



Independent Communications Authority of South Africa

MINUTES OF A SPECIAL COUNCIL MEETING		
Date	26 November 2021	
Time:	08:00	
Venue:	Microsoft Teams	
Present		Chairperson
		Councillor
		Councillor
		Councillor
		Councillor
By Invitation		CEO
		CFO
		CAE
		Corporate Secretary
		Secretariat Officer
		Secretariat Officer
		Secretariat Officer
Partial Attendees		Acting Executive: Engineering and Technology
		Executive: Regions and Consumer Affairs
		Acting Executive: LRCCC
		Executive Policy Research and Analysis
		Acting Exec: Licensing and Compliance
		Executive: Human Resources
		Manager Broadcasting Frequency Coordination
		External Legal Counsel
		External Legal Counsel
Apologies		Councillor
		Councillor



No.	Action Item	Person Responsible
1.	<p>Opening and apologies</p> <p>1.1. The Chairperson opened the meeting at 08:00 and welcomed all present.</p> <p>1.2. Purpose of the meeting is to discuss two (2) urgent issues, namely the issue of provisional spectrum and the labour relations (COLA) issue.</p> <p><u>The following apologies were noted:</u></p> <p>1.3. Councillor [REDACTED] was on family responsibility leave; and</p> <p>1.4. Councillor [REDACTED] was on annual leave.</p> <p>The opening and apologies were noted.</p>	Chairperson
2.	<p>Declaration of interest</p> <p>No conflict of interest was noted.</p>	Council
3.	<p>Ratification of the Agenda</p> <p>The agenda was ratified.</p>	All
4.	<p>Applications for Provisional Radio Frequency spectrum in the 700, 800, 2300, 2600 and 3500 MHz bands</p> <p>The Manager: Broadcasting Frequency Coordination presented the item.</p> <p>4.1. The purpose of this submission was to request Council to approve the applications submitted by qualifying applicants, ("the Applicants") for allocation of provisional radio frequency spectrum ("RFS") assignments in the 700 MHz, 800 MHz, 2300 MHz, 2600 MHz and 3500 MHz bands.</p>	CEO



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	<p>4.2. On 11 November 2021, the Authority published the Information and Communications Technology COVID-19 National Disaster Regulations ("COVID-19 Regulations") in Government Gazette No. 45458 of 2021 wherein RFS in the 700 MHz, 800 MHz, 2300 MHz, 2600 MHz and 3500 MHz bands are made available for licensing on a temporary basis, for a period of 01 December 2021 to 30 June 2022 or until three months after the termination of the National State of Disaster, whichever occurs first.</p> <p>4.3. The objective of the Regulations is, amongst others, to ensure that there is continuation of the provision of electronic communications services during the COVID-19 pandemic, correct the imbalance created by the first temporary assignments on these bands and to promote competition within the ICT sector.</p> <p>4.4. In terms of regulation 7 of the COVID-19 Regulations the 700MHz, 800MHz, 2300MHz, 2600MHz, and 3500MHz bands shall be made available for provisional assignment to current holders of I-ECS & I-ECNS licensees. Annexure A of the COVID-19 Regulations stipulates the following criteria that the Authority will consider in the licensing of the provisional RFS:</p> <p>4.4.1 Criteria 1: The applicants who were not assigned temporary spectrum must:</p> <p>4.4.1.1 Provide the network performance report based on the current assigned spectrum;</p> <p>4.4.1.2 indicate the areas that are highly constrained;</p> <p>4.4.1.3 provide the network projections during the COVID-19 National State of Disaster;</p> <p>4.4.1.4 indicate the spectrum bands and the bandwidth applied for (required for the immediate use only);</p> <p>4.4.1.5 provide the modelled network performance pursuant to the assignment of provisional radio frequency spectrum; and</p> <p>4.4.1.6 provide benefits to be realized by the consumers (i.e., reduced data prices, free</p>	



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	<p>4.4.1.7 daily bundle to all the customers, wi-fi connectivity etc.) with the assignment of provisional spectrum in terms of these Regulations</p> <p>4.4.2 Criteria 2: The applicants who were assigned temporary spectrum must:</p> <p>4.4.2.1 provide the geographical coverage/footprint maps (GIS Format) for temporary spectrum assigned in terms of the 2020 Regulations. The coverage maps must also depict the population coverage for both the metropolitan municipal areas and non-metropolitan municipal areas;</p> <p>4.4.2.2 provide the network performance report before the COVID-19 outbreak based on the assigned spectrum before the assignment of the temporary spectrum in terms of the 2020 Regulations;</p> <p>4.4.2.3 provide the network performance report during each level of the COVID-19 lockdown pursuant to the assignment of the temporary spectrum in terms of the 2020 Regulations;</p> <p>4.4.2.4 provide benefits realised by the consumers (i.e., reduced data prices, free daily bundle to all the customers, wi-fi connectivity etc.) with the assignment of the temporary spectrum in terms of the 2020 Regulations;</p> <p>4.4.2.5 indicate the spectrum bands and the bandwidth applied for (required for the immediate use only);</p> <p>4.4.2.6 provide benefits to be realized by customers (i.e., reduced data prices, free daily bundle to all the customers, wi-fi connectivity etc.) with the assignment of the provisional spectrum in terms of these Regulations; and</p>	

