) (p. 10)	Please indicate which part of the section 67(4) process question 10.3 relates to.	See response of enquiry number 4.47 above.
4.114.	S5, P7, Q10.4	Provide the proportion of the population covered by the licensee in respect of data transmitted using spectrum assigned to the licensee for each mobile technology (2G, 3G, LTE etc.) in each main place (Statistics South Africa main place) area or postal	Vodacom Q95	Vodacom's questions for clarification on Question 10.2 also apply here.	See responses to Vodacom's questions for clarification on Question 10.2 above.
4.115.			Cell C paragraph 11(viii) (p. 10)	Please explain which part of the inquiry in terms of section 67(4) this question relates to? Please define what is meant by "proportion of the population"?	See response of enquiry number 4.47 above. The percentage of the population as estimated by Statistics South Africa from time to time.

		code area on an annual basis.			
4.116.	S5, P8, Q10.5	Various documents are requested	Cell C, paragraph 7.2 (p. 6) and 10(ix) (p. 10)	What documents does the Authority require?	See response to enquiry 3.8.2 above.
4.117.			Vodacom, Q96	Please clarify and confirm that question 10.5 is aimed only at mobile broadband products. If not, please explain why this is relevant to the scope and purpose of the inquiry defined in the Notice.	See response to enquiry 4.2 above.
4.118.			Vodacom, Q97	What should be assumed in respect of licensing of unassigned high demand spectrum? In particular what assumptions are to be made as to amount of spectrum and timing of its award or availability and coverage obligations?	Forward looking assessments can be provided in a range of scenarios, or in whatever manner the licensee conducts forward planning on an internal basis. The question asks for existing documents, not for new analysis. See also response to enquiry 4.68 above.
4.119.			Cell C, paragraph 11(x) (p. 11)	Please explain how this information is relevant to this inquiry, particularly in view of the fact that the prioritisation exercise has already determined that this inquiry will focus on mobile broadband services?	In defining markets and assessing the effectiveness of competition and market power, it is necessary for the Authority to understand how markets and rivals in those markets are likely to change over time.
4.120.	S6, P8, Q11	In relation to wholesale mobile roaming services and services used by mobile virtual network operators and services	Telkom, Q9	Is a reseller APN regarded as wholesale?	Please provide information for 'reseller APN' services.
4.121.			Vodacom Q98	Excluding international wholesale mobile roaming services?	Yes
4.122.			Cell C paragraph 12 (p. 11)	(i) Please explain which part of the section 67(4) process these questions relate to? (ii) What is the relevance of wholesale agreements to this inquiry?	See response of enquiry number 4.47 above. The Authority has not yet defined upstream or downstream markets. Wholesale

		offered via access point names (APNs)			agreements will assist the Authority to define such markets, assess the effectiveness of competition in them and identify any firms with market power.
4.123.	S6, P8, Q11.1	Provide all wholesale agreements entered into or in force between 2015 and the present that concern such services.	Vodacom Q99	Only in respect of mobile broadband services?	Any wholesale agreement which concerns mobile broadband services, even if that is only one component of the agreement.
4.124.	S6, P8, Q 11.2	On an annual basis since 2015, provide the revenues (if the licensee provides these services) or costs (if the licensee uses these services), by service type (i.e. for voice, SMS and data separately) for each of the agreements requested in 11.1.	Telkom. Q10	Is it possible to provide an estimate of mobile traffic carried over roaming network under roaming deal as price at which data was bought is not available?	If the licensee (such as Telkom) roams on another network, then the total annual costs of roaming on the other network (Telkom roamed on MTN historically, for example) should be provided. In this example, the total amount that Telkom paid MTN for roaming services should be provided on an annual basis for each service type (i.e. voice, SMS and data) separately.
4.125.	S6, P8, Q 11.3	On an annual basis since 2015, provide	Vodacom Q100	From the perspective of buyer or seller?	Both

