

ICT Price Baskets (IPBs) Methodology

Review | Reflect | Revise

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WHY ARE METHODOLOGICAL REVISIONS NEEDED?

Markets are evolving

Consumers are evolving

Relevant and meaningful* indicators

CURRENT METHODOLOGY : CURRENT CHALLENGE

COUNTRY LEVEL

SELECT MNO:
HIGHEST MARKET SHARE

Selecting the cheapest
plan, irrespective of
contract modality

OPERATOR LEVEL

REVIEW ALL PLANS OFFERED BY
THE MNO TO ASSESS CHEAPEST

Select Cheapest Plan
[Can be Postpaid OR Prepaid]

COUNTRY LEVEL

SELECT MNO:
HIGHEST MARKET SHARE

Selecting the cheapest
plan, irrespective of
contract modality

OPERATOR LEVEL

REVIEW ALL PLANS OFFERED BY
THE MNO TO ASSESS CHEAPEST

Practical Issues:

- Every single plan – Prepaid & Postpaid has to be surveyed
- “CHEAPEST” ... inconspicuous!

Select Cheapest Plan
[Can be Postpaid OR Prepaid]

COUNTRY LEVEL

Option 1: Selecting the cheapest plan based on most common contract modality

SELECT MNO:
HIGHEST MARKET SHARE

Option 2: Selecting the cheapest plan, irrespective of contract modality

WHAT CONTRACT MODALITY IS
MOST COMMON?

OPERATOR LEVEL

REVIEW
PREPAID PLANS

Select cheapest
Prepaid plan

REVIEW
POSTPAID PLANS

Select cheapest
Postpaid plan

REVIEW ALL PLANS OFFERED BY
THE MNO TO ASSESS CHEAPEST

Select Cheapest Plan
[Can be Postpaid OR Prepaid]

COUNTRY LEVEL

Option 1: Selecting the cheapest plan based on most common contract modality

SELECT MNO:
HIGHEST MARKET SHARE

WHAT CONTRACT MODALITY IS
MOST COMMON?

Majority > 50%

Alternatively, apply > 2/3rd (~ > 66.6%)

OPERATOR LEVEL

REVIEW
PREPAID PLANS

Select cheapest
Prepaid plan

REVIEW
POSTPAID PLANS

Select cheapest
Postpaid plan

Early termination fee / contract
breakout fee is not taken in to account

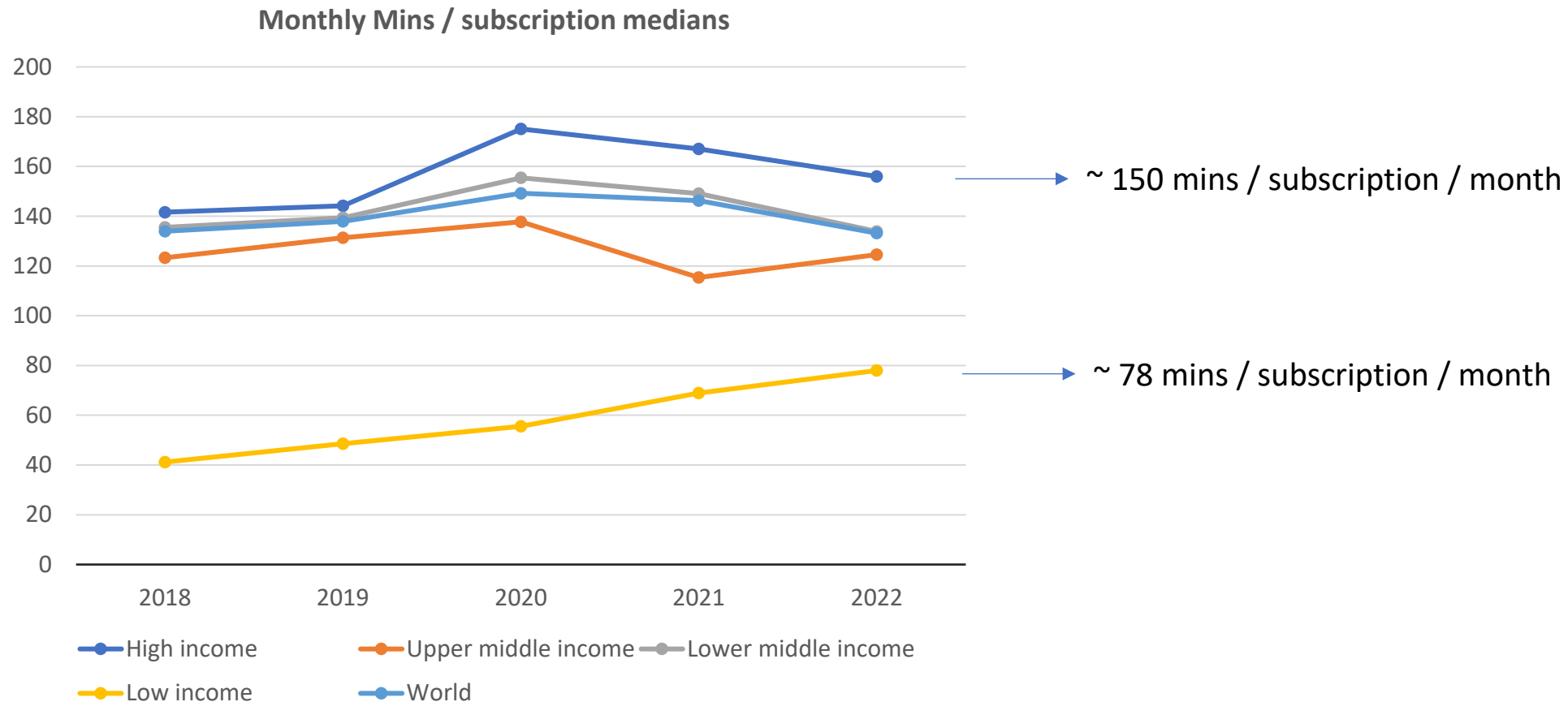
COMPOSITION OF MOBILE BASKETS : KEEPING IT RELEVANT

