



**competition commission**  
*south africa*

**Media Statement**  
**For Immediate Release**  
**14 April 2020**

## **CELL C SIGNS A DATA PRICES AGREEMENT WITH THE COMMISSION**

The Competition Commission and Cell C have signed a Memorandum of Agreement on the implementation of mobile industry measures to improve access to data and increase pricing transparency for consumers.

The agreement follows the Data Services Market Inquiry Report with findings and recommendations published in December last year. The MOA is a voluntary commitment by Cell C as there were no adverse findings or contemplated prosecution against them in this regard. Cell C committed to the following:

### **1. Lifeline package**

1.1 Cell C will by 1 May 2020, launch a free lifeline package capped at a bundle size determined by Cell C, accessible to the Cell C pre-paid customers, and will further enhance its lifeline package with a person-to-person capability for data essential messaging via Cell C App (and portal), which will undergo systems development.

In addition, the package will include: Delivery conversion to SMS (i.e. SMS delivery fall back) for customers who are not on the App; 5 FREE SMS\* per customer per day (Cell C to Cell C) PLUS; 7 FREE Call Me Per day\* (across network and currently available) as well as ; Free basics\* (internet.org) access.

The lifeline package supplements what Cell C already offers in the way of Free Basics By Facebook offering and other value-add services.

1.2 The Lifeline bundle will be “pulled” by customers via: a USSD string/App or portal; when the request is received the system will check if the customer qualifies. If the customer qualifies the lifeline bundle is activated and the customer will be SMSed confirmation; the bundle expires at 00h00, the system will send the customer a depletion / expiry message It will also display balance and status on App and portal and USSD.

1.3 The following limits will be put in place to manage risk of fraudulent usage/abuse: One bundle per IMEI per day (this eliminates customers using multiple MSISDN's/SIMs to gain more than the allowed allocation per day; No video or streaming off sites other than

YouTube where there is some education content/health content available (i.e. no Netflix/Showmax/Google movies /Amazon Prime/Apple TV /Spotify/Joox/Google or Apple music etc.).

## 2. Effective rate notification/transparency

- 2.1 Cell C will, within a period of 6 9 months, conduct the necessary systems development, and network capacity, as well as related software upgrades, enable the effective rate notification for shorter than 30-day bundles, hybrid, and post-paid, in order to: display the Effective Rate per MB for each data bundle in all advertising, points of purchase and landing pages / portals for the sale of prepaid bundles; provide to customers the facility to get the previous months purchases and the ERMB on these purchases based on data used; and a single landing page / USSD number which directs consumers to all promotional offers or personalised offers.
- 2.2 Cell C will keep the Commission updated on progress, considering the timelines involved in the systems developments of the Cell C network.

## 3. Zero-rating of PBO content

- 3.1 Cell C offers to provide zero-rated access to customers within its base to access websites of designated PBOs, on affordable limit. Some of the online websites currently accessible are National Government and Local Government content focused on: Education (health.gov.za), Health (education.gov.za), Social Services (sassa.gov.za), Child welfare (childwelfare.org.za), Transport (transport.gov.za), Security (saps.gov.za), Home Affairs (dha.gov.za), Eskom & local power utilities, Prasa and other transport services servicing the mass market segment, South African Depression and Anxiety Support (SADAG) – sadag.org, Lifeline – lifelinesa.co.za, Society for the Prevention of Cruelty to Animals (SPCA) – nspca.co.za.

“The negotiations with Cell C and this agreement is a further demonstration of the Commission’s desire to bring about transformation in the data services market that promote greater access to internet and digital inclusion. The agreement further moves the industry towards a common approach to zero rating of public benefit sites and transparency,” says Competition Commissioner, Tembinkosi Bonakele.

### [ENDS]

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