		the volumes (GB) of internet data transmitted in respect of each of the agreements requested in 11.1			
4.126.	S6, P8, Q12	Provide all main service agreements governing site sharing or access that concern the sites described in section 10.1.	Vodacom Q101	As Access Provider or Access Seeker?	Both
4.127.			Cell C paragraph 13, p. 11	Please clarify why ICASA is requiring copies of these agreements in this inquiry?	The Authority is carrying out a process to define relevant markets, and assess competition and market power in those markets. Site sharing or access agreements have an important effect of on all of these areas of work because they are used to roll out networks in South Africa and thus affect competition between licensees.
4.128.	S7, P9, Q13	Provide a sample of customer-level transactional and usage data for a sample of 30,000 individual customers.	General clarification		<p>In respect of the customer sample, provide a panel of 50,000 customers, with replacement, starting in March 2015. Licensees are encouraged to provide a sample of 50,000 customers drawn from the entire customer database in order to allow the Authority to select mobile broadband customers as licensees may find it difficult to select only mobile broadband customers.</p> <p>The data to be provided is a snapshot as at March and September each year between 2015 and 2018 (8 snapshots in total). Thus, if 5,000 consumers in the first sample leave the licensee between March 2015 September 2015, replace the 5,000 with a random sample of customers for the September 2015 dataset. Repeat this process in each period.</p>

				<p>Phone make and model (columns Q and R in the Individual-mobile tab) are not needed.</p> <p>The sample of customers should only include customers using tariff plans provided in section 1, i.e. tariff plans that were available between 1 January 2015 and 31 December 2018.</p>
4.129.			Q102 Vodacom	<p>Only mobile broadband customers?</p> <p>Licensees are encouraged to provide a sample of 50,000 customers drawn from the entire customer database in order to allow the Authority to select mobile broadband customers.</p>
4.130.			Q103 Vodacom	<p>Transactional level of detail is not feasible. By way of example, transaction numbers are not applicable to out-of-bundle usage. Please clarify</p> <p>Provide information that the licensee has available on a per-customer basis.</p>
4.131.			Q104 Vodacom	<p>Vodacom does not store transaction numbers. Information is aggregated for reporting purposes and can be provided on a monthly basis. Will this be acceptable?</p> <p>See responses to enquiries 4.128 and 4.130 above.</p>
4.132.			Cell C paragraph 14(iii) (p. 11) and 14(x)	<p>Please indicate the purpose of this random sample exercise, and clarify which aspect of the section 67(4) process it is related to? Please explain how date of birth, nationality, first registration date of client, postal code, phone model, and handset subsidy relate to any part of the inquiry envisaged in section 67(4) of the ECA? Please explain how ICASA intends to use this data?</p> <p>See response of enquiry number 4.47 above.</p> <p>The purposes of collecting the data is to analyse trends, including pricing and usage trends, at the customer level since products and services offered by licensees are differentiated and consumer choices in respect of these products and services lie at the heart of market definition and the assessment of the effectiveness of competition and market power.</p>

4.133.	S7, P9, Q13.1	Firstly, all customers making any sort of data purchase from the licensee over the period between January 2015 and December 2018 should be identified by a unique customer identification number used by the licensee.	Vodacom Q105	Vodacom understands that it is not a requirement that the customer be an active customer for the full 3-year period. It is also not a requirement that the customer be an active customer at December 2018. The only requirement is for a customer to have purchased data during the 3-year period. By way of example, a customer may have connected to the Vodacom network in June 2015, purchased data and switched to a competitor network in July 2015 and never returned to Vodacom. Such customer will qualify for a unique identification number. Is this understanding correct?	Yes
4.134.	S7, P9, Q13.1	13.1 Firstly, all customers making any sort of data purchase from the licensee over the period between January 2015 and December 2018 should be identified by a unique	Cell C paragraph 3.2.1 (p. 4)	<i>"The sampling methodology of each operator needs to be verifiable and stand up to close scrutiny."</i>	The licensee should provide an explanation of its sampling methodology and if this is found to be inadequate the Authority may call for different or additional data from the licensee concerned.
4.135.		customer identification number used by the licensee.	Cell C paragraph 3.2.2 (p. 4)	<i>In our view this is too small a sample to provide meaningful results about the level of competition in the market particularly where many customers have multiple SIM cards and could be double-counted</i>	The Authority's intention is not to burden licensees with requests for very large amounts of data at this stage. If the licensee is of the view that additional data is relevant and ought to be provided then the licensee concerned is invited to produce that data for the Authority's consideration. See also response to enquiry 4.128 above.
4.136.		13.2 Secondly, a random	Cell C paragraph 3.2.3 (p. 4)	<i>we furthermore point out that 30,000 Cell C customers constitute a much larger portion of their total customer base than it would for Vodacom or MTN, for whom a sample of 30,000 would be even</i>	See response to enquiry 4.135. This data is not meant to reproduce the market shares of operators but to provide insights into accounts of customers.

