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PULPIT MEDIA GROUP

Attention: Mr Ndumiso Dana
ICASA
Email: ndana@icasa.org.za

6 June 2018

Dear Mr Dana

RADIO PULPIT: FORMAL RESPONSES TO THE DISCUSSION DOCUMENT ON DIGITAL SOUND BROADCASTING

1. INTRODUCTION

1.1. The Pulpit Media Group (PMG) makes the following submissions in response to the Discussion Document on Digital Sound Broadcasting contained in Notice 161 published in Government Gazette No. 41534 dated 29 March 2018 ("the Discussion Document") the date for submission of which is today, 6 June 2018 as confirmed with yourself.

1.2. PMG thanks ICASA for the opportunity of providing it with these submissions and requests the opportunity to participate in its oral hearings in relation to the Discussion Document in due course.

1.3. PMG is of the view that it is well-placed to make substantive submissions on the issue of digital sound broadcasting given its role, as ICASA is well aware, in spearheading DRM test licensing in South Africa.

1.4. At the outset PMG wishes to congratulate ICASA on taking the initiative to begin public discussions on digital sound broadcasting. PMG is of the view that South Africa, with its mix of urban and rural populations and its 11 official spoken languages, will be a prime country for the rollout of digital sound broadcasting, both DAB and DRM. PMG is of the view that it is likely, eventually, that the rollout of digital sound broadcasting will be much more successful than the rollout of digital terrestrial television (DTT) given the digital dividend in expanded national coverage of language services that will eventuate.

1.5. PMG does not intend to deal with every issue raised in the Discussion Document, instead we shall focus on what we consider to be the key issues relevant to digital sound broadcasting. We trust this to be in order.

2. AD QUESTION 1:

2.1. PMG is of the view that there is a definite need for the introduction of digital sound broadcasting (DSB) technologies in South Africa.

2.2. As ICASA is well aware, the FM spectrum is full and few if any additional services can be licensed to broadcast on FM spectrum (this was one of the reasons for the recent community broadcasting moratorium) and is a barrier to new entrants. Further, analog AM broadcasting (that is broadcasting on MW) is not considered viable for most (that is public and commercial broadcasting services) given the generally poor sound quality that results.

2.3. However, the needs of the South African public are simply not being met through the existing sound broadcasting services that are available. This is because of the language diversity that exists in South Africa. We have 11 official spoken languages and only two or three of these are available on a national basis. Far too many languages, particularly indigenous ones, are marginalized in that they are often available only in former Bantustan areas. This contributes to the *de facto* continuation of the Apartheid era broadcasting patterns for black language services.

2.4. There is a hunger for mother tongue programming among South Africans and yet, for example, a Tshivenda speaker living in Cape Town is unlikely to be able to listen to sound programming in Tshivenda unless that service is streamed over the Internet. PMG is of the view that DSB promises an array of services for all language speakers wherever they may be in the country.

2.5. DSB could, as spectrum-efficient technology, unlock a wide range of economic activity and resultant job creation as a result of increased competition and investment, including in respect of the possible assembly or even manufacture, of digital receivers.

2.6. We are excited that ICASA makes reference to DSB "technologies" as this indicates that ICASA is aware of the need to promote DSB as a whole and to ensure that both DAB and DRM standards are available to the population of South Africa. In this regard, we think it's critical to point out that while DAB is appropriate for built-up urban areas, much of South Africa remains rural with a significant proportion of the population living in rural areas. Consequently, DRM is required, as well as DAB, to meet the digital sound broadcasting needs of the country.

2.7. Further, we are of the view that DSB contributes to making a more efficient broadcasting environment as a result of being more energy efficient and, in the case of DRM, cheaper signal distribution costs.

3. AD QUESTION 2

3.1. South Africa, as member of the International Telecommunications Union (ITU) is bound by the international agreements and regulations as dictated by, and in order to facilitate and harmonise, frequency plans and is therefore guided by the DSB standards that have already been adopted for Region 1 of the ITU, namely: DAB and DRM.

3.2. In addition to the standards listed in paragraph 3.2.6, the relevant standards applicable to DRM (ETSI ES 201 980 "Digital radio Mondial (DRM) System Specification as well as ETSI TS 102 349 Digital Radio Mondial (DRM) Receiver Status and Control Interface (RSCI)) must be considered for adoption and be included in the National Standards.

~~3.3.~~ Based on fact that DBS technologies can be implemented to operate within the standarised and existing frequency plans, in particular those allocated for AM and FM broadcasts, and can thus co-existing and operate simultaneously with analogue devices, consideration must be given to ensure that multi-standard receiver technology is mandated in order to ensure the availability of services to consumers by being able to receive both the analogue and DSB formats.

