



competition commission
south africa

Media Statement

For Immediate Release

26 March 2020

**COMPETITION TRIBUNAL CONFIRMS VODACOM, COMPETITION COMMISSION
DATA SETTLEMENT AS AN ORDER**

The Commission welcomes the decision of the Competition Tribunal to confirm as an order the consent agreement with Vodacom on reduction of data prices.

The agreement follows the publication of the final report of the Data Services Market Inquiry in December last year. The Commission instituted the Inquiry to understand and investigate factors or features of the market that led to high prices for data services.

The consent agreement is entered into in full and final settlement of the concerns identified in the final report of the Data Services Market Inquiry in so far as these relate to Vodacom.

In terms of the agreement, Vodacom agreed to a range of issues on the following, among others:

1. Retail Pricing Reduction

Vodacom agreed to a multi-year substantial reduction of monthly data bundles across the board. Effective from 1 April 2020 prices of 30-day pre-paid bundles will drop by over 30% across all channels. For example, the key 1GB monthly data bundle will drop from **R149 per 1GB** to no more than **R99 (including VAT)**. This represents a 34% price decrease. Customers that buy the lowest volumes of data, which are typically the poorest customers, would see the greatest benefit of these price decreases.

2. Lifeline Data and Zero Rating of Data

From 1 April 2020, Vodacom shall, except for the zero-rated Government websites, make available all of its current zero-rated services on one platform, with increased focus on consumers in poorer communities through “ConnectU”. ConnectU will address seven key areas:

- **Education** – Vodacom shall expand their current zero rating offering to all public universities, Technical and Vocational Educational Training (TVET) colleges as well as all public schools across the country.

- **Internet Search** – Vodacom shall provide a full zero-rated Internet search function powered by Wikipedia, which will enable customers to search for any topic online.
- **Jobs** – Vodacom shall allow customers to view and apply for job opportunities as advertised on seven zero-rated South African job portals.
- **Social and essential Internet access** – Vodacom has undertaken to provide customers with free access to Facebook Flex. Consumers can also access local and international news headlines, trends, as well as weather free of charge.
- **Health and Wellness** – Vodacom shall expand its health information portal to provide holistic health information across all life-stages in the third quarter of 2020.
- **Safety & Security** – Vodacom shall assist with protecting families through measures to shield children from exposure to illegal and inappropriate adult content.
- **Pro-Poor Personalized discounting and Free Communication** – Vodacom shall extend current zero-rating to essential state and emergency specified sites. Citizens will be able to access emergency services and allow citizens to access crucial government information and services.

Further, Vodacom shall extend personalised discounts to prepaid customers in all suburbs and villages where most of the population have income levels below the upper bound food poverty line.

3. Transparency

Effective from 1 April 2020, Vodacom shall improve customer awareness of the personalised price promotions and guaranteeing that there will always be better value on the personalised price promotion platforms when compared to headline offers.

[ENDS]

Issued by:

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