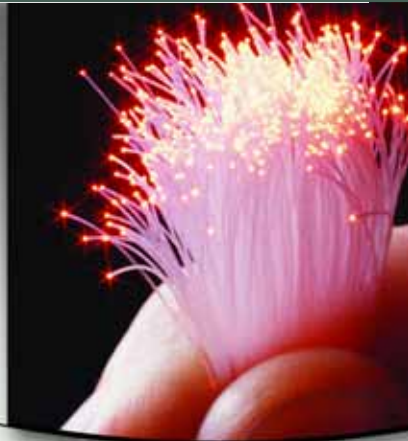


Telecommunications Division



Licensing

Equipment Licensing

During the period under review, ICASA issued 204 equipment licenses for Telecommunications Line Terminal Equipment (TLTE), Switching Systems (SWS) and Licensed Maintenance Organisation (LMO) type 1 and 2. The Authority granted a total of 355 licence renewals. The processing and issuing of these licenses and licence renewals generated a total of R174 250.00 in fees. A total of 114 radio equipment licenses were also issued.

The Authority established a Standards Liaison Committee (SLC) to advise Council on matters relating to telecommunications standards. In addition to staff and two members of Council, the Committee is assisted by specialists drawn from industry representative bodies, Telkom and the South African Bureau of Standards (SABS).

A Technical Committee was also established following the signing of a Memorandum of Understanding between the Authority and SABS on 11 December 2000. Known as the ICASA/SABS TC80, the role of the Committee is to promote standardisation of regulation in the field of telecommunications and broadcasting and to align these standards with international practice. Membership to the committee is open to all stakeholders.

The following working groups were formed and have started working on standards for South Africa:

- > WG 1: Integrated Services Digital Network (ISDN), Digital Subscriber Line (xDSL) and digital leased lines related standards;
- > WG 2: Radio related standards (e.g. cordless telephony, radio base stations);

- > WG 3: Analogue terminal related standards (e.g. TE-001, TE-018 and TE-010);
- > WG 4: PABX and VPN/PISN (Private integrated services networks) related standards;
- > WG 5: Broadcasting; and
- > WG 6: Electromagnetic Compatibility (EMC) in telecommunication

Value Added Network Services (VANS) and Private Telecommunications Networks (PTN) Licenses

During the period under review, ICASA granted 20 interim VANS licences, bringing the total number of VANS licences issued since inception of the regulator to 167. Nine interim PTN licenses were issued, bringing the total of PTN licenses issued since the inception of the regulator to 30.

Mobile Data Network Licences

Due to lack of capacity and resources, no progress was made in the applications of Wireless Business Solutions and Swiftnet, for the amendment to their licenses.

Third Cellular Licence

The 3rd cellular licensing process became entangled in litigation, which has seen the issuing of the licence delayed.

Global Mobile Personal Communications via Satellite (GMPCS)

There was no activity in the licensing of GMPCS services due to a policy vacuum, which was created when the Minister of Communication withdrew the GMPCS Policy Directive.

Radio Frequency Licences

Over 1200 radio frequency assignments were made during the period under review. Of these 1153 were for general radio frequencies and 33 for microwave radio. Sixteen temporary microwave frequency assignments were made. The Authority handled 2050 general radio frequency cancellations.

Chronic staff shortages and numerous IT problems, including lack of replacement equipment and time delays in repairing faulty equipment, resulted in a backlog that seriously affected the processing and issuing of Radio Frequency Licences. The Authority accumulated a backlog of at least 540 applications for radio communication services that could not be processed due to lack of resources. The Radio Licensing Committee met at least 17 times in the period under review.

Money Collected on Certificates and Licences Fees

The total number of frequency spectrum licences, station licences and certificates issued and the expected revenue compared to the collected revenue in this financial year is detailed in the table below.

The total amount of money collected on certificates, frequency spectrum and station licences for the financial year 1999/2000 was **R76 105 663.99**, compared to **R106 961 255.17** which was collected during the financial year 2000/2001, representing an increase of 41%.

