

GENERAL NOTICE NO. 4 /2021

PROPOSED DECISION IN TERMS OF SECTION 6(g), 7(s) & (v) OF THE ESWATINI COMMUNICATIONS COMMISSION ACT, 2013:

REDUCTION OF ESWATINI POST AND TELECOMMUNICATIONS CORPORATION WHOLESALE BROADBAND TARIFF

1 PRICE BENCHMARK STUDY 2020

1.1 The Commission has undertaken an assessment of EPTC's wholesale Leased Line, Broadband and Installation costs and compared EPTC's available Wholesale Leased Line Prices, Wholesale Internet Broadband Prices and Installation prices with similar-sized markets within SADC.

2 FINDINGS

- 2.1 Eswatini remained with the highest prices for Wholesale Installation fee, Wholesale Leased lines and Wholesale Monthly Internet Broadband with comparable and competitive markets in the SADC region.
- 2.2 Interconnection or access services prices in Eswatini are excessively high, which contributes to market distortion in the downstream market for leased lines and internet broadband, to the detriment of end-users.

3 PROPOSED DECISION

- 3.1 one of the Commission's primary functions is to ensure that all communications services best promote economic and social development and to protect end-users from excessive pricing and to this end, a Directive is hereby made as follows:
 - 3.1.1 EPTC to review and reduce current wholesale installation costs;
 - 3.1.2 EPTC to introduce a flat fee installation cost for all bandwidth speeds;
 - 3.1.3 EPTC to review and revise all wholesale national leased line volume discounts accordingly, in line with the Glide Path reduction of National Leased Lines;



- 3.1.4 EPTC to review and revise all wholesale internet volume discounts accordingly, in line with the Glide Path reduction of wholesale internet; and
- 3.1.5 EPTC to offer wholesale lastmile ADSL- shared internet access services at wholesale prices.
- 3.1.6 EPTC to implement a further three-year glide path reduction in wholesale prices as follows:

Table 1: National Leased Lines Wholesale Rates Monthly Rates – 60% Glide Path

| Bandwidth | 2 Mbps | 10 Mbps | 100 Mbps | 155 Mbps |
|-----------|--------|---------|----------|----------|
| Year 1 | -33% | -33% | -33% | -33% |
| Year 2 | -25% | -25% | -25% | -25% |
| Year 3 | -20% | -20% | -20% | -20% |

Table 2: Wholesale Internet Bundle Monthly Rates - 60% Glide Path

| Bandwidth | 5 Mbps | 10 Mbps | 25 Mbps | 50 Mbps | 100 Mbps |
|-----------|--------|---------|---------|---------|----------|
| Year 1 | -33% | -33% | -33% | -33% | -33% |
| Year 2 | -25% | -25% | -25% | -25% | -25% |
| Year 3 | -20% | -20% | -20% | -20% | -20% |

4 INVITATION FOR PUBLIC COMMENTS ON THE PROPOSED DECISION

In accordance with Section 32 of the ESCCOM Act, the Commission hereby invites written comments from interested stakeholders and the general public on the proposed decision. The full report of the study is available on the Commission's website <u>www.esccom.org.sz</u>

Comments should be addressed to:

The Chief Executive Eswatini Communications Commission P.O. Box 7811 MBABANE Email: legal@esccom.org.sz

The deadline for submission of comments is 17h00 on 31 October 2021.