



Independent Communications Authority of South Africa

**COUNCIL DECISIONS – 16 January 2024**

| ITEM NO. | AGENDA ITEM   | DECISION                                       |
|----------|---|--|
| 1.       | <p><b>SAPO 24-25FY Annual Tariffs Application</b></p> <p><u>Recommendation to Council:</u></p> <p>1.1. It was recommended that Council should:</p> <p>1.1.1. Approve an increase in revenue of 0.31% for SAPO’s reserved postal products and services for the 2024/25 price control period. This would translate to an average tariff increase of 0.31%, which would result in a R 0.02 increase for a standard letter, from R 5.95 to R 5.97.</p> <p>1.1.2. Council was further requested to decline SAPO’s request to remove discount rates from the Annual Postal Rates brochure. This is to mitigate any potential discriminatory pricing, among other economic regulation concerns, and to ensure price transparency.</p> <p>1.1.3. Council was further requested to decline SAPO’s proposal for the revision of the Price Cap methodology. The PRA Division was of the view that such action, would be premature, considering the regulation review timelines, and given that it would be prudent to conduct a regulatory impact assessment prior to revising the regulations and/or methodology, which would then ensure that all stakeholders are consulted and that the review is evidence-based.</p> <p><u>Council Decision</u></p> | <p><b>The recommendation was approved.</b></p> |

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|  | <p>1.2. Council resolved to defer the submission for a week, to allow the team to further analyze and justify the tariff increases.</p> <p>1.3. Council resolved that the report be sent to SAPO. Additionally, the team was instructed to engage with SAPO with the aim of obtaining additional information needed, before proceeding with the publication. Following the engagement with SAPO, the submission would be remitted back to Council at the next Council meeting.</p> |  |
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**ISSUED BY: Secretariat Office  
on behalf of Council**