Licence/Station/Certificate	2000/2001 Expected Fees	2000/2001 Collected Fees
Aeronautical Stations	R250 330.00	R285 850.64
Amateur Radio Stations	R204 854.25.00	R264 370.92
Examinations & Certificates	R19 650.00	R2 057 .00
Land Mobile Services	R74 478 396.21	R104 740 974.92
Maritime	R235 674.00	R278 379.53
Radio Dealers Certificates	R266 060.50	R251 982.16
Satellite Stations	R1 252 545.32	R1 137 640.00

Third Party Operator for Emergency Trunking Services

The Authority completed a feasibility exercise into the licensing of a third party operator to provide radio trunking services to emergency and municipal services. Public hearings were conducted. Among the issues discussed in the hearings were the allocation of the 380-400 MHz band for radio trunking services, stakeholder entities, what digital technology should be used, ownership and control and various funding options.

The Authority received great support from the telecommunications industry and public safety entities on efforts to change the imbalance and problems experienced due to inefficiency with regard to interoperability. The foundation was laid through this process, which will hopefully create new business opportunities in the industry.

Application and licence fees

ICASA is in the process of establishing appropriate administrative fees to cover the cost of processing applications in the telecommunications sector. However the collection of fees is hampered whilst we await approval on section 88 (1) regulations on application fees for a licence, approval, certification or registration from the Minister of Communications.

Litigation Cases

During the period under review three cases that went to litigation were finalised whilst three are still pending in the various high courts.

Finalised cases

Hitech Security Lowveld CC Vs ICASA

Hitech Security Lowveld CC, a holder of a radio

communication licence to operate in Pretoria-North but also operated in Barberton, Mpumalanga, without the knowledge or permission of the Authority. In addition, the company had sold franchises to use the radio frequency for the purpose of alarm control, in contravention of the Telecommunications Act.

After inspection of the company's stations, ICASA confiscated illegal radio apparatus in terms of section 30 of the Act. Hitech Security Lowveld successfully brought an *ex parte* application in the Pretoria High Court. However, no papers were served on ICASA.

The Authority lodged an urgent application for the judgement and the orders awarded to be set aside. At the same time negotiations were initiated to try and settle the matter out of court. An agreement was finally reached and the matter settled amicably between the parties.

Telkom SA Ltd vs ICASA and Wireless Business Solutions Limited (WBS).

The matter came before ICASA as a result of a dispute lodged by WBS, a private company, previously known as Vula Mobile (Pty) Ltd. In terms of its licence, WBS is authorised to construct, maintain and operate a national mobile data network to provide a national mobile data telecommunication service. It is also authorised to connect terminal equipment for the provision of such service and to interconnect to any licensed public switched telephone network operator.

One of the key licence conditions of WBS is therefore that, in order to operate, it must first interconnect with Telkom.

After negotiations, which started as early as 1997, WBS and Telkom could not reach an agreement on interconnection.

In terms of section 43 and 44 of the Telecommunications Act as amended, WBS referred the matter to SATRA for resolution. A hearing took place before the Authority towards the end of 1999 and early in 2000. The authority issued an interim ruling on 11 February 2000 on interconnection and facilities leasing charges. The interim ruling was mainly to ensure that the National lottery project would commence timeously.

The rest of the directives sought to urge the parties to re-negotiate on the basis of the interconnection and facilities leasing guidelines, which were published by the Minister in March 2000. Around the same period the Minister of Communications declared the interconnection and facilities leasing guidelines invalid. The Authority however decided that the Minister's withdrawal of the guidelines was *ultra vires* and, as such, the guidelines remained in force.

By 31 May 2000 the parties had still not reached agreement. On 14 June 2000 the Authority outlined proposed terms and conditions upon which the parties should further negotiate and indicate by 28 July if agreement had been reached.