		sample of 30,000 customers should be drawn from this list.		<i>less representative of their full set of customers</i>	
4.137.			Cell C paragraph 3.2.4 (p. 4)	some of the data requested is only available for contract customers, and not for pre-paid customers	Licenses are encouraged to provide a careful explanation where they indicate that data is not available, as the Authority has requested that is typically available. Nonetheless licensees are requested to provide data that is available. If certain information is only available for contract customers, provide the data in respect of those customers.
4.138.			Cell C paragraph 3.3 (p. 4)	In our view, mobile data prices in South Africa over the relevant time period have not shown sufficient variation to inform such an assessment. In addition, consumers in different segments of the market can be expected to respond differently to changes in the price and quality of data services offered. It is problematic that the type of information requested is in many instances not available for pre-paid customers, who are likely to be more sensitive to changes in price than post-paid customers. It is also problematic that some information requested refers to voice services.	Prices vary not only over time but between operators, between different geographic areas, and customer segments, etc. Such variation applies to prepaid customers as well as to postpaid customers. Information on voice services is also needed since some customers in some cases make decisions about their data services together with voice services.
4.139.			Cell C paragraph 3.4 (p. 4)	the area code information supplied by a customer at the time of concluding a contract will not actually give any insight into where that customer currently resides, or works" and "the phone model which is sometimes provided to a contract customer as part of a contract may or not be the phone	The address used at the time of subscribing for the service will be useful for the majority of consumers. Phone make and model (columns Q and R) are not needed.

				model which the customer actually uses on a day-to-day basis. No data on usage of phone models is available for pre-paid customers.	
4.140.			Cell C paragraph 3.5 (p. 5)	whether customers reside or work in a rural or urban area, customer LSM and/or education levels, or level of customer access to alternatives to mobile data services (e.g. fixed broadband)	The main place and postal code information will enable the Authority to determine whether the customer is in an urban or rural area and will provide various other demographic data from the census. If the licensee has other information on customers available, such as LSM, education levels or use of alternatives such as fixed lines, licensees are encouraged to submit such additional information to ICASA.
4.141.			Cell C paragraph 3.6 (p. 5)	International benchmarks	Licensees are welcome to submit information concerning international benchmarks.
4.142.			Cell C paragraph 3.7 (p. 5)	It is unclear how the data requested in this section relates to issues of market definition and substitutability between products/product groups.	Customer usage of mobile services lies at the heart of understanding markets for mobile broadband services. This information will also assist the Authority in determining the extent to which consumers are price sensitive and the extent to which markets are effectively competitive or not.
4.143.			Telkom, Q12	Can Telkom provide information in a modified format.	No. Please provide the information in the format described in the questionnaire, annexure and in response to enquiry 4.128 above
4.144.	S7, P9, Q14	Broadly, the data provided should allow the Authority to determine on a monthly basis the exact	Vodacom Q106	"On a monthly basis the exact products purchased by the customer": The broad requirement is not clear. Is the requirement for monthly data for the 3 year period for the 30000 sample of unique customers? Please clarify.	See response to enquiry 4.128 above.

