

# **BOXING SECTOR SUBMISSION**

**SUBMISSION BY BOXING SOUTH AFRICA**

**15 MARCH 2019**

**ICASA DRAFT SPORT BROADCAST SERVICES AMENDMENT  
REGULATIONS OF 2018**



# ICASA DRAFT SPORT BROADCAST SERVICES AMENDMENT REGULATIONS of 2018, GAZETTED ON 14 DECEMBER 2018

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## A. INTRODUCTION

- 1) As Boxing South Africa, we welcome the review process of the current Sport Broadcasting Services Regulations of 2010.
- 2) We commend The Independent Communications Authority of South Africa (ICASA) for this initiative as we believe that it presents an opportunity to draw lessons from the past and carve an improved future where sport broadcast serves as an enabler of sport activism and excellence.
- 3) Unfortunately, in their current configuration, the draft Sport Broadcasting Services Amendment Regulations of 2018 might we once more fail to unleash the true potential of sport broadcast to grow our sport programs, catalyze excellence and project our sport narrative to society.
- 4) These draft 2018 Sport Broadcast Amendment Regulations have some worrying areas which might lead to detrimental and unintended consequences for the boxing sector.
- 5) Both on the procedural and substantive paradigms, the draft Amendment Regulations of 2018 require urgent review if they are to do justice what we believe to be the objectives for their review in the very first place.
- 6) Of course, we can only assume that we understand the objectives underpinning this review process because unfortunately there is no clear perspective document which spells out the problem statement and clearly articulate the intended outcome from this review process.
- 7) It is therefore our view that the draft Amendment Regulations of 2018 requires thorough consultation with the sport sector, more especially the directly affected parties.
- 8) Part of what we hope that the in-depth consultative process would achieve is that it may equally empower ICASA practitioners to better understand the Sport Sector which is in the center of this process and comprehend its dynamics even better, more especially professional boxing!

## **B. THE PROCESS SO FAR**

### **1) Engagements with Sport Broadcast Services Chairperson**

- a) On 12 July 2018, ICASA's chairperson for Sport Broadcasting Services, Ms Palesa Kali Boxing South Africa wrote to Boxing South Africa requesting a meeting regarding the review of Sport Broadcast Regulations of 2010.
- b) The meeting subsequently took place on 15 August 2018 at Boxing South Africa Offices and it was generally very fruitful and informative. In the main, it focused on the Professional Boxing Sector, its landscape, its programs and experience regarding sport broadcast services.
- c) Finally, the meeting agreed that once the draft amendment regulations have been produced, the formal consultation process with the boxing sector would unfold to formally canvass the sector's views and inputs.

### **2) ICASA Chairperson's correspondence dated 13 December 2018**

- a) On 14 December 2018 Boxing South Africa noted a government gazette of the draft Sport Broadcasting Services Amendment Regulations of 2018 with an accompanying correspondence from ICASA Chairperson, Mr Reuben Mohlaloga inviting written inputs on or before 4 February 2019.
- b) As history has now recorded, this deadline of 4 February 2019 was since reviewed and the final deadline is now 15 March 2019.

### **3) Boxing South Africa Board Decision of 26 January 2019**

- a) On 26 January 2019, the board of Boxing South Africa in its regular meeting, welcomed the process of reviewing the current Sport Broadcasting Services Regulations of 2010.
- b) The board further considered the draft amended Regulations of 2018 and expressed displeasure about lack of meaningful consultation underpinning this process, more especially

boxing promoters. The Board resolved that before Boxing South Africa's submits its representation there should be consultation with the promoters.

#### **4) Boxing South Africa national meeting with Promoters on 20 February 2019**

- a) 20 February 2019, Boxing South Africa convened a national meeting with promoters at Boxing South Africa Offices in Hatfield Pretoria. Among a number of issues discussed at that meeting was the draft Sport Broadcasting Services Regulations of 2018.
- b) The promoters made their inputs into this process and the overarching message remained that while the review process of the 2010 Regulations is itself welcomed and commendable, the 2018 Regulations are however still failing to address the fundamental challenges.
- c) Promoters submitted that the 2018 Draft Regulations might result in total demobilization of subscription-based channels from broadcasting international and domestic boxing tournaments.