Before expiry of this deadline Telkom instituted legal proceedings to challenge and review both the content and the procedure followed up to the stage when the proposed terms and conditions were issued. Primarily Telkom challenged:

- > The Authority's reliance on the interconnection guidelines that were withdrawn by the Minister;
- > The procedures followed by the Authority;
- > The effect of some of the proposed terms and conditions vis-à-vis the Act and the respective licences; and

- > That they had not been given an opportunity to be heard before such terms and conditions were issued.

On 19 March 2001 the High Court ruled that in withdrawing the guidelines, the Minister of Communications had acted beyond the scope of her powers and therefore her actions were *ultra vires* and illegal in law. The Court, however, declared the terms and conditions proposed by ICASA invalid on the basis that the councillor involved in the process lacked authority as his term of office had expired and that a proper recommendation for a decision had not been made to the Council. The matter was thus referred back to the Authority to be resolved properly.

Telkom SA Ltd vs Dikgale N O, ICASA and the South African Value Added Network Operators Association (SAVA).

On 29 November 1999, SAVA filed a formal complaint with the Authority against Telkom. The Association complained that Telkom repeatedly and continually contravened section 44(2) of the Telecommunications Act of 1996, and that Telkom's illegal actions had, and continued to have, a detrimental impact on the businesses of the members of SAVA, who include both licensed providers of value added network services and VANS users, including most of the major corporate institutions in South Africa. Telkom's illegal actions, the Associations said, have also had and continued to have a detrimental impact on the telecommunications industry in South Africa and on the public interest.



The Association requested that the Authority issue an order in terms of section 100(3) of the Act, instructing Telkom to abide by its obligations in terms of section 44(2) of the Act. Specifically, Telkom could not withhold the provision of telecommunication facilities on the basis of allegations that VANS were providing services in contravention of the Act or that VANS providers would not contractually bind themselves to Telkom's interpretations of the Act.

On 28 June 2000 SATRA ruled in favour of SAVA and held that:

- (a) Telkom cannot refuse to provide facilities to licensees or service providers simply on its own suspicion of illegality and should immediately begin provisioning such telecommunication facilities that are currently on order from VANS licensees; and
- (b) Where a reasonable suspicion of illegality exists, the respondent shall refer the matter to the Authority for investigation and adjudication in terms of Section 100 of the Act.

On 27 July 2000, Telkom filed its papers in the Pretoria High Court for the Authority's ruling to be reviewed and set aside on various grounds. More importantly, they held that the panel that heard the complaint was improperly constituted, unlawful and as a result the judgment and ruling were null and void.

On legal advice, the Authority took a decision to rescind its own judgement and start the matter *de novo*.

Pending Matters

South African Callback Association (SACBA) and ten (10) others vs ICASA and Telkom SA Limited.

Around June / July 1997 the Authority received a complaint from Telkom that certain parties were conducting an illegal telecommunication operation called "callback". Telkom contended further, that any person providing this kind of a telecommunication service must have a licence in terms of section 32 of the Telecommunications Act, 1996 as amended (the Act).

On 12 August 1997, the Authority made a ruling prohibiting callback operations. The association of callback operators and 10 other operators brought an urgent review application in the Witwatersrand Local Division of the High Court challenging the ruling. The Authority undertook not to press for criminal prosecutions pending court judgement on the matter. It was also envisaged that the case would be decided expeditiously. Unfortunately that was not to be the case and the case remains unresolved.

The Authority has, however, taken a stand that its ruling stands until set aside by the Court.

Telkom SA Ltd vs ICASA and the Internet Service Providers' Association (ISPA).

In 1997 controversy erupted in the telecommunications industry concerning the provision of Internet services. On the one hand, Telkom alleged that certain parties provided internet services without due authorisation and proper licences and therefore were in fact encroaching on its exclusivity over the provision of public switched telecommunications services (PSTS) in terms of section 36 of the Act. On the other hand, the Internet Service Providers' Association contended that Telkom, as a holder of both PSTN and VANS licences, was practicing and promoting unfair competition. The matter was referred to the Authority for resolution. The question, which SATRA (ICASA's predecessor) had to decide, was whether Internet Protocol ("IP") falls within the exclusive rights of Telkom or not.