4.145.		products (by product codes, corresponding with information requested in paragraph 1 above) purchased by the customer, the amount of data/voice/etc. used by the customer (and what type of data/voice – e.g. bonus night time data - should be separately identified), and the amount of data/voice/etc. that expires.	Vodacom Q107	Based on Vodacom’s understanding under 13.1 above, the Authority’s broad requirement may not be achieved because the sample may include customers not active on the Vodacom network for the full 36 months. In other words, some customers may have data for a limited number of months – even 1 month only. Such outcome will also be more prevalent for customers who connected towards the later part of the period covered. For example, the sample may include a customer who connected to the Vodacom network in November 2018, i.e. only 2 months of data will be available. Please clarify how the Authority’s broad requirement will be achieved with regard to customers with short tenure on Vodacom’s network during the 3 year period?	See response to enquiry 4.128 above.
4.146.			Vodacom Q108	The “Individual-mobile” spreadsheet does not provide for “type of data/voice”. Please clarify what the requirement is.	The type of data/voice is not required.
4.147.	S7, P9, Q15		Cell C paragraph 14 (x)	Please explain how date of birth, nationality, first registration date of client, postal code, phone model, and handset subsidy relate to any part of the inquiry envisaged in section 67(4) of the ECA? Please explain how ICASA intends to use this data?	See response to question 4.132 above.

4.148.		The data should thus include information such as (or similar) to the following:	Vodacom 109	- Customer unique identification code; -Whether client is a consumer or business; - Client date of birth; Not possible. RICA information not accessible to Vodacom for this purpose. Should this field be left blank?	The requirement is for all customers (including prepaid), extracted from the ID number provided when the client registered with the licensee since this is a requirement in terms of RICA.
4.149.		Customer unique identification code Whether client is a consumer or business Client date of birth	Cell C paragraph 14(iv) (p. 11)	Please clarify what is meant by "customer unique identification code" in relation to both pre-paid and contract subscribers? Does it apply to individual people and corporate customers (for example, companies)?	Any unique identification number used by a licensee to identify a customer. Yes, this includes both individual people and business customers.
4.150.			Cell C paragraph 14(v) (p. 11)	Please confirm that the "date of birth" requirement only applies to individuals, not corporate customers? Please confirm that this requirement only applies to contract customers, and should be supplied on the ID number of the individual customer provided when the contract document was completed by that customer? (this data is not available for pre-paid)	The date of birth only applies to individuals. The requirement is for all such customers (including prepaid), extracted from the ID number provided when the client registered with the licensee since this is a requirement in terms of RICA.
4.151.		Client gender	Vodacom 110	- Client gender Not possible. RICA information not accessible to Vodacom for this purpose. Should this field be left blank?	The methodology applied by the Department of Home Affairs when issuing identification numbers in South Africa (i.e. using digits 7-11 of an ID number). Where this data is missing this field should be left blank.
4.152.			Cell C paragraph 14(vi) (p. 11)	Please explain what criteria or method licensees should apply to determine (i) 'client gender'.	

4.153.		Client nationality	Vodacom 111	- Client nationality Not possible. RICA information not accessible to Vodacom for this purpose. Should this field be left blank?	The methodology applied by the Department of Home Affairs when issuing identification numbers in South Africa (i.e. using digit 12 of an ID number).
4.154.			Cell C paragraph 14(vi) (p. 11)	Please explain what criteria or method licensees should apply to determine 'nationality'.	
4.155.		Client postal code	Vodacom 112	- Client postal code Not possible. RICA information not accessible to Vodacom for this purpose. Should this field be left blank?	Provide the postal code supplied when the customer signed up for the service. This is required in terms of RICA, and therefore should be available for all customers (including prepaid) in the sample.
4.156.			Cell C paragraph 14(vii)	Please confirm that the requirement of "client postal code" refers to the postal code provided by the customer when the when the contract document was completed by the customer? (this date is not available for pre-paid)	
4.157.		Client main-place area and code (Statistics South Africa main place)	Vodacom 113	- Client MP area and code Not possible. RICA information not accessible to Vodacom for this purpose. Should this field be left blank?	Street address, suburb, sub-place name or geographic coordinates are also acceptable.
4.158.		First registration date of client	Vodacom 114	- First registration date of the client Is this the connection date?	Yes
4.159.		Number of months left in commitment (if applicable)	Cell C paragraph 14(viii)	Please confirm that the "number of months left in commitment" requirement does not apply to pre-paid customers?	This does not apply to prepaid customers.
4.160.		Column W in spreadsheet	Vodacom 115	Column W: tariff list price Please clarify what is required in this field and how it differs from "Bundle Price" and "Bill value" in columns X and Z respectively.	Tariff list price refers to the list price of the tariff plan, as marketed by the licensee. This is only required for tariff plans. The bundle price is the list price of the bundle, as marketed by the licensee. This is only

