national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

ANNEXURE C

RT15-2016 MOBILE COMMUNICATION SERVICES

ENTERPRISE DATA BUNDLE SOLUTION

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List of Acronyms

EDB	Enterprise Data Bundle
FUP	Fair Usage Policy
MB	MegaByte
VAT	Value Added Tax

1. AN ENTERPRISE DATA BUNDLE (EDB) - SIM ONLY

- The Enterprise Data Bundle (EDB) model is a shared risk model. The intention of Enterprise Data Bundles is to allow a State Institution a **flat-rate price** which has bearer **bundle sizes shared across all data device users** that are calculated from historical data.
- Unlike individual user bundle offers, the Enterprise Data Bundle provides a **shared pool** of **MB** which all users can consume: high usage by one user is offset by low usage of another. The pool is defined by the average usage profile of all users in the pool, multiplied by the number of users in the pool.

1.1 The value in this offer includes:

- A bespoke Enterprise data bundle inclusive of domestic MB with no out of bundle charges;
- One easy tariff to manage on a fixed monthly fee for all users;
- Optimised spend with an efficient pooled bundle;
  - Complete predictability and control of costs,
  - 10% free over-use tolerance at no charge and a transparent fair usage policy
  - Guaranteed pricing for 3 months;
  - Spend Manager to give complete visibility of spend;
- The EDB bundle is a flexible tariff that can be adjusted according to your usage and user requirements.
- The following table shows indicative EDB pricing structure allocated per average usage per user. As usage changes, the tariff is adjusted by pre-agreed increments. This can be increased or decreased depending on usage trends. Online tools and monthly reports to ensure State Institutions are able to manage trends before they translate into a price adjustment is available.

Average shared bundle size per user on contract setup		**Fair Usage Policy Matrix**		
		Fair Usage Tolerance 10%	Minimum shared bundle size on contract setup	Maximum shared bundle size on contract setup
Subscription		R100.32		
Data (MB)	800	80	720	880

Table 1: EDB Fair Usage Policy Matrix

Please note all pricing are inclusive of VAT

1.2 The Enterprise Data Bundle will be managed in 3 stages:

- **Pricing** will be calculated by using a bespoke flat-rate monthly fee. A "Fair usage Policy" (FUP) which will be used to review usage and price at the Price review intervals. The FUP limits and price adjustments are defined up-front during the pricing stage for complete transparency and will be included in the contractual terms.

- **Monitoring and Reporting** for State Institutions will be provided with insights into employee call behaviour, which will allow Vodacom to manage expectations and bundled offering at the price review meetings which will be held every three months.

- **Fair usage Policy & Price review** Vodacom together with State Institutions will review usage according to the FUP. If behaviour has changed beyond the defined limits, the price will be adjusted for future months. There are no charges for historic usage above the bundle limits.

1.3 EDB usage Policy

- State Institutions usage will be reviewed according to the Fair usage Policy (FUP) and if it has changed beyond the defined limits, the price will be adjusted for future months. There are no charges for historic usage above the bundle limits;
- The limits defined in the FUP will provide a "band" within which the baseline pricing will apply. If usage trends above the upper limit then the price will increase at the 3 month price review, likewise price could reduce if usage decreases. The fair usage tolerance are +/- 10%;
- The price review is NOT a re-negotiation, it is simply the result of applying the rules defined in the FUP and shared with a State Institution up-front and contractually committed. This also means that no internal governance is required to implement price changes at the price review, as all details are already part of the contract originally agreed;
- If usage should change by 35% or more within the 3 month period then an immediate price review is triggered;
- In the review period when the actual usage in a usage Category is above the maximum Enterprise Bundle size, the price is increased by the price delta. When the price is below the minimum Enterprise Bundle size, the price is decreased by the price delta. Each time the usage exceeds the minimum or maximum Enterprise Bundle size in a usage Category a price delta shall apply. If the difference between the usage and minimum or maximum Enterprise Bundle size exceeds the tolerance multiple times, multiple price deltas shall apply. The new price for the Enterprise Bundle shall be the sum of all price deltas in each usage Category. The new price shall apply to all users;
- Services not included in the EDB bundle will be charged at Business Call per second rates;
- Minimum contract term per user 24 months;
- The period of review is every 3 months;
- No Split billing possible but Spend Manager is included and Onsite support resources to manage this on behalf of the State Institutions;
- The Minimum number of users required per account number is 200.

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