The Authority appointed an Advisory Committee, which consisted of all prominent industry players and stakeholders, including Telkom representatives, to advise Council on the issue. The Committee decided to look into the question of whether IP access was to be provided under a PSTN licence or under a VANS licence. The question also helped the Committee to look beyond the period of exclusivity of Telkom for PSTS as provided for in terms of section 36 of the Act.

On 15 October 1997 SATRA Council pronounced that:

- > IP is essentially a "routing" rather than a "switching" capability;
- > IP resides within the terminal connection equipment; and
- > It operates as an addition to the telecommunications infrastructure that already has the potential to conduct telecommunications service without any need for IP, and therefore the provision of IP constitutes an added value service to a telecommunications infrastructure.

Telkom challenged the pronouncement in the Pretoria High Court (TPD). On 8 April 1998 the court ruled in SATRA's favour on the basis that the pronouncement was simply an expression of the Authority's opinion and did not have the force of law. It also determined that it was necessary to inquire into the correctness of the pronouncement in order to properly exercise its discretion in the review. However, the pronouncement has not been set aside and therefore still stands.

On the substantive issue namely "whether Internet Protocol Access is to be provided under a PSTS licence or under a VANS licence" the judge referred it for oral evidence. To date this review application has not been heard and finalised.

Nextcom (Pty) Ltd vs Funde N.O., SATRA, Minister and five (5) others.

On 5 June 2000, Nextcom Pty Ltd approached Court on an urgent basis and was later granted orders:

- > Suspending the final determination made by SATRA and declaring it to be of no force or effect pending the final determination of a review;
- > Interdicting the Minister from acting upon the final recommendation pending the final determination of the review; and
- > Interdicting SATRA (now ICASA) from issuing a 3rd cellular licence, pending the final determination of the review.

The grounds for this review were based primarily on the following allegations:

- > The independence and impartiality of ICASA had been compromised by executive interference;
- > Two Councillors failed to disclose conflicting interests as they were required to do in terms of section 15 of the Act and they were therefore precluded from performing their functions in a fair, unbiased and proper manner;
- > ICASA failed to comply with the provisions of the Act, the regulations and ICASA's ruling on confidential information and as a result acted irregularly and *ultra vires* section 35 of the Act;
- > Notwithstanding its ruling to the contrary, ICASA unfairly permitted applicants to make material changes to their applications and then adjudicated those applications;
- > ICASA failed to take into account and to apply its mind to the relevant evidence of its own experts;
- > ICASA failed to give adequate and sufficient reasons for its recommendation to the Minister and did not comply with the obligation to give written reasons in terms of section 33(2) of the constitution;
- > ICASA's recommendation that Cell C be awarded the third cellular licence was irregular, arbitrary, unfair, unreasonable and unjustifiable;
- > ICASA's decision to refuse the application, and not recommend that Nextcom be awarded the third cellular licence, was irregular, arbitrary, unfair unreasonable and unjustifiable;
- > ICASA's evaluation of the application of Telenor was irregular, arbitrary, unfair, unreasonable and unjustifiable;
- > ICASA double-counted Nextcom's alleged weaknesses and Cell C's alleged strengths; and
- > ICASA claimed and averred that the decision to recommend Cell C for the award of the cellular licence was a unanimous one, whilst that was not the case.

Nextcom however abandoned some of the court orders granted to it, particularly the order which suspended the

Authority's final determination and interdicted the Minister from acting upon that determination. This then opened the way for the Minister to announce that the third cellular licence would be issued to Cell C.

The matter has now been set down for a full review, commencing on 9 May 2001.

Enforcement

Inspections

ICASA is responsible for the sealing and confiscation of unlicensed radio equipment, inspecting radio dealers for compliance with prescribed license conditions, and attending to complaints from licensees. During the period under review the Authority sealed or closed 5 205 files, conducted 213 Radio dealers' inspections and resolved 827 cases of interference.