				What is "list price"? Please provide a detailed example.	required for bundles. Bill value is the actual amount billed to the customer in respect of tariff plans only. These fields should correspond to the same fields in the 'Products' tab.
4.161.			Vodacom 116	Column W: Excluding VAT?	Including VAT
4.162.		Column X in spreadsheet	Vodacom 117	Column X: bundle price (including free) Does "including free" mean zero rate bundles?	Yes, this means bundles for which the price is zero.
4.163.			Vodacom 118	Column X: Excluding VAT?	Including VAT
4.164.		Column Z in spreadsheet	Vodacom 119	Column Z: Bill value Please clarify in detail what "Bill value" is? Explain what is meant when it is said that that some products have a Bill value and others such as "Data bundle 10GB" don't. Also explain the difference between columns W and X	This should be the amount that a customer paid, which may be higher or lower than the list price. It would be lower if some discounts to the list price apply and higher when there is extra usage or other purchases. See also response to enquiry 4.160 above.
4.165.			Vodacom 120	Column Z: Excluding VAT?	Including VAT.
4.166.			Vodacom 121	Column Z: As noted above, transactional level detail is not available and monthly information will be provided instead. Total Bill value for the month will therefore be provided. Please confirm that this will be acceptable.	See response to enquiry 4.130 above.
4.167.		Columns AA to AD in spreadsheet	Vodacom 122	Column AA to AD: It is not clear what is required in these fields. Please clarify in detail and provide examples with appropriate explanation of example	Of the total bill value (column Z) what was the cost of each component - data, minutes, SMS and other services - to the subscriber.
4.168.			Vodacom 123	Column AA to AD: Please define "cost". Is it Vodacom's cost or cost for the subscriber?	The cost to the subscriber.

4.169.			Vodacom 124	Column AA to AD: Please explain the connection between cost and services. For example, "total cost of data" in column AA – is it the cost of data sold or used or ...?	It is the cost to the subscriber of the data (or minutes/SMS/other) component of the bill.
4.170.		Total units of data/minutes and SMS/MMS (if applicable) used Total units of data/minutes/SMS/MMS expired	Cell C paragraph 14(ix) (p. 12)	Please clarify whether "total units of data/minutes/SMS/MMS used" and "total units of data/minutes/SMS/MMS expired" refer to actual usage or billed usage and whether billing increments will be normalised amongst all operators? Please define the term "expired"?	Actual usage should be provided though billed usage should also be provided separately if this differs from actual usage. Usage increment definitions should be explained by each licensee and the Authority will normalise the increments. Expired data is data purchased but unused at the date on which the data bundle was valid until and which cannot be rolled forward.
4.171.		Columns AE to AK in spreadsheet	Vodacom 125	Column AH: Vodacom does not report on expired data. This has never been a requirement for business purposes so no development has taken place in this regard. It will not be possible to supply these metrics. Given this limitation, should these fields be left blank?	Yes. Licensees are encouraged to provide a careful explanation where they indicate that data is not available, as the Authority has requested that is typically available.
4.172.	S8, P10	Market dynamics	Vodacom Q126	Please clarify and confirm whether the entire section 8 is aimed at mobile broadband only.	Section 8 is aimed at mobile broadband and any other products which compete with mobile broadband.
4.173.	S8, P10, Q16	Provide any documents or data that contain information on the licensee's customers or markets and any documents that discuss the licensee's competitive	Cell C paragraph 7.2 (p. 6)	What documents does the Authority require?	See response to question 3.8.2 above.
4.174.			Telkom, Q13	Can the Authority provide specific questions?	The Authority wishes to see any documents that provide information on how the licensee views or analyses their competitive positioning and that of competitors. This includes but is not limited to discussions of offers, products and competitive behaviour that impacts on the licensee's market share or competitiveness.

