

Chairperson's Review and Highlights of the Year



Chairperson, Paris Mashile
(1 July 2005 - 30 June 2010)

I hereby present to Parliament the Annual Report of the Independent Communications Authority of South Africa (ICASA) for the financial year 1 April 2005 to 31 March 2006.

Suffice to say that the period under review has been eventful, with gigantic challenges and daunting tasks. This notwithstanding, we at ICASA believe that we rose to the occasion as perusal of the detailed annual report will testify.

Despite the setback of losing senior managers in the past year, the Authority has not just managed to keep afloat, but went on to deliver convincingly on its mandate to licence and regulate the communications sector.

Top of the list of achievements, was the eventual licensing of the Second Network Operator (SNO). The introduction of competition and choice in the public switched telecommunications market should augur well for both consumers and the country's economy.

On the broadcasting front, ICASA amended SABC licences to reflect the re-organisation of the corporation into public and commercial entities, and licensed 12 Community Radio Stations in the Nodal Points of the government's Integrated Sustainable Rural Development and Urban Renewal Programme. ICASA also invited interested parties to apply for broadcasting licences to provide commercial radio services in Limpopo, North West and Mpumalanga. More choice in content is expected from the licensing of Satellite Broadcasting Services as well.

Milestones in the policy development arena include the Community Radio Policy Review, the Numbering Policy Framework, Number Portability and the regulation of Standards. Public comment and input is being received and analysed in areas of Handset Subsidy, Fixed Wireless Access and Mobile Pricing, to mention but a few.

At the time of the compilation of this report, a new regulatory framework for the communications sector was being outlined in the form of the Electronic Communications Act and the ICASA Amendment Act.

The former provides the basis for a licensing and regulatory environment for converging services and technologies, and the latter for the incorporation of the Postal Regulator from the Department of Communications (DoC) into ICASA and an increase in the number of Councillors from seven to nine.

In the new financial year, ICASA will be pre-occupied with implementing the two Acts of parliament, and the creation of a new regulatory environment for the converging communications sector – over and above on-going Medium-Term Expenditure Framework (MTEF) regulatory projects initiated in the previous financial years.

The two Acts of Parliament bring in their trail cost implications, as well as organisational re-alignment in terms of their implementation. ICASA welcomes this new mandate with open arms, and looks forward to implementing it with renewed vigour and determination.

Despite the challenges of implementing the new regulatory environment, ICASA's key focus areas are to:

- Regulate the communications sector in the public interest;
- Regulate the communications sector in support of national economic and social goals;
- Position communications as a sector of choice for both local and international investors;
- Promote innovation, competition and choice within the communications sector; and
- Promote universal service and access, as well as affordability of services.

I would like to express my greatest appreciation and thanks to:

- His Excellency the President for taking me into his confidence and trust in appointing me as the skipper of the organisation;
- The Minister, Deputy Minister and the Director-General of the DoC for their sustained support; and
- The Portfolio Committee on Communications for its continued oversight role, advice and support.

I would also like to pay my gratitude to the broader public and consumers of communication services, as well as industry players and all other stakeholders for their forbearance and understanding.

From ICASA's side, I would like to thank my predecessor, Mandla Langa, for anchoring and laying the foundation for this organisation as well as the outgoing Councillors for the legacy they have bequeathed.

I am indebted to fellow Councillors, management and staff at ICASA for their sacrifice, endurance and support – without them, delivery on the Authority's mandate would not be possible.

Finally, I would like to point out that the terms of office of Councillors Bulbulia and Mohlala were extended by 45 days to 14 August 2006, pending the appointment of new Councillors.



Paris Mashile
Chairperson

Highlights of the Year

In summary, the Authority has delivered on its mandate with regard to the following licensing and regulatory projects:

- Community Radio Policy Review;
- Licensing 12 Community Radio Stations in the Nodal Points of the Integrated Sustainable Rural Development and Urban Renewal Programme;
- Granting Radio 702 an FM licence;
- Amendment to the KAYA FM licence;
- Amendment of the P4 licences, in Cape Town and Durban;
- Amendment of the Orbicom licence;
- Publication of Regulation and Invitation to Apply for Subscription Broadcasting Services;
- Analysis of Commercial Radio Secondary Market Applications;
- Self Help Regulations;
- Granting of Special Events Licences;
- Code of Practice for Telecommunications and Broadcasting sectors;
- Licensing the Second Network Operator;
- Amendment to the WBS licence;
- Approval of several telecommunication operators' tariff lodgements;
- Licensing of Value Added Network Services (VANS);
- Processing Cell C's Third Generation (3G) application;
- Licensing Frequency Spectrum Operators;
- Facilitating the Square Kilometer Array (SKA) bid;
- Numbering Plan Framework;
- Mobile Number Portability;
- Mobile Chart of Accounts and Cost Allocation Manual (COA/CAM);
- Type Approval; and
- Regulation on Standards.

The Authority is currently processing the following regulatory projects:

- Under-Served Area Licences (USALs) for Phase 3;
- Secondary Markets Broadcasting Applications;
- Invitation to Apply on Community Sound Broadcasting;
- Invitation to Apply on Subscription Broadcasting;
- Interconnection and Facilities Leasing Guidelines;
- Handset Subsidy Regulations;

- Mobile Pricing;
- Telkom Licence amendment process;
- Swiftnet Licence amendment process;
- Proposal before the Minister to amend Broadcasting Ownership and Control regulations;
- Invitation to Apply on Community Television; and
- Broadcasting licence renewals.

Meanwhile, the Authority has invited public comments on:

- 5.725 – 5.875 GHz for Broadband Fixed Wireless Access;
- Broadcasting and non-broadcasting operators;
- Asymmetric Digital Subscriber Line (ADSL) Satellite Licensing Framework;
- Possible Sharing of the 800 MHz Frequency Spectrum between broadcasting and non-broadcasting operators;
- ADSL Draft Regulations;
- Draft Regulations and Guidelines on Interconnection and Facilities Leasing;
- Handset Subsidy Enquiry; and
- Mobile Pricing Enquiry.