On Satellites, South Africa and Starlink
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In 2019, Elon Musk launched the first 60 Starlink satellites. This was the start of a new satellite internet network. Starlink uses low-earth-orbit satellites, usually called LEO satellites. They travel around the Earth at an altitude of about 550 kilometres.

By late 2021, Starlink had about 1 500 satellites in orbit and was able to offer a full commercial service, the service being a high quality internet connection via satellite reaching remote and isolated areas. Today Starlink has more than 10 000 satellites serving more than 150 countries and territories.

Starlink is the world leader in LEO satellite communications. But it is no longer the only major player.

Other major LEO networks

Amazon Leo

Amazon announced Project Kuiper in 2019. The project, named after the Kuiper Belt in outer space, was designed to offer a service similar to Starlink. Amazon launched its first satellites in 2023 and began a limited trial for business users in 2025, with wider commercial service targeted for 2026.

The company plans to place more than 3 200 satellites in orbit. It later changed the name from Project Kuiper to Amazon Leo, probably to make better use of the Amazon brand. It has so far secured regulatory approval to operate in the United States, United Kingdom and Nigeria. Amazon announced two weeks ago that it aims to launch its service in South Africa by 2027.

China

Several Chinese companies are building LEO satellite networks. The 2 largest are SpaceSail, also known as the Thousand Sails Constellation or Qianfan, and the China Satellite Network Group, also known as Guowang.

Both began launching satellites in 2024. SpaceSail plans a network of about 15 000 satellites, while Guowang plans about 13 000. SpaceSail is the more internationally active of the two. It currently operates in China, Brazil and Kazakhstan, with service roll-outs planned in 5 more countries.

Neither company currently operates in South Africa. However, representatives of the China Satellite Network Group have met Communications Minister Solly Malatsi to discuss the industry.

Europe: Eutelsat OneWeb

In Europe, OneWeb began launching LEO satellites in 2019 and merged with the geostationary (GEO) operator Eutelsat in 2023. By the end of 2023, the combined company, Eutelsat OneWeb, had 634 satellites in orbit and was offering a full communications service. It already operates in South Africa through companies such as Avanti, Q-Kon and Seacom.

Why Low-Earth-Orbit satellites matter

Satellite internet is not new. For decades, it has been provided by satellites orbiting about 36 000 kilometres above the Earth. These are known as geostationary, or GEO, satellites.

LEO satellites changed the game because they orbit much closer to Earth. This has reduced the cost of a satellite connection by an estimated 60% to 70%. It has also improved speed and reliability.

A major advantage is lower latency – the time it takes for a signal to travel from Earth to a satellite and back. Because LEO satellites are much closer, the signal travels faster, and the connection feels more responsive.

LEO networks are especially useful in remote places where fibre networks and mobile phone towers do not reach. Mobile companies often cannot afford to build and run networks in small or isolated rural communities. Satellites can reach almost every part of a country.

Satellite and mobile networks can also work together. Mobile operators use satellite links to fill coverage gaps and to connect remote cell towers to the wider network. This is called a backhaul service.

How satellite services reach customers

The main LEO companies use different business models.

Starlink sells directly to households and businesses. It installs a dish at the customer's home or workplace and supplies broadband internet directly. This makes Starlink a direct competitor to mobile operators and fixed-wireless providers.

Amazon Leo and Eutelsat OneWeb generally sell capacity to telecommunications companies. Those companies then provide the service to their own customers. Several South African firms are developing this model.

Satellite internet typically cannot compete with fibre in terms of price or the substantial data capacity that fibre offers. Fibre is therefore still the better option in areas where it is available. The strength of satellite internet is that it can reach places where fibre and mobile networks cannot.

Starlink's prices in South Africa are not known. In neighbouring Eswatini, the service costs about R900 a month, with an initial cost for the terminal of roughly R5 700 to R6 500. Amazon has not yet announced its local terminal or monthly charges. Eutelsat OneWeb, through Q-Kon, allows customers to rent the terminal and charges about 2 cents per megabyte. Uncapped packages are priced individually rather than sold as a standard retail package.

The South African market

Q-Kon and Avanti

Q-Kon, based in Centurion, has partnered with the British company Avanti and uses Eutelsat OneWeb satellites. Avanti holds the licences needed to operate in South Africa.