		positioning in these markets. Such documents include due diligence reports, business plans, board packs prepared for board meetings prepared over the past twelve months.			
4.175.	S8, P10, Q17	Provide any consumer survey data and reports on consumer choices of providers, consumer responses to different price points and price sensitivity, net promoter scores and competitive positioning prepared since 2015	Telkom, Q14	Can the Authority provide specific questions?	<p>The Authority wishes to see any documents or data that provide information on how the licensee views or analyses their competitive positioning and that of competitors. This includes but is not limited to research or analysis that provides insight on the following:</p> <ol style="list-style-type: none"> 1. How do consumers make decisions when choosing between purchasing mobile broadband offerings? How does this differ across different packages or types of consumer (prepaid, contract etc)? 2. How do consumers view the competitive positioning of the different mobile providers? 3. Price sensitivity of consumers, and how they are likely to react to increases in price. 4. Comparative levels of satisfaction across mobile providers.

4.176.	S8, P10-11, Q18-22	Descriptive questions on market dynamics	General clarification in respect of questions 18-22		This section is not intended to require licensees to provide documents and data (though licensees may do so) but is rather an opportunity for licensees to provide descriptive responses, event at a high level, in relation to the questions.
4.177.			Cell C paragraph 15(i, ii) (p. 12) – applies to questions 18-22	Please confirm that the questions 18 to 22 relate only to “mobile broadband services”. Please clarify which part of section 67(4) Section 8 headed Market Dynamics relates to?	These questions apply to “mobile broadband services”, any of the inputs into mobile broadband services that may be driving prices, and to any potential substitute products that may also affect the pricing etc. of mobile broadband services. Also see response of enquiry number 4.47 above.
4.178.	S8, P10, Q18	Provide details of any specific competition concerns or allegations of anti-competitive conduct.	Cell C paragraph 17 (page 12)	Please confirm that Cell C need only provide details of past or current complaints to the Competition Commission in terms of the Competition Act, 1998. Please clarify which aspect of the section 67(4) process this question is related to?	Provide any competition concerns that licensees may have that affect mobile broadband services. Also see response of enquiry number 4.47 above.
4.179.	S8, P10, Q19	Provide an explanation of any dynamic characteristics of markets for mobile broadband services that have a bearing on market definition or market power, such as	Cell C paragraph 15(i, ii) (p. 12)	Please confirm that this request only relates to documents relevant to mobile broadband services? Please clarify precisely what kind of documents are required – for example, generated by or for whom within Cell C, or at what level of the organisation? Please confirm that no draft documents or any document which is subject to a claim of legal privilege need be produced.	See response to enquiry 4.2 in relation to the question about mobile broadband services. In respect of documents to be provided, please see response 3.8.2 above.

4.180.		anticipated changes in technology or prospects for new entry.	Cell C paragraph 18 (p. 12)	Please clarify which aspect of the section 67(4) process this question is related to?	See response in enquiry number 4.47 above.
4.181.	S8, P10, Q20	Provide an explanation of the degree of countervailing bargaining power in respect of markets for mobile broadband services. For example, please explain whether there are large enterprise customers who are able to determine their own terms and conditions for services.	Cell C paragraph 19 (p. 13)	Please clarify which aspect of the section 67(4) process this question is related to?	See response in enquiry number 4.47 above.
4.182.	S8, P10, Q21	Provide a description of barriers to entry and expansion in markets for mobile broadband services. In particular, please describe	Cell C paragraph 20 (p. 13)	Please clarify which aspect of the section 67(4) process this question is related to?	See response in enquiry number 4.47 above.

		the ease of entry into the market, any technological advantages or superiority that individual operators may have, and please describe the role of economies of scale and scope. Please also describe the extent to which operators have easy or privileged access to capital markets and financial resources.			
4.183.	S8, P11, Q22	Provide an explanation of the nature and extent of vertical integration and what role this plays in markets for mobile broadband services, including in respect of the	Cell C paragraph 21 (p. 13)	Please clarify which aspect of the section 67(4) process this question is related to?	See response in enquiry number 4.47 above.

		assessment of market power.			
--	--	--------------------------------	--	--	--

