

## Focus on high data costs

The Independent Communications Authority of South Africa (Icasa) is consulting the National Consumer Commission and the Competition Commission to find ways in which mobile data can be made more affordable.



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In his growth action plan presentation recently, finance minister Malusi Gigaba said as part of his telecommunications mandate, his office would direct the Competition Commission to investigate the country's high mobile internet data costs.

Icasa spokesman Paseka Maleka said the organisation had given its stakeholders 45 days to make submissions on a questionnaire regarding an inquiry in this regard.

"The reduction in the cost of data will [depend] on the outcome of the market review process, which is the next phase of the priority markets study.

"Icasa has legislative powers to impose appropriate remedies [which may include price regulation] through regulations on operators found to have significant market power where competition is found to be ineffective."

### **"Purpose of the study"**

"The purpose of the study is to identify relevant wholesale and retail markets [perhaps including broadband] in the electronic communications sector that Icasa will prioritise for future market review," Maleka said.

Last year, telecommunications minister Siyabonga Cwele asked Icasa to begin an inquiry and to prescribe regulations to ensure effective broadband competition.

This year, he asked economic development minister Ebrahim Patel to have the Competition Commission also look into high data costs with a view to identifying measures to reduce them.

The two regulators are expected to work together in their complementary investigations.

## **"Enabling entrepreneurs"**

Cwele's spokesman Siya Qoza said: "The government believes lowering the costs of data will stimulate economic growth by enabling entrepreneurs to tap into the internet to innovate, source cheaper inputs and sell their products to a wider market.

"All this can help entrepreneurs be more profitable and hopefully create jobs."

In its 2002-13 information and technology study, StatsSA found that the wealthiest households and those living in formal dwellings and in metropolitan areas were much more likely to access the internet at home than their poorer peers in informal or traditional dwellings and rural areas.

"Although mobile technology offers improved parity, internet access was, however, still skewed by geographical location [lower in rural areas] and socioeconomic status [positively associated with household income and living standard]," the report said.

Last month, controversial poet Ntsiki Mazwai asked social media users not to buy data or log into the platforms in protest against data charges."

*Source: Herald*

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