

Attention: Ms Refilwe Ramatlo

Digital Dividend and Digital Migration Committee
Block A, Pinmill Farm, 164 Katherine Street, Sandton

Re: Government Notice 532 Electronic Communications Act (36/2005) Draft
Digital Terrestrial Television Regulations

ICASA is to be congratulated for the expansive and visionary position it has adopted on the enablement and regulation of digital terrestrial broadcasting. As stated by the Chairperson of ICASA in his introduction, the Authority has clearly sought to ensure that competition is promoted and provision is “made for a range of different but sustainable services to benefit both the public and the broadcasters” (Explanatory Memorandum Paragraph 4 Background and Reasons).

Without sounding churlish and ungrateful for the opportunity presented to prospective new entrants to commercial television broadcasting by the proposed use of the second Mobile Television Multiplex as a Third Digital Terrestrial Television Multiplex, we would however like to raise two principal concerns in respect of the above-mentioned regulations. The first relates to the scope of the changes proposed and the second to the licensing process as encapsulated in the ITA for Commercial Subscription Television. It is the Authority’s view “that given the current limitation in the broadcasting plan, it is essential to redesign the second Mobile Television Multiplex to create the Third Digital Terrestrial Television Multiplex to accommodate the needs of future services in the short to medium term during the dual illumination period” (Explanatory Memorandum Paragraph 4 Background and Reasons).

Our position is essentially that this is a partial and incomplete solution, which fails to address the potential for new television services and content, sector competition and innovation which digital terrestrial television represents. It is our considered view that the Authority should make use of both mobile multiplexes as Digital Terrestrial Television Multiplexes for the provision of digital terrestrial television believing there are compelling and irrefutable reasons for doing so. As things stand the first Mobile Television Multiplex is reserved for the use of mobile terrestrial broadcasting. Two licences have been issued for the provision of DVB-H services to Multi Choice and E- Sat for the provision of Digital Video Broadcasting Hand held (DVB-H) services and take up of the service, as in most jurisdictions where it has been licensed, has been exceptionally low. It is estimated that there are substantially fewer than 100,000 subscribers to the service. Of concern and an additional inhibitor to the take up of the service has been the ongoing dispute with DVB –H licensees as to whether DVB-H devices, require licensing as is the case with all other receivers of broadcast television.

The Authority has in line with government policy has adopted a broadcasting plan based on the DVB-T2 standard and MPEG4 compression standard for digital television for South Africa. This digital broadcasting standard which will be used

for satellite and terrestrial broadcasting by Sentech, the common carrier signal distributor on MUX 1 and MUX2 and the repurposed Mobile MUX 2, the envisaged MUX 3. These same MUXES can be configured for the provision of mobile sound and television broadcasting in addition to digital terrestrial and satellite using the DVB-T2 LITE standard, the mobile broadcast platform for DVB-T2. Sentech is both ready and capable of delivering such services on its current DVB-T2 platform.

The Authority is of the opinion that twenty one (21) standard definition channels or approximately six (6) high definition channels can be delivered using the applicable DVB-T2 standards and MPEG 4 compression, with at least 85% population coverage achieved per MUX (Explanatory Memorandum Paragraph4). There is no reason why the capacity and coverage cannot be extended to all four existing MUXES (the two DTT and two mobile muxes). The benefits attendant on this are that an additional 21 or six channels can be made immediately available to would be competitors to the incumbents on a common platform basis. In addition this can be done without the loss of the mobile television broadcast rights held by DSTV and E-Sat. The only limitation being that the broadcast standard applicable would be the DVB-T2 LITE standard. The benefit of a switchover would be the prospect of an early and extensive deployment of mobile radio and television broadcasting on all available MUXES.

This may have been anticipated in Section 6 Multiplex Allocation – Multiple 3 2(c) where it is stated that “Ten percent (10%) (of the available capacity)will be made available to commercial sound service licensees through an Invitation to Apply for a Radio Frequency Licence in terms of the Radio Frequency Spectrum regulations as published by the Authority from time to time.” Any licensed radio service delivered off a DVB-T2 MUX will of necessity be a DVB-T2 LITE service. Not only can sound broadcasting be delivered in this manner but also in addition so can mobile television services. As stated earlier these envisaged services can also be extended to all MUXES.

This inevitably raises concerns about the licensing process envisaged. We are currently in the midst of a licensing process initiated by the Authority. The invitation to apply (“ITA”) contained in GG 34999 is intended to enable the licensing of Individual Commercial Subscription Broadcasting. Whoever is awarded the technology neutral license in terms of the ITA will have the right, within the licence area, to provide either subscription satellite, cable, terrestrial or mobile broadcast services as he or she deems fit. Technology neutrality will, in respect of fixed and mobile digital terrestrial broadcast services, be limited to the scope of what is possible within the parameters of the applicable DVB-T2 standard. In similar vein the envisaged ITA for free to air Commercial Broadcasting Services, will when the dual illumination period is over, permit the licensee to provide free to air digital satellite, terrestrial and mobile television and sound broadcast services.

The required flexibility to provide such services is however limited in general terms by the failure to address the provisioning of a mobile sound and television

standard within the DVB-T2 standard. It is not known how mobile sound and television services other than those provided by licensed incumbents on Mobile MUX1 using the DVB – H standard are to be provided. This, in circumstances when there is ample scope to provide mobile sound and television broadcast services on all MUXES using the DVB-T2 standard. A further limitation would be the provision in the draft regulations' Section 6 2(c) assigning the right to provide sound broadcasting on the envisaged MUX 3 to licensed incumbents.

The draft regulations hold out the tantalising possibility of re-imagining the landscape of what is possible in terms of both subscription and free to air sound and television broadcast services. They also hold out the potential of an increase choice in service provision and in service providers as well as of content, hopefully of a determinedly local character. However for this to ensure the Authority will have to make a clear decision to break with the past and use the opportunity presented by common digital broadcast and signal distribution standards, open access and the prospect of interoperability to introduce the required increase in choices and competition into the South African broadcasting market.