#### **5) SASCOC Meeting of 7 March 2019 to discuss the draft Regulations**

- a) On 7 March 2019, Boxing South Africa attended a discussion meeting convened by South African Confederation and Olympic Committee (SASCOC) . This meeting was extended to the Sporting Codes listed under Groups A and B of Regulation 5 of the draft amended regulations.
- b) Emanating from that meeting SASCOC produced its written submission to ICASA and circulated it to the members who formed part of the meeting of 7 March 2019. Boxing South Africa is therefore fully aware and supportive of SASCOC's written representation into the review process since SASCOC is the duly mandated Confederation in South Africa.
- c) Notwithstanding that, Boxing South Africa as the custodian of professional boxing in South Africa still hereby submits its own sector-specific written submission without any deviation from the SASCOC led process but rather with a view to highlight unique issues affecting professional boxing in this process.

## **C. BACKGROUND**

### **1) About Boxing South Africa**

- a) Boxing South Africa's vision is to create a world class regulatory body for boxing in a united and safe environment and its Mission is to enhance the capacity of all stakeholders to improve the quality, passion, and popularity of professional boxing in South Africa and Internationally.
- b) Boxing South Africa was established in terms of Section 4 of the South African Boxing Act, Act No. 11 of 2001.
- c) The Act establishes Boxing South Africa as a Boxing Commission which is a juristic person and a public entity listed under Section 3 (A) of the Public Finance Management Act. Its mandate is to (1) Administer professional boxing; (2) recognize amateur boxing; (3) create and ensure synergy between professional and amateur boxing; (4) and promoter engagement and interaction between associations of boxers, managers, promoters and trainers.
- d) In its mandate, Boxing South Africa is guided by and support National Sport Policies of Sport and Recreation South Africa in general and specifically the, (1) White Paper of Sport and Recreation, (2) National Sport and Recreation Plan, (3) Sport Transformation Charter and (4) BSA National Boxing Indaba Resolutions of 2013.

### **2) Boxing Indaba Resolutions of 2013 on Boxing Broadcast**

- a) In 2013 the Ministry of Sport and Recreation South Africa hosted the National Boxing Indaba in Pretoria, Gauteng. To-date, this Boxing Indaba remains the most recent and most supreme all-inclusive boxing convention where the aspirations of the boxing sector were canvassed.
- b) The Indaba further agreed that BSA should approach all the broadcasters on behalf of their stakeholders to negotiate dates for, (1) A regular TV magazine show, (2) "BSA" Development Tournaments and for (3) Top level Tournaments (*Promoters will apply /tender for the tournaments dates directly with the broadcasters and negotiate the final rights fee*)
- c) As part of above negotiations, BSA will ensure, (1) Development group, (2) Rural vs Urban areas, (3) Gender and (4) Minimum broadcast rights fees per category of tournament.

### 3) Functions of Boxing South Africa

- a) The functions of Boxing South Africa can safely be divided into the following ten core functions as well as three strategic support functions:

#### 3.1 Core Functions

|  |
|--|
| a) Undertake the registration and licensing of all the licensees in the professional boxing fraternity and to maintain a reliable data base at all times.  |
| b) To sanction the staging of professional boxing tournaments based on the rules and regulations of BSA  |
| c) To promote and recognize good talent, outstanding performance and exemplary behavior by boxing licensee (especially boxers) through the presentation of performance awards nationally and in all provinces. |
| d) To rate boxers in each division within provinces and nationally based on their performance  |
| e) To facilitate and coordinate the training and development of licensees to ensure compliance with norms and standards, the promotion of health & safety and the general improvement of the sport             |
| f) To liaise with stakeholders in the boxing fraternity and manage their expectations and interest in a way that advances the interest of the sport.   |
| g) To ensure the accreditation and the enforcement of relevant regulations by specialist professional such as medical and legal practitioners, and   |
| h) To be the point of reference and liaison with international boxing associations for purposes of promoting the involvement of South African Athletes at the international level                              |
| i) To promote and market the activities of BSA and boxing in general in a way that will improve the image of boxing as a brand   |
| j) To increase the profile of boxing as a sport through the sharing of the information about the sport and the development within the fraternity   |

#### 3.2 Strategic Support Functions

|   |
|---|
| a) To collect and disburse boxers' payments   |
| b) To ensure proper document management and archival services (including digital recording and archival of boxers' information) to ensure their integrity, safe keeping and easy retrieval. |
| c) To use boxing as a vehicle to promote tourism in the country and generally ensure that its role as a contributor in the country 's economy is improved dramatically                      |

#### 4) Registration and licensing of all the licensees

| Categories          | Males      | Female    | Total        |
|---------------------|------------|-----------|--------------|
| 5) Boxers           | 596        | 49        | 645          |
| 6) Managers         | 97         | 4         | 101          |
| 7) Trainers         | 67         | 0         | 67           |
| 8) Ring Officials   | 49         | 14        | 63           |
| 9) Seconds          | 91         | 3         | 94           |
| 10) Agents          | 0          | 0         | 0            |
| 11) Promoters       | 65         | 26        | 91           |
| 12) Matchmakers     | 4          | 0         | 4            |
| 13) Ring Announcers | 12         | 2         | 14           |
| <b>TOTAL</b>        | <b>981</b> | <b>98</b> | <b>1 079</b> |

