



Independent Communications Authority of South Africa
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ANNOUNCEMENT OF INDIVIDUAL COMMERCIAL SATELLITE AND CABLE SUBSCRIPTION BROADCASTING LICENCES

PARIS MASHILE: ICASA CHAIRPERSON

Good morning and a warm welcome to all applicants, colleagues, stakeholders, members of the media, ladies and gentlemen, all protocols observed.

My name is Paris Mashile, the Chairperson of ICASA and with me is Councillors Zolisa Masiza and Dr Marcia Socikwa; our **new** CEO, Mr Karabo Motlana; our General Manager for the Licensing Division, Mr Siphon Tsotetsi, and the Project Leader for this process, Mr Bruce Mkhize,

The regulator's staff has been poached so often that it has never been imagined that the converse would happen. Mr Motlana, our new CEO, joined us in this spring month of September. He brings with him valuable expertise and leadership from the private sector which we believe will introduce a wave of change much needed by the Authority at the moment. In keeping to his name, we believe he will provide all the answers to our questions.

The Authority hopes to achieve the following objectives with the ushering of the competitive landscape through this process:

- ensure that broadcasting services, viewed collectively, are provided by persons or groups of persons from a diverse range of communities in South Africa;

- promote the empowerment of historically disadvantaged persons (“HDPs”) including women, the youth and people with disabilities in accordance with the charter for the promotion of black economic empowerment (“BEE”) in the information and communications technology sector;
- Address Poverty Alleviation;
- Encourage economic growth and investment;
- Develop programmes to address the dual economy;
- Ensure job creation;
- Ensure Broad-based Black Economic Empowerment;
- Liberalise the Sector;
- Ensure access and affordability of services. and
- Guarantee a higher and wider customer satisfaction index.

Process

In terms of the repealed section 31 (2) of the Broadcasting Act, the Authority was enjoined to, as soon as was reasonably possible, conduct a licensing process in respect of commercial subscription broadcasting services. In furtherance of this legislative provision, the Authority published a discussion paper on 23 April 2004 and invited public comments with the view of developing an overarching policy framework within which the licensing of subscription broadcasting services would take place.

The process culminated with the publication of the Position Paper on Subscription Broadcasting Services in June 2005. Thereafter, the Authority published an invitation to apply (ITA) on 31 January 2006, calling upon interested parties to apply for Commercial Satellite and Cable Subscription Broadcasting Services. The ITA was issued in terms of section 41 of the now repealed IBA Act and it set the closing date for applications at 31 July 2006.

Before the closing date, specifically on 19 July 2006, the Electronic Communications Act 35 of 2005 (“the EC Act”) came into force. It repealed the IBA Act in its entirety and amended some provisions of the Broadcasting Act.

In terms of Section 92(7) of the EC Act, all the applications that were pending before the Authority, upon the coming into effect of the EC Act, were to be dealt with as if they were received in terms of the EC Act and were to be considered in terms of the relevant provisions of the EC Act.

In view of the above, the Authority published a notice in the Government Gazette on 28 July 2006 extending the closing date of submission of the applications to 31 August 2006 in order to give prospective applicants an opportunity to amend their applications, taking into account the provisions of the EC Act.

On 31 August 2006 the Authority received 18 applications from the following applicants:

- African Spirit Trading 330 (Pty) Ltd
- Black Earth Communication CC
- Deukom Television (Pty) Ltd
- E-SAT
- Goal Technology Solution (Pty) Ltd
- Khetha Media (Pty) Ltd
- Laegoma (Pty) Ltd
- Max TV (Pty) Ltd
- Multichannel Television (Pty) Ltd
- Multichoice Africa (Pty) Ltd
- Ndabenhle Group (Pty) Ltd
- On Digital Media (Pty) Ltd
- Q Digital Cable Vision (Pty) Ltd
- Quantic TV Network (Pty) Ltd
- Sentech Ltd
- Telkom Media (Pty) Ltd
- Walking on Water Television (Pty) Ltd
- Worldspace Southern Africa (Pty) Ltd

The Council of ICASA, acting in terms of section 4(4) read with section 17 of the ICASA Act, appointed a committee of Council comprising of Councillors Masiza

and Socikwa to consider applications and conduct hearings in terms of section 9 (2) (e) of the Electronic Communications Act.

In considering the applications the Committee was guided by the provisions of the EC Act, the Broadcasting Act as amended, ICASA Act as amended, Position Paper on Subscription Broadcasting Services, the ITA and other relevant legislation and applicable regulations.

The ITA required of applicants for commercial satellite and cable subscription broadcasting services to provide, amongst others, the information in respect of the following: legal form, ownership and control, management, staffing, applicant's general history, external assistance, finances, market and audience research, Complaints and Codes of operation, programming and technical information.

Therefore, in considering applications lodged, the Authority took into account the extent to which each application complied with the requirements of the ITA and in instances where we are of the opinion that the application had not fully or substantially complied with the ITA, the applicants were given the opportunity supplement their applications.

The Authority received a written notice of withdrawal from the process from the following applicants: Worldspace Southern Africa (Pty) Ltd; Multichannel Television (Pty) Ltd and Sentech Ltd. Despite all these, the Authority was still left with momentous task of deciding on the remaining 15 applications.

After the Committee had finalised its analysis and deliberations it then made recommendations to Council in respect of the successful applicants for Council's consideration and decision. The Council considered the Committee recommendations and decided to grant the following applications, in no particular order:

But, before we make the announcement, I would like to extend the Authority's gratitude to the people who worked on the committee for their dedication, professionalism and thoroughness throughout the process. The people who made this possible are

Mr Amos Hlabioa,
Mr Bethuel Makola,
Mr Victor Grootboom,
Mr Thato Mahapa,
Ms Gugu Mazibuko,
Ms Fikile Hlongwane,
Mr Kgomotso Mokitle,
Mr Paseka Maleka,
Mr Patrick Meyer,
Mr Johannes Kgampe,
Ms Barbara Paxinos,
Ms Khethiwe Kubheka; and
Mr Molahlehi Msimanga.

Back to what we are here for, the successful applicants, in no particular order:

Before I proceed, it is important that we emphasise that for the applicants who are successful, the Authority has imposed conditions in line with the EC Act and the undertakings made or promises of performance stemming from their applications.

1. Walking on Water
2. On Digital Media
3. e-SAT
4. Telkom Media
5. MultiChoice Africa

The Authority decided to refuse applications by all ten remaining applications.

In terms of the provisions of PAJA, the Authority is currently finalising the document which will provide the reason for the decisions, which will be made available to all interested parties within a period of three weeks starting from today.

On behalf of ICASA, we wish the successful applicants the best of luck in their endeavours and we hope that they will better the lives of our people. We wish you well.

Thank you