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	<p>4.4.2.7 provide percentage of increased data traffic due to COVID-19 National State of Disaster vs that of possible increased in normal traffic due to the increased update of data services by customers.</p> <p>4.5. In terms of regulation 7 of the COVID-19 Regulations the 700MHz, 800MHz, 2300MHz, 2600MHz, and 3500MHz bands shall be made available for provisional assignments to any Individual Electronic Communications Network Service and Individual Electronic Communications Service Licensee.</p> <p>4.6. Further, the submitted applications should be accompanied by the proof of payment of the non-refundable application fee of R 87 500.00 and the successful applicants are to be charged an acquisition fee in respect of the assignments made as well as the spectrum usage fee.</p> <p>4.7. On 17 November 2021, the Authority received six (6) applications via the e-mail address: COVIDATA@icasa.org.za in response to regulation 7 of the COVID-19 Regulations. The applications received were from Vodacom, Cell C, Liquid Telecom, Rain, MTN and Telkom. All the applicants have met the eligibility criteria.</p> <p><u>The assignments are recommended as follows:</u></p> <p>4.8. The Regime to be assigned to Telkom is:</p> <p>4.8.1 40MHz in the IMT2300;</p> <p>4.8.2 10MHz in the IMT2600;</p> <p>4.8.3 12MHz in the IMT3500;</p> <p>4.8.4 20MHz in the IMT700; and</p> <p>4.8.5 20MHz in the IMT800.</p> <p>4.9. The Regime to be assigned to Vodacom is:</p> <p>4.9.1 40MHz in the IMT2600;</p> <p>4.9.2 40MHz in the IMT3500;</p> <p>4.9.3 10MHz in the IMT700;and</p> <p>4.9.4 10MHz in the IMT800.</p> <p>4.10. The regime to be assigned to MTN is:</p> <p>4.10.1 40MHz in the IMT2600;</p>	



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	<p>4.10.2 40MHz in the IMT3500; 4.10.3 10MHz in the IMT800; and 4.10.4 10MHz in the IMT700.</p> <p>4.11. The regime to be assigned to Rain is as follows: 4.11.1 60MHz in the IMT2600; and 4.11.2 20MHz in the IMT700.</p> <p>4.12. The regime to be assigned to Cell C is as follows: 4.12.1 20MHz in the IMT2600; 4.12.2 20MHz in the IMT3500; and 4.12.3 20MHz in the IMT800.</p> <p>4.13. The regime to be assigned to Liquid is as follows: 4.13.1 4MHz in the IMT3500.</p> <p>4.14. The expected provisional RFS acquisition is R121,598,796.58 based on the total 446 bandwidth available for assignment in the IMT700, IMT800, IMT2300, IMT2600 and IMT3500 bands. The expected license fees for the period of 7 months from each licensee is R76,587,903.44.</p> <p><u>Obligations to licensees:</u></p> <p>4.15. The Licence obligations imposed to the successful applicants are consistent with those contained in regulation 6 of the COVID19-Regulations. The Licensee must send to its subscribers by SMS, free of charge:</p> <p>4.15.1 At least two public announcements per day regarding the prevention and management of COVID19, and</p> <p>4.15.2 Notifications of all announcements by the Minister of Health or the Presidency.</p> <p>4.15.3 The Licensee must zero rate all COVID-19 sites upon approval by the Department of Health.</p> <p>4.15.4 The Licensee must zero rate access to all educational sites upon approval by the Department of Basic Education and the Department of Higher Education and Training.</p>	