- a) In the case of professional boxing, boxing tournaments are delivered by licensed boxing promoters who take the initiative to put together application to host tournaments in line with Regulation 11 of the South African Boxing Regulations of 2004.
- b) The role of Boxing South Africa becomes to ensure that the promoters in their application and subsequent delivery of the tournament are in full compliance with the regulations and they further also pay their stipulated sanction fees as per Regulation 11 (5) of the South African Boxing Regulations of 2004.
- c) Regulation 11 (5) (a) of the South African Boxing Regulations of 2004 states that *(i) Where the total of the broadcast income and other income does not exceed R2 000 000.00, an amount equal to the total 10% of the broadcast income and 5% of the other income, plus valued added tax.*
- d) A quick review of previous year's developments shows that broadcast and income from broadcast has been very central to the success of our promoters to deliver world class boxing tournaments both at a primary and secondary level.
- e) At primary level, broadcast income has enabled promoters to cover some overheads of delivering tournaments and at a secondary level, the presence of a broadcast partner has been key towards attracting other sponsors whose interest gets services by presence of a broadcaster in the delivery structure of the tournament.

## 5) Sanction the staging of professional boxing tournaments

- a) The biggest challenge facing professional boxing in South Africa is the absence of broadcast coverage. The table below show the total number of tournaments taking place per annum. The unfortunate reality is however that on an annual basis, only about 25% of these tournaments do get media coverage, and this has a big negative impact on our sport of boxing.

- I. In 2015/2016 a total of 89 tournaments were sanctioned*
- II. In 2016/2017 a total number of 75 tournaments have been sanctioned.*
- III. In 2017/2018 a total number of 78 tournaments were sanctioned.*

| Province  | GP | EC | WC | KZN | LP | FS | MP | NW | NC | Total     |
|-----------|----|----|----|-----|----|----|----|----|----|-----------|
| 2015/2016 | 28 | 33 | 7  | 6   | 4  | 2  | 1  | 1  | 1  | <b>83</b> |
| 2016/2017 | 25 | 24 | 11 | 8   | 4  | 2  | 0  | 1  | 0  | <b>75</b> |
| 2017/2018 | 32 | 13 | 14 | 7   | 4  | 6  | 1  | 1  | 0  | <b>78</b> |

## 6) Boxing South Africa Funding

- a) The funds of BSA in terms of section 15 of the Act consists of:
- I. Money appropriated by Parliament
  - II. Fees payable to BSA in terms of the Boxing Act (Licensing and Sanctioning Fees)
  - III. Grants, donations and bequests made to BSA
  - IV. Income earned on the surplus money invested by BSA
  - V. Money generated from sponsorship and fundraising
- b) Sport Broadcast remain one of the biggest revenue avenues for Boxing South Africa specifically but generally for broader boxing development and excellence.
- c) This revenue stream is extremely fundamental to continued growth of boxing in the country and if it were to dry out, the sport of professional boxing in South Africa would surely die a natural death!



## 7) Liaison with International boxing associations

- a) Unlike other sporting codes such as football, rugby, cricket, athletics, etc professional boxing does not have a single international body of authority which is hierarchically supreme to all local boxing commissions.
- b) In the case of professional boxing there is a vast number of sanctioning bodies and Boxing South Africa relates with these bodies on voluntary association basis through recognition arrangements. The list of world boxing authorities which Boxing South Africa recognises is listed below.
- ✓ *Clause 2 (Q) of Boxing South Africa Act of 2001, states as part of Boxing South Africa's objects that it shall consider the recognition of all international boxing bodies and organizations and their champions*
  - ✓ *Clause 2 (Q) of Boxing South Africa Act of 2001, under duties of Boxing South Africa says that Boxing South Africa shall Consider applications for recognition of international boxing bodies or organizations and their boxing champions.*
- c) This unique feature in the landscape of professional boxing is therefore very important to note, more especially since it does have an impact on Regulation 5.1.1 (h), under 'Compulsory Listed National Sport Events for a Free-to-air licensee with full coverage. (**GROUP A**)

| Sanctioning Body                         | Detail   |
|--|--|
| 1) World Boxing Association (WBA)        | The oldest major sanctioning body. Established in 1962       |
| 2) World Boxing Council (WBC)            | Established in 1963. Recognized by many as the biggest       |
| 3) World Boxing Organization (WBO)       | Founded in 1983 stemming from some internal feud with WBA    |
| 4) International Boxing Federation (IBF) | Founded in 1988 also following some internal feud with WBA   |
| 5) World Boxing Foundation (WBF)         | Established in 1984. The most active World Body in SA        |
| 6) International Boxing Federation (IBO) | Established in 1988. The second most active World Body in SA |
| 7) Commonwealth Boxing Council           | Established in 1954. Only for Commonwealth family            |

