

PRIMEDIA'S REPRESENTATIONS ON ICASA'S DRAFT DIGITAL TERRESTRIAL TELEVISION REGULATIONS

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Team

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- Background and reasons to the Draft Regulations
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- Allocation of multiplex 3

OVER VIEW OF THE PRESENTATION

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Background and Reasons to the Draft Regulations

- Unclear licensing process – paragraph 4 of the explanatory memorandum envisages an ITA for “a new free-to-air commercial television licence”
- Relative to this process; what is the status of the current commercial television and sound broadcasting ITA published in February 2012?

Background and Reasons to the Draft Regulations

- Status of and clarity on mux 3 - is it only new services that are to be allowed?
- Status of incumbent sound broadcasters in the Digital era – are they to be allowed to migrate from analogue to digital during the performance period?
- It is important that ICASA establishes fair, transparent and equitable rules in respect of all services on DTT and in respect of signal distribution services to DTT.

Multiplex 1 and 2

- Clarity on the nature of licence rights permitted on DTT
 - Same set of licence rights as currently enjoyed in terms of television broadcasting?
 - or
 - A new set of rights which for the incumbent television broadcasters is intended to include sound broadcasting rights?
- The seemingly and automatic assumption by incumbent TV licensees of sound broadcasting rights on the DTT platform

Multiplex 1 and 2

- If ICASA intends that the introduction of new TV rights should include sound broadcasting then this amounts to:
 - Inequitable treatment of incumbent sound broadcasting licensees resulting in prejudice to those sound broadcasters who have no links to incumbent television broadcasters or access to an independent TV platform
 - Inequitable access to the DTT platform

Multiplex 3

- 10% allocated for commercial sound broadcasters through an ITA
- Seemingly differential treatment between incumbent sound broadcasters with ties to incumbent television licensees and those with no such ties

Multiplex 3

- No clarity on whether mux 3 is ready for use, whether the infrastructure is in place or still to be built
- We know that 189 transmitters are dedicated to the provision of 85% coverage on mux 1. However, it is not known if equivalent standards of coverage and quality will apply to the provisions of services on mux 2 and 3
- No clarity on how mux 3 is to be financed or constructed

Multiplex 3

- 40% and 50% allocation to subscription television and free to air television respectively and 10% to commercial sound and reference to ITAs for all three services
- Confusion as to the status of current ITA process underway – does it to apply to DTT?

Signal Distribution

- Sound broadcasting can only be inferred in the heading of Regulation 13(1)
- The rest of regulation 13 which deals with signal distribution in detail. It is silent on the provision of signal distribution services to sound broadcasters
- Clarity sought – will the provisions that apply to television similarly apply to sound broadcasters?

General Obligations

- Regulation 16(3) makes provision for licensed sound broadcasters to be accommodated on the muxes “subject to a commercial agreement” with TV licensees
- Would it not accord with the service provision framework to seek such services from the ECNS provider?
- Need mechanisms to guard against anti-competitive behavior by TV incumbents in favour of sound broadcasters with ties to them

Efficient use of spectrum

- M-Net has proposed the allocation of the remaining 10% of frequency reserved for future use on mux 2 to themselves.
- The proposal puts into play a number of issues that have to date not been canvassed:
 - Use of mobile mux 1 - DStv is one of the two licensees and is the only provider of such services on this mux and extend of the usage of the service is not known
 - The services are provided on a terrestrial std that does not accord with the DVBT-2 and mpeg 4 standard applicable to all other muxes

Efficient use of spectrum

- It is also known that a mobile DVBT-2 service LITE can be provided from all 3 muxes with a view to efficient use of frequency spectrum.
- We propose that ICASA looks into converting mobile mux 1 into a DVBT-2 mux as this will enable competition, accommodate the large number of aspirant digital broadcasters and allow for common interoperable standards in the provision of digital services.

Efficient use of spectrum

- The conversion of mobile mux 1 also has the additional benefit of facilitating competition.
- We believe that it is only on this basis that M-Net's proposal should be considered.

Efficient use of spectrum

- Our proposal with regard to the efficient use of the frequency spectrum is in line with the Chairman's statement made on 21 August that the Authority wants the process to allow for more participation so that greater value may be extracted from it.
- Our proposal will also ensure that it is attractive to consumers and will facilitate the acquisition of set-top boxes in a manner that incentivises migration.

CONCLUSION

- In finalising the Regulations, we implore the Authority to ensure equitable treatment of all incumbent broadcasting licensees:
 - equitable and transparent access to digital broadcasting capacity inclusive of equitable treatment of incumbent sound broadcasting licensees
 - Ensure the commercial viability of all the muxes including mux 3
 - Ensure efficient use of the frequency spectrum even in the digital era

Conclusion

- With regard to the transition period, it is important that we have a clear start and end date and it is also imperative that it be made clear the end date cannot be at the discretion of any licensee.
- While we acknowledge that the Minister has the responsibility to declare the start date of the transition period, we ask that the Authority must recognise its specific obligations and responsibilities with regard to the transition process.

Conclusion

- In terms of the Policy, the transition is for a fixed period of 2 years and we request that all the steps necessary for the licensing of new digital broadcasters must have been attended to within the 2 year transition period so that at the end of the period new entrants may be licensed accordingly.

Thank You

