



Independent Communications Authority of South Africa
350 Witch-Hazel Avenue,
Eco-Point Office Park
Centurion

COUNCIL DECISION – 31 MARCH 2022

ITEM No.	AGENDA ITEM	COUNCIL DECISION
1.	<p>Signal Distribution Discussion Document</p> <p>1.1. The purpose of this submission was to recommend for Council to approve the vetted Discussion Document on the market inquiry into Broadcasting Signal Distribution Services for publication in the Government Gazette.</p> <p>1.2. On 17 September 2021, the Independent Communications Authority of South Africa (“the Authority / ICASA”) published a notice in the Government Gazette indicating its intention to conduct an Inquiry into Broadcasting signal distribution services in terms of section 4B(1)(a) of the Independent Communications Authority of South Africa Act, 2000 (Act No 13 of 2000) (the “ICASA Act”).</p> <p>1.3. The purpose of the Inquiry is to assess the state of competition, and to determine whether or not there are markets or market segments within the signal distribution services value chain which may warrant regulation in the context of a market review in terms of section 67(4) of the Electronic Communications Act, 2005 (Act No 36 of 2005) (“the ECA”).</p> <p>1.4. The Inquiry is being conducted in four Phases (i.e. Phase I Market inquiry, Phase II - Discussion Document, Phase III -Public Hearings on the</p>	<p>The recommendation was approved.</p>



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	<p>Discussion Document, and Phase IV - Findings Document).</p> <p>1.5. On 17 September 2021, pursuant to Phase I, the Authority published a questionnaire on its website, requesting information and inputs from stakeholders (including the general public) to inform its market study.</p> <p>1.6. The Authority received two (2) responses to Phase I (Market Study), namely from Radio Pulpit / Radiokansel and the SABC, on 02 and 18 November 2021 respectively.</p> <p>1.7. On 14 January 2022, the Authority sent a letter to Sentech to submit all the information requested by the Authority in terms of the questionnaire within seven (7) days of receipt of the letter. The letter was sent to Sentech after the submission deadline of 23 November 2021, given Sentech's significance in the signal distribution services markets in South Africa.</p> <p>1.8. On 01 February 2022, the Authority received responses to Phase I (Market Study) from Sentech. The Council Committee considered the responses from the abovementioned licensees in drafting the Discussion Document which outlines the Authority's preliminary view with regards to the signal distribution services markets.</p> <p>1.9. On 28 March 2022, the Committee received a vetted Discussion Document from the Legal, Risk and CCC division.</p>	



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	<p>1.10. After due consideration of the responses to the questionnaire, the Committee's preliminary views as contained in the Discussion Document are as follows:</p> <p>1.10.1 Markets identified and defined:</p> <p>1.10.1.1. Retail market for the provisioning of analogue television and radio broadcast content to end-users;</p> <p>1.10.1.2. Wholesale market for the provisioning of analogue and digital terrestrial television broadcasting services;</p> <p>1.10.1.3. Wholesale market for the provisioning of analogue and digital managed transmission services for terrestrial television broadcasting;</p> <p>1.10.1.4. Wholesale market for the provision of analogue and digital managed transmission services for terrestrial radio/sound broadcasting (national); and</p> <p>1.10.1.5. Provisioning of analogue and digital managed transmission services for terrestrial radio/sound broadcasting (local or regional)</p> <p>1.11. Competition is ineffective in the following wholesale markets:</p>	



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	<p>1.11.1 Market for the provision of analogue and digital managed transmission services for terrestrial television broadcasting;</p> <p>1.11.2 Market for the provision of analogue and digital managed transmission services for terrestrial radio broadcasting (national);</p> <p>1.11.3 Market for the provision of analogue and digital managed transmission services for terrestrial radio broadcasting (non-national).</p> <p>1.12. Sentech has Significant Market Power in the markets as per paragraph 4.11, due to its assumed market share of at least 50% in the relevant markets.</p> <p><u>Recommendation to Council:</u></p> <p>1.13. The Committee recommended that Council approve the vetted Discussion Document on the market inquiry into BC Signal Distribution Services for publication in the Government Gazette.</p>	