The Authority confiscated different types of equipment including illegal cordless phones. Some of this equipment will be returned to its owners once all the legal requirements have been met. Certain types of equipment like scanners cannot be returned and ICASA will take a decision as to the ultimate disposal of such equipment.

Examinations

ICASA conducts examinations for the Restricted Radiotelephone Operator's Certificate. Bloemfontein is the only region that does not conduct these because of unavailability of test equipment and the very low demand for such examinations in that Region. During the 2000/2001 financial year, the authority conducted 784 such examinations, which raised a total of R23 199.00 in examination fees.

Marine Functions

The Marine functions are based at our coastal regional offices, Cape Town, Port Elizabeth and Durban. ICASA carries out marine surveys on behalf of SAMSA and conducts GMDSS examinations. ICASA also recommends officers to be appointed by SAMSA as Ship Surveyors.

For the 2000/2001 financial year, the authority carried out 627 ship surveys which generated fees of R265 302.23 and conducted 146 GMDSS examinations, generating R4 680.00 in examination fees.

Radio Monitoring

The Authority conducted various monitoring tasks on the GSM bands, particularly the 1800 MHz and migration bands, as required by the band plan, for years 0 to 3 in the SABRE I migration plan. Investigations were also done for the SABRE II Band plan. Although migration procedures have

been formulated, only minimal progress was achieved during the period under review. A migration strategy exists which aims to review the usage of radio spectrums between 20MHz and 3GHz and to produce an alternative for the future use of the spectrum, which is accepted nationally and internationally. ICASA will review this strategy on a regular basis.

Field tests were carried out to determine the effect that NICAM (on SABC 3) would have on the trunking frequencies. A field audit was done on the WLL distribution (DECT) of Telkom covering Mpumalanga, Northern Province, North-West and KwaZulu Natal.

Monitoring was also conducted to determine interference on frequencies allocated to licensees such as Eskom and Wireless Business Solutions, (which operates the national lottery) and the 35 MHz band for aircraft.

The Authority acquired a new software tool for frequency management. The automated system will enhance the efficiency of our frequency management departments, which have experienced great difficulty over the years in performing radio co-ordination of existing and additional services. Out of the various systems that were considered, it was ultimately decided that the L&S system is most suited in view of the fact that the Broadcasting division and some major licensees are already utilising this spectrum management tool.

Maintenance of the Radio Monitoring System

Plans for the maintenance of monitoring equipment were hampered by lack of resources. A contract for the inspection of the coastal masts was completed. Unfortunately, the much needed refurbishing of the masts was not possible due to lack of funds. A maintenance plan was put in place for the countrywide Radio Monitoring network.

Repair work was done on the CMO station and various other stations while software and WAN outages were also experienced. The TVL2 station was struck by lightning and two antennas were replaced.

A new strategy to perform the functions of monitoring was initiated through the Technical Committee whilst a process to develop monitoring regulations got under way during the period under review. A monitoring database was also developed and the first phase of this process was completed.

Regulations

ICASA has a responsibility to guard against any behaviour by licensees that may undermine competitiveness in the

telecommunications sector. During the period under review, the Authority worked on regulations dealing with competitive issues such as Limitations on Ownership and Control, Interconnection, Rate regime for PSTS and the COA/CAM, to name but a few.

Regulatory Accounts

The Chart of Accounts and Cost Allocation Manual (COA/CAM), lays down the principles and rules in terms of which the operators report their revenue, costs, assets and capital employed for individual services to ICASA. The contents of the COA/CAM provide a complete perspective of operators' revenue, costs, assets and capital employed, and their allocation and apportionment to individual services. The COA/CAM enables ICASA to perform its financial regulatory actions in an open, transparent, consistent and well-defined manner. Currently, only MTN and Vodacom are subject to a COA/CAM regime. The process that will culminate in the establishment of regulatory accounts for PSTS has been started and will be completed by the first semester of 2002.

Interconnection

According to Section 43 of the Telecommunications Act, the Authority has to prescribe guidelines relating to the form and content of interconnection agreements. Such guidelines were published on 15 March 2000 and later withdrawn on 15 April 2000. Their status remained unclear until the Gauteng High Court decided on 19 March 2001 that they were valid.