Their services already include:

• satellite connectivity for a government primary healthcare clinic in rural Limpopo, which became the first clinic in the country to receive satellite connectivity;

• connections for SPAR stores and distribution operations across South Africa; and

• rural backhaul services for MTN in areas where ordinary network links cannot reach.

Seacom and Paratus

Seacom, best known for its undersea fibre-optic cable, has also partnered with Q-Kon to offer LEO satellite connectivity to its South African customers. The partnership allows Seacom to expand beyond its traditional cable business. Paratus, based in Centurion, has also teamed up with Eutelsat OneWeb to provide LEO services in Southern Africa.

Amazon Leo

Herotel, part of Maziv, the merged fibre businesses of Remgro and Vodacom, has partnered with Amazon to provide satellite services in South Africa. Herotel plans to recruit customers during 2026, before the service goes live in 2027.

Herotel's business focuses on towns and communities that are often overlooked by traditional internet providers. This fits Amazon Leo's offering very well: Herotel has about 120 offices serving roughly 550 towns and areas across South Africa.

The bottom line is that Eutelsat OneWeb is currently the only active LEO network supplier in South Africa. Amazon Leo, working through Herotel, will now follow. Other players from China may, in due course, follow.

Why Starlink is not yet operating in South Africa

A satellite operator needs a licence from the Independent Communications Authority of South Africa, or ICASA. Under the Electronic Communications Act of 2005 a licence holder must meet a 30% black ownership requirement.

Foreign companies can meet the ownership requirements of South Africa's broad-based black economic empowerment (BBBEE) rules through an Equity Equivalent Investment Programme, usually called an EEIP: instead of selling a direct shareholding, the company makes approved investments that support transformation in South Africa.

Amazon, Vodacom and Microsoft, for example, have level 1 BEE ratings. International companies such as Samsung, Huawei and Mitsubishi have ratings ranging from level 1 to level 3.

(As an aside, this arrangement makes compliance easier for foreign companies than for South African companies, because local firms do not have the same equity-equivalent option. That difference should be considered in the current review of BEE policy and practice.)

At the time of writing, Starlink has not applied for a South African licence, apparently because Musk objects to the principle of BBBBEE. Dispensing with the 30% shareholding will likely require a change in the law and such an amendment has not been sent to Parliament yet.

Starlink could also work with a local partner, as Amazon has done with Herotel. However, this may not suit Starlink's direct-to-customer business model.

Avanti, which works with Eutelsat OneWeb, has said that it does not object to Starlink entering South Africa, provided that Starlink follows the country's laws and regulations.

Other African countries are dealing with similar questions. News24 has reported that Ghana gave Starlink an ultimatum to involve local partners or risk losing its licence. Bloomberg reported that Namibia refused Starlink a licence because its law limits foreign ownership of a communications licence to 49%. Zimbabwe, by contrast, relaxed its foreign ownership rules to accommodate Starlink.

The approach taken by each country may depend partly on whether it has other satellite providers available.

Satellite networks and geopolitics

Satellite connectivity is not only a business or technology issue. It is also becoming a geopolitical issue.

The shipping company CMA CGM operates about 350 ships on the high seas and has signed 2-year trial agreements with both Starlink and Eutelsat. The ships need high-speed internet for crew use, weather information and more efficient route planning.

The company also wants more than 1 supplier. Its chief executive has said that, in a fragmenting world, a global company needs reliable alternatives. Depending on only 1 satellite network can create a strategic risk.

In February 2025, Reuters reported that, during United States negotiations with Ukraine over a minerals agreement, a threat was made that Ukraine could lose access to Starlink if it did not agree to the deal. Musk denied the report. Even so, the incident showed how vulnerable a country can become when it relies on 1 private satellite network.

So What?

• LEO satellites provide fast internet, lower latency and much lower costs than older, high-orbit (or GEO) satellite systems.

• They are most valuable in rural and remote areas that are poorly served by mobile networks and fibre.

• Starlink was the first large LEO provider, but it now faces growing competition from companies in the United States, Europe and China.

• Eutelsat OneWeb is already active in South Africa through partners, while Amazon Leo is preparing to enter through South African partner Herotel.

• While Starlink remains outside the market, other companies are moving ahead and expanding satellite services for South African customers. Starlink is not so much the issue as LEO access in an open and competitive market.