Recommended Mobile Price Baskets

CURRENT BASKETS	RECOMMENDED REVISIONS
Mobile-cellular low-usage (Voice + SMS only) Basket (70 mins + 20 SMS)	REMOVE
Mobile data and voice Low Consumption Basket (70 mins + 20 SMS + 500 MB)	70 mins + 50 SMS + 1 GB
Mobile data and voice High Consumption Basket (140 mins + 70 SMS + 2 GB)	140 mins + 20 SMS + 4 GB
Data-only Mobile Broadband Basket (2GB)	4 GB

Composition of Mobile Baskets: VOICE

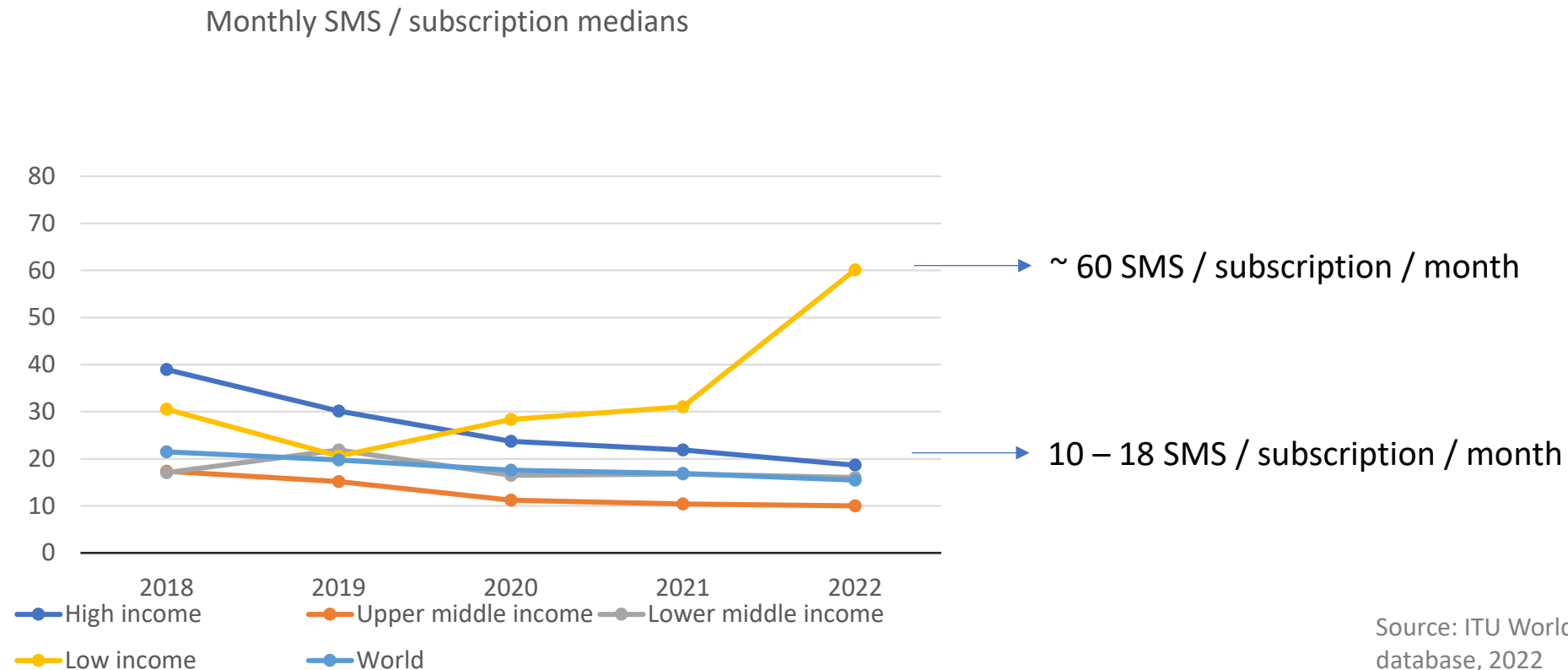
- Insufficient evidence to warrant a change