Rate Regime

Work on the Rate Regime for the Public Switched Telecommunication Network (PSTN) operator commenced during the year under review. Consultants to assist in this project were engaged in June 2000. A consultative process ensued which culminated in the publishing of a discussion paper on 22 December 2000. The aim of the discussion paper was to generate comments and inputs from stakeholders and the public on the current rate regime and on proposals made by ICASA regarding a new regime.

The Authority received a total of twelve written representations and heard seven oral representations. Work has now begun to translate the findings, conclusions and recommendations into draft regulations.

Radio Regulations

During the period under review, the following radio regulations were prescribed:

- > Regulations in respect of applications for radio frequency spectrum licences, radio station licences, certificates and authorities in terms of section 30 (2) (b) of the Telecommunications Act;

- > Regulations in respect of the purpose for the use of radio stations and radio frequency or group of radio frequencies in terms of 30 (1) (a) of the Telecommunications Act;
- > Regulations in respect of application fees for radio frequency spectrum licences, radio station licences, type approvals and certificates in terms of 88 (1) of the Telecommunications Act;
- > Regulations in respect of penalties for late payment of radio frequency spectrum licences, radio station licences, type approvals and certificates in terms of 88 (3) of the Telecommunications Act; and
- > Regulations in respect of transfer of radio frequency spectrum licences, radio station licences and authorities in terms of 30 (7) of the Telecommunications Act.

The regulations in respect of amendment of radio frequency spectrum licences, radio station licences and authorities were amended in terms of 30 (7) of the Telecommunications Act.

Radio Dealers' Certificates

The Authority has also amended the wording of the Radio Dealers' Certificates, which made reference to the old Radio Act of 1952.

Value Added Network Services (VANS) and Private Telecommunications Networks (PTNs) - Regulatory Framework

On 11 October 2000, the Authority published a set of draft regulations with respect to establishing a regulatory framework for Value-Added Network Services (VANS) and Private Telecommunication Networks (PTNs) in Government

Gazette No 21642 for public comment in terms of s96 of the Telecommunications Act.

Eighteen (18) written representations were received and nine (9) stakeholders made oral representations on 6 and 7 February 2001.

The Special Committee delegated to handle the process is due to make its recommendation to Council in the near future.

Enquiry into Virtual Private Networks

On 11 October 2000, the Authority initiated an enquiry in terms of s27 of the Telecommunications Act into the question of whether a Virtual Private Network (VPN) constitutes a Managed Data Network Service (MDNS) or not.

ICASA issued Notice 4043 of 2000 in Government Gazette no. 21642 requesting written representations from interested parties and the public on this question. Fourteen written representations were received on 9 November 2000 and four stakeholders made oral representations to the Authority on 23 November 2000.

The Special Committee delegated to manage the enquiry will make its recommended findings and conclusion to Council in the near future.

Amateur Radio Regulations

The Authority revised and amended the Amateur Radio Regulations. The purpose of the amendments was to facilitate the use of amateur radio, to introduce amateur radio

into the schools curriculum and to promote science and technology among young people.

The Numbering Plan

An internal research document, which examined the provisioning of future geographic number capacity and management of numbering changes, was submitted to Council for consideration. This was produced in consultation with industry via the Numbering Advisory Committee (NAC) and paved the way for the development of a new numbering plan. This plan is now under development and has been submitted to Council for consideration.

Further research is currently under way and a questionnaire was circulated to foreign regulators for input to a research document on Geographic Numbering and Number Change Management. Formal responses to the questionnaire were

received from USA (FCC), Germany, Indonesia, Italy, Singapore and Taiwan.

Several applications on number-related issues were received from the operators during the period under review. These included information requested from Telkom with regards to MEA's and used/unused ABC codes to be incorporated in schedule 3 and 4 of the draft text of the new national numbering plan document.