## D. BOXING BROADCAST CHALLENGES

### 1) Lack of clear perspective underpinning the review process

- a) There is no clear perspective document which spells out the problem statement and clearly articulate the intended outcome from this review process.
- b) Such a perspective document would have gone a long way to assist to clarify what have been lessons from the implementation of the 2010 Regulations and arising from such lessons what should the amendments achieve.

### 2) No clear rationale for inclusion of sporting codes in Groups A, B and C

- a) While the draft Amendment Regulations of 2018 under Regulation 4.1 (a) do explain the criteria in determining '*national sporting events that are of public interest*', the regulation do however fall short of explaining the criteria used for determining which sporting codes to list under Groups A, B and C respectively.
- b) At the moment Boxing is the only code under combat sports which has been listed under Regulation 5.1 Group A and 5.2 Group B, which then places additional restrictions on boxing broadcast while other combat sport codes are not restricted.

### 3) Definitions

- a) Under definitions, the following critical concepts which have been used in the regulations have not been explained, as a result this might result in some confusion, i.e. (1) International Boxing Federations and (2) Domestic Boxing Tournaments.
  - ✓ *The definition of International Boxing Federations considering what we have already explained under Part C, Paragraph 9 above on, '**Liaison with international boxing associations.**'*
  - ✓ *The definition of '**Domestic Boxing Tournaments**' considering that within professional boxing context, domestic boxing tournament can mean anything including a four-round development bout.*

#### **4) Drawing lessons from existing patterns**

- a) In order for the proposed amendments into the 2010 regulations to be practical and responsive to the reality of boxing broadcast dynamics, it is very important to consider existing boxing broadcast patterns.
- b) A quick review does show that the major broadcasters who have shown keen interest in boxing broadcast are, (1) Supersport, (2) Kwese TV and (3) Fox Sport. Out of the three, it is only Supersport, a subscription-based channel, which has own platform and established viewership base.
- c) On the other hand, Free-to-Air channels, more especially the national public broadcaster have consistently shown very little interest or consistent commitment towards boxing broadcast including broadcast of prime boxing competition like world title fights and national championships.
- d) Our view is that ICASA should be focusing rather on ensuring that more channels are licensed in order to increase the existing sport platforms, more especially considering that sport broadcasters like Kwese has already shown interest to broadcast boxing.

#### **5) Over regulation**

- 1) Out of a typical 78 tournaments delivered in one financial year, less than 30 tournaments are likely to receive television coverage. This clearly suggest that the major focus of the review process should rather go towards addressing the bottlenecks facing the boxing coverage.
- 2) The draft amendment regulations fail dismally to address this elephant in the room. Instead the draft amendment regulations create new challenges by introducing over regulation and taking away the single existing commercial instrument of exclusivity.
- 3) Without this commercial instrument, the subscribtion-based channels are likely to migrate away from those sporting codes listed under Groups A and B of the draft regulations towards other less regulated sporting codes, thereby rendering Regulations 5.1.1 and 5.2.1 a curse more than a blessing.

- 4) Instead of including such a mechanism of exclusivity or no-exclusivity of sport broadcast rights in the Regulations, this can be treated as a distribution and commercialization of sport content which can safely be negotiated between content owners and broadcasters.

## **6) Consultation**

- 1) As already explained, the consultative process behind the review of the 2010 Sport Broadcast Regulations has been very minimal and superficial.
- 2) ICASA has to create a platform for meaningful engagement with the sport sector so that it can benefit from end-user inputs and have this review process qualitatively enriched.

## **E. CONCLUSION**

While Boxing South Africa respects the principle of competitiveness and understand a need to make boxing content as accessible as possible, our view is that the draft regulations of 2018 are approaching this noble principle in a rather reckless manner without being considerate to the practical reality.

As already indicated, Boxing South Africa was part of the codes which made input towards the SASOC written submission on this matter and our submission should therefore be read in conjunction with the SASOC submission.

The reality however remains that the boxing sector cannot afford an eventuality where the current active broadcasters of boxing content are demobilized to disregard boxing and cover opt for other codes which are excluded from Group A and Group B of the regulations and thereby not over regulation as boxing is.