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	<p>4.15.5 The Licensee must maintain network connectivity for schools in accordance with regulations 6(21) and 6(23) of the Regulations.</p> <p>4.15.6 The Licensee shall implement amended and/or further licence obligations as may be prescribed by the Authority in the Regulations from time to time.</p> <p>4.15.7 The Licensee shall provide the following consumer benefits:</p> <p>4.15.7.1 Enablement of small and medium businesses to connect during the COVID-19 period;</p> <p>4.15.7.2 Enablement of consumers from underserved areas – as defined in Annexure A of the Under-Served Area Definition Regulations, 2011 - to connect using the network by providing connection speeds of no less than 10 Mbps; and</p> <p>4.15.7.3 Provide data services at a reduced rate to consumers.</p> <p><u>Recommendation to Council:</u></p> <p>4.16. It was recommended that Council approve the applications submitted by Liquid Telecoms, Rain Networks, Vodacom, MTN, Telkom, and Cell C and Liquid Telecoms for provisional radio frequency spectrum assignments in the 700, 800, 2300, 2600 and 3500 MHz bands that were recommended to Council for the following reasons:</p> <p>4.16.1 The applications are in line with the criteria set out in Annexure A of the COVID-19 Regulations; and</p> <p>4.16.2 The Applicants intend to make use of the spectrum on a national basis to alleviate congestion and realise immediate consumer benefits as highlighted.</p> <p><u>The following comments were made:</u></p>	



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	<p>4.17. Council proposed that the media statement should express that the current process, still lacks an all-inclusive nature, and further that the Authority is of the view that the auction process to be held in March 2022 will fulfil the missing component.</p> <p>4.18. Council inquired if the temporary assignment would introduce the element of competition in the market.</p> <p>4.19. Council inquired about the additional obligations of the licenses and made reference to the condition that stipulates that applicants will have to comply with any amendments or with new obligations imposed by the Authority. Council cautioned that this provision was creating room for uncertainty.</p> <p>4.20. The Committee informed Council that the access to the provisional spectrum was awarded at almost the same level, the award to Rain and Cell C was assigned based on the request of their applications. There was a reduction for Cell C and the Authority has motivated the reduction by stating that the assignment of more spectrum to Cell C would not be in the interest of efficient use of spectrum.</p> <p>4.21. The Committee informed Council that the Authority has tried to balance the awarding of spectrum and further that the operators will be satisfied with the awards made. The Committee further informed Council that the competition issues have not been fully addressed by the temporary regime and that competition aspect will be addressed by the Auction.</p> <p>4.22. The Committee indicated that the obligation regarding the future is in the out-going temporary assignment obligations. The future obligations will be made in consultation with licensees, the enablement of SMME's is an enablement that is also in the out-going obligations.</p> <p>The recommendation was adopted by Council.</p>	
5.	Outcome of Union Negotiations of 2021/22 Cost of Living Adjustment	CEO/ EXEC: HR

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	<p>The Executive: HR presented the item.</p> <p>5.1. [REDACTED]</p> <p>5.2. [REDACTED]</p> <p>5.3. Scenario One as previously recommended to Council is as follows:</p> <p>5.3.1 [REDACTED]</p> <p>5.3.2 [REDACTED]</p> <p>5.3.3 [REDACTED]</p> <p>5.3.4 [REDACTED]</p> <p>5.3.5 [REDACTED]</p> <p>5.4. COLA calculations presented to Council:</p> <p>5.4.1 [REDACTED]</p> <p>5.4.2 [REDACTED]</p>	



No.	Action Item	Person Responsible
	<p>5.4.3 [Redacted]</p> <p>5.4.4 [Redacted]</p> <p>5.4.5 [Redacted]</p> <p>5.4.6 [Redacted]</p> <p>5.4.7 [Redacted]</p> <p><u>The following comments were made:</u></p> <p>5.5. [Redacted]</p> <p>5.6. [Redacted]</p> <p>5.7. [Redacted]</p> <p>5.8. [Redacted]</p> <p>5.8.1 [Redacted]</p> <p>5.8.2 [Redacted]</p> <p>5.8.3 [Redacted]</p>	



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	<p>5.9. [REDACTED]</p> <p>5.10. [REDACTED]</p> <p>5.11. [REDACTED]</p> <p>5.12. [REDACTED]</p> <p>5.13. [REDACTED]</p> <p>5.14. [REDACTED]</p> <p>5.15. [REDACTED]</p> <p>5.16. [REDACTED]</p>	



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	<p>5.17. [REDACTED]</p> <p>5.18. [REDACTED]</p> <p>5.19. [REDACTED]</p> <p>5.20. [REDACTED]</p> <p>5.21. [REDACTED]</p> <p>5.21.1 [REDACTED] and</p> <p>5.21.2 [REDACTED]</p> <p>5.22. [REDACTED]</p> <p>5.23. [REDACTED]</p> <p>5.24. [REDACTED]</p>	



No.	Action Item	Person Responsible
6.	General <u>The Presidential State visit to the Ivory Coast</u> 6.1. The Chairperson has been requested to form part of a delegation of the President to the Ivory Coast. 6.2. Council approved the above and resolved that the formalities be done by means of a round robin.	All
7.	Date of next meeting: TBA	Secretariat
8.	Closure The Chairperson thanked all who were present at the meeting and closed it at 11:00am.	Council

Signed: _____

Dr. Keabetswe Modimoeng
Chairperson

Date: 26/04/2022