Bilateral meetings were conducted with Telkom to address their concerns about the draft text of the new national numbering plan. The Authority has also been involved at TRASA level on numbering issues. ICASA was responsible for consolidating responses from the SADC Numbering questionnaire.

Regulations Approved and Published by the Minister

Section of the Act	Subject	Gazette No
Sec 34 & 35	Procedure for applications for the 3rd cellular licence	20174 dated 9 June 1999
Sec 67	USF and HRF contributions	20162 dated 4 June 1999
Sec 95	Correction to radio regulations	20382 dated 20 August 1999
Sec 52	Limitation on ownership and control	19828 dated 5 March 2000
Sec 43 & 44	Interconnection and Facilities leasing guidelines	20993 dated 15 March 2000

Regulations Ready for Ministerial Approval and Publishing

Section of the Act	Subject	Status
Section 34(1)	General Manner of application for telecommunication service licenses	Still to be sent by the Chairperson
Section 30(1)(a)	Purpose of use of station	As above
Section 30(2)(b) (G10A)	Procedures for application for frequency spectrum licences	As above
Section 30(7)	Procedures for amendment of frequency spectrum licenses	As above
Section 31(2)	Procedures for permit to possess radio apparatus	As above
Section 52 regulations	Revised regulations on ownership and control of telecommunications service licenses	As above
Section 69	Function of fixed line operators regarding telecommunications facilities and works	As above

Regulations Sent to the Minister to which the Authority has not Received Response

Section of The Act	Subject	Date Sent
Section 88(1)	Application for fees for frequency spectrum	25 May 2000
Section 88(2)	Time for payment of licence fee	25 May 2000
Section 88(3)	Penalty for late payment of licence fee	25 May 2000

Regulations Under Consideration within ICASA

Section of The Act	Subject	Target Date
Section 33	Trunking, tracking, private communal repeaters, etc.	± 30 September 2001
Section 33	Mobile Data licences	As above
Section 34(1)	VANS and PTNs Manner of application	As above
Section 45	Fees and charges for the Mobile Cellular market	As above
Section 45	PSTS Rate Regime	As above
Section 49	Period for renewal of telecommunications service licenses	As above
Section 50	Manner of application for transfer of telecommunication service licences	As above
Section 51	Use of telecommunications facilities in terms of international agreements	As above
Section 54	Equipment type approval	As above
Section 55	Equipment standards	As above
Section 56	Types of equipment not requiring legislation	As above
Section 88(3)	Penalties for failure to pay frequency spectrum licence fees	As above
Section 89(1)	Numbering Plan	As above

Regulations returned by the Minister for revision by ICASA

Section of The Act	Subject
Section 66(4)	Categories of Needy People

Universal Service

The issue of Universal Service has come under serious scrutiny in most countries in recent years, and policies have been put in place to ensure that Universal Service is defined as well as funded in an appropriate manner. Although these experiences have developed in the context of different environments, they point toward possible future developments in South Africa.

The Department of Communications, in consultation with all stakeholders including ICASA, held a colloquium in March 2001 to discuss among others:

- > The Universal Service Agency and its role in relation to the Authority;
- > The Universal Service Fund and how universal service goals can be properly funded; and
- > Providing operators with more bandwidth so as to address the digital divide through increased obligations.

The colloquium is expected to culminate in the drafting of new policy direction and amendments to the Telecommunications Act.

Constraints

The following projects could not be undertaken due to limitations of funding and other resources:

Community Service Obligations

The Authority could not conduct an audit into community service obligations of Vodacom and MTN due to lack of financial and human resources. The audits were due on the fifth anniversary of the incumbents, in terms of the conditions of their licences.

Network Quality of Service

The Authority could not conduct Quality of Service (QoS) audits, on Vodacom, MTN and Telkom's networks due to lack of financial and human resources.

Computerised complaints system

The Authority urgently needs a computerised complaints system. Presently all complaints are being handled manually. This poses a lot of cumbersome administrative challenges. An appropriate computer system will have to provide comprehensive case registration capabilities, workflow and reporting capabilities as well as allowing basic registration of information.