Source: ITU World Telecom/ICT Indicators database, 2022

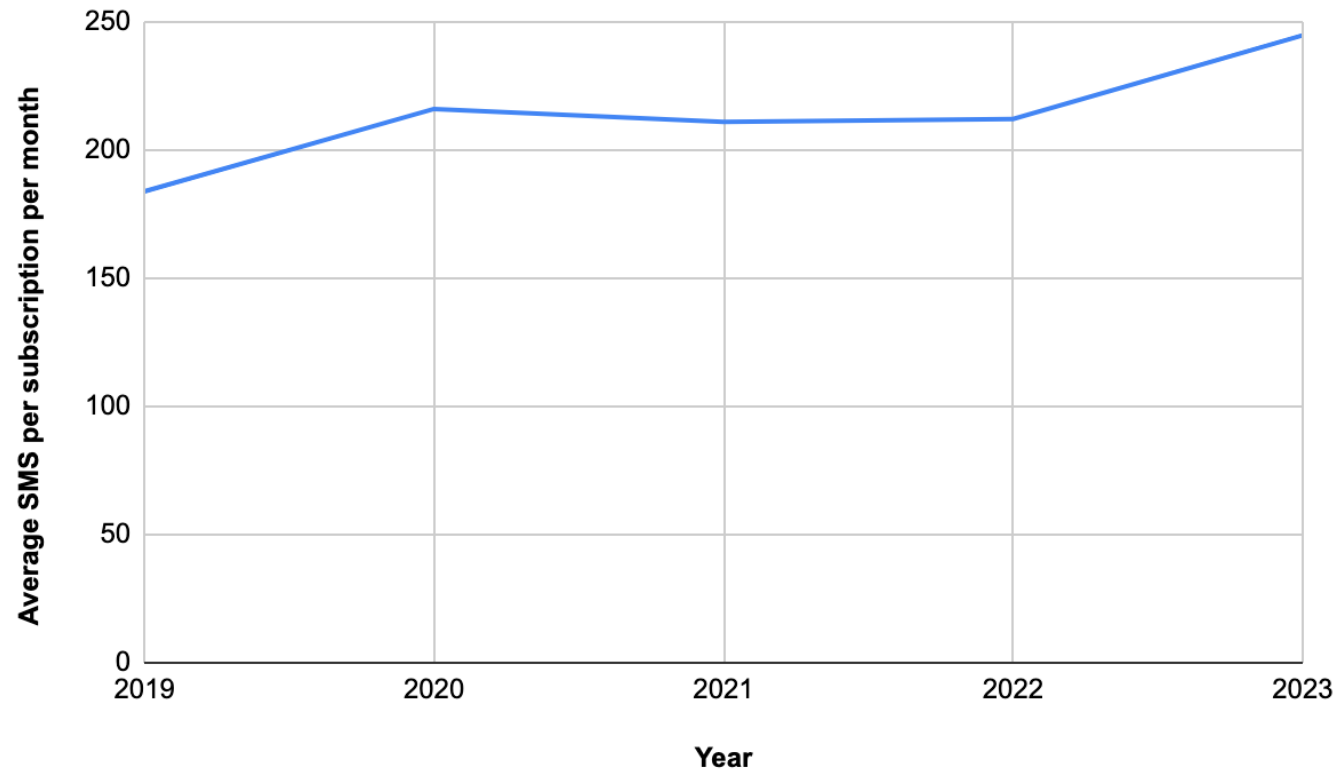
Composition of Mobile Baskets: SMS

- In-line with current trends on consumption it is noted that;
 - Higher income users are less likely to use SMS
 - Lower income users rely more on SMS for basic communication needs
 - Therefore, the low consumption basket ought to have a higher number of SMS and vice-versa



Source: ITU World Telecom/ICT Indicators database, 2022

The relevance of SMS: Evidence from Tanzania

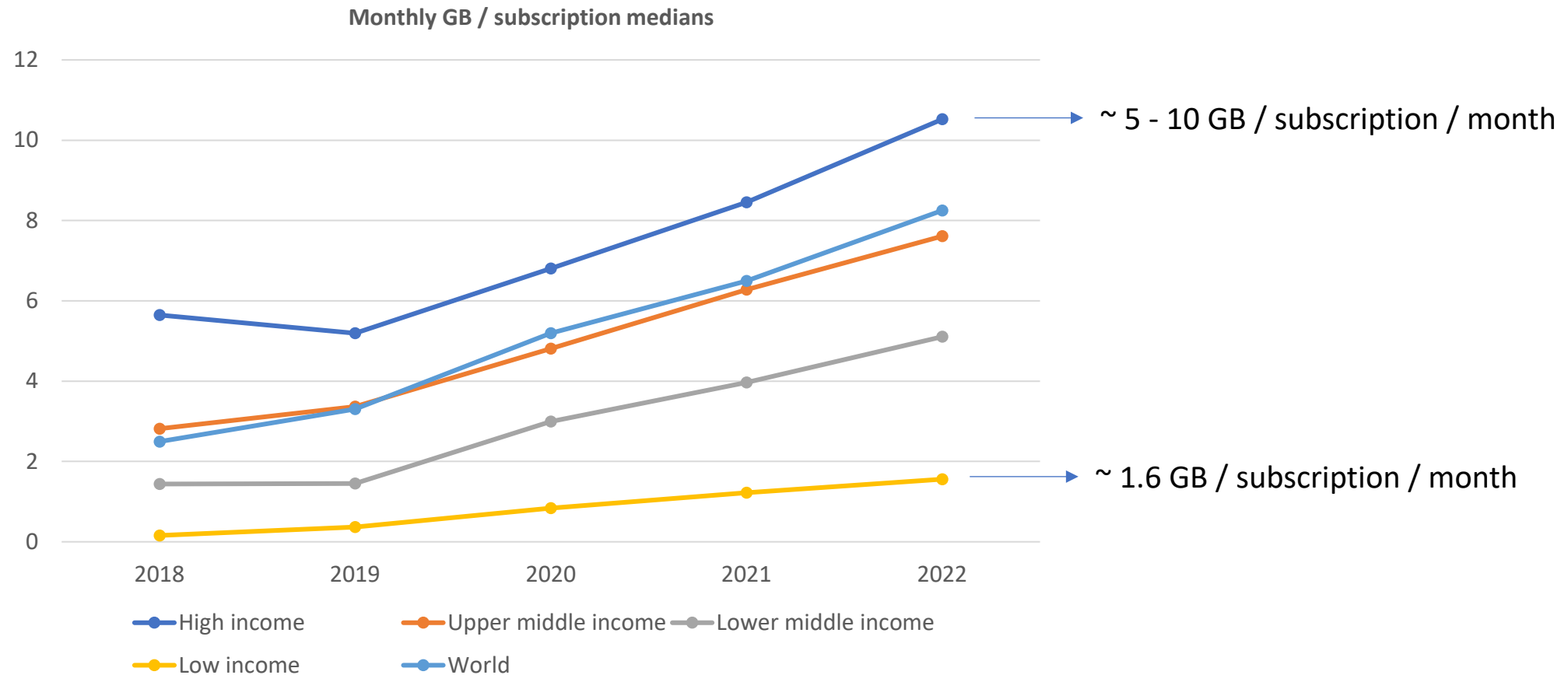


Source: Tanzania Communication Regulatory Authority (TCRA), 2024

Recommendation: Remove Voice + SMS only basket. Retain SMS in High & Low Consumption baskets.

Composition of Mobile Baskets: DATA

- To be revised in keeping with upward trends observed



Source: ITU World Telecom/ICT Indicators database, 2022

ADDRESSING CONCERNS ON FIXED BROADBAND

Fixed Broadband: Speed definition & Minimum monthly allowance

- The definition of broadband is at 256 Kbps
 - An extremely low threshold;
 - However, it is not within EGTI's purview
 - Therefore, it is recommended that the definition outlined by ITU-T is followed
- Minimum monthly data allowance of 5GB
 - The cheapest option of the vast majority is on unlimited basis (e.g. 150 countries in 2023)
 - This is only a minimum threshold and does not affect the data collection or basket values in any way.

Recommendation: No Change.

Summary of Recommendations

- Select the **service provider with the highest market share**, based on the number of active subscriptions
- For mobile baskets, select the cheapest solution (minimum criteria below) within the contract modality that represents the majority in a given market [Option 1]

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Mobile data and voice High Consumption Basket (140 mins + 70 SMS + 2 GB)	140 mins + 20 SMS + 4 GB
Data-only Mobile Broadband Basket (2GB)	4 GB
Fixed Broadband Basket	No Change

Thank you.

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