3.4. Further, PMG wishes to point out that while DAB requires spectrum to be freed up as a result of the migration from analogue terrestrial television to DTT, this is not the case for DRM (DRM30 and DRM+). Consequently, PMG is of the view that ICASA must proceed to license DRM-based services in order to encourage receiver set take up. In this regard, PMG is of the view that receivers ought to be mandated to be multi-standard capable of receiving both DAB and DRM services.

4. AD QUESTION 3:

4.1. PMG is of the view that technological neutrality has been and is a key objective of the Electronic Communications Act, 2005 (the ECA).

4.2. Consequently, PMG is of the view that ICASA should proceed to provide licenses for DAB and DRM technologies even in the absence of formal DSB policy directives from the Department of Communications (DOC).

4.3. In this regard, both DAB and DRM have been accepted by all BRICS countries and have been formally adopted by Region 1 of the International Telecommunications Union (the ITU), the region in which South Africa is situated. PMG would caution against other technologies being licensed in South Africa as these would not be appropriate for Region 1 of the ITU.

4.4. PMG notes the provisions of paragraph 3.3.8 and queries why the Third Trial Licence Report has not been made public. We are of the view that an update of this section to include the findings of the Third Trial Licence Report must be contained in the Position Paper that results from the Discussion Document.

4.5. That South Africa, as part of region 1, should adopt the same DSB technology as the rest of the region in order unlock benefits of economies of scale in terms of numbers receivers, as well as fact travelling with the region (eg within SADC) the technologies should bridge borders in order extend and continue services beyond physical borders as limited by network planning and coverage parameters. Thus allow the population to economic benefit of use by using the same receiving device anywhere within the region.

4.6. The adoption of common DSB standards within the region and across different jurisdictions will ensure faster uptake of receivers, which will unlock socio-economic benefit of reducing the unit cost of receivers.

4.7. Market research that PMG had done shows demand and local receiver manufacture capability, and adoption of common DSB standards within the region will stimulate demand and up take of DSB services and un-lock additional socio-economic benefits through local receiver manufacture/assembly and related activities.

5. AD QUESTION 4:

5.1. PMG is of the view that the concept of adopting the:

5.1.1. DAB standard must include DAB+; and

5.1.2.DRM standard must include DRM30 and DRM+.

5.2. However, other standards adopted in other Regions of the ITU ought not to be adopted as they are not appropriate for our Region (Region 1) and there is a need for a certain amount of standardisation for DSB in the country. In this regard we think it instructive to note that the Communications Regulators Association of Southern Africa (CRASA) has already agreed that no DSB standards other than DAB and DRM standards ought to be licensed in the SADC region.

5.3. The adoption of DSB technologies other than DAB+ and DRM will disrupt communications and socio-economic activities and receiver market potential within the region

6. AD QUESTION 5:

6.1. PMG is of the views that it makes no sense to restrict a DSB network to a single or a multi-frequency Network. Both DSB technologies (DAB+ and DRM) can operate in a Single or Multi-frequency network configuration. Consequently both ought to be allowed and licensed as the case may be.

6.2. **We are of the view that table 4 on page 24 is a bit misleading as the third row of that table ought to read as follows:**

DSB allocations	**All the above plus 174 – 230 MHz**	**GE06 Africa, Europe and parts of Middle East**

7. AD QUESTION 6.1:

7.1. PMG is of the view that ICASA should never consider licensing only one DSB mux operator. This would of course constitute a monopoly which opens the door to abuse of monopoly power and a lack of variety of service providers and customer-focused incentives.

7.2. PMG is of the view that the digital dividend can only be realised as a result of the efficiencies that arise from a diversity of service providers all competing to provide the best service at the lowest price.

8. AD QUESTION 6.2:

8.1. PMG is of the view that this is a critically important question that ICASA is posing here.

8.2. In principle, PMG supports a total switch-off of traditional analogue AM and FM sound broadcasting services because this is the only way to achieve the full benefit of the digital dividend through alleviating spectrum congestion particularly in the FM bands.

8.3. However, PMG recognises that few countries internationally have achieved a total switch off of analogue sound broadcasting services. Consequently, PMG respectfully suggest that ICASA should adopt a "wait and see" attitude to this issue because if digital sound receiver sets become generally affordable and there is no listener backlash to a proposed total switch-off, there would be no reason not to have such a total switch-off.

8.4. Further, PMG is of the views that there may well be socio-economic tradeoffs given that sound broadcasting one of the primary means of accessing information in the rural areas and the cost of DSB receivers will be a factor. While initially affordability may be an issue, this can be addressed through some subsidy/marketing process to reduce receiver cost and stimulate take-up.

9. AD QUESTION 7:

9.1. PMG is of the view that the proposal makes little sense in South Africa. The primary markets is where there is most FM congestion and so the problems that arise in respect of dual illumination would hinder and delay DSB rollout.

9.2. PMG respectfully submit that the critical issue is not to focus on primary versus other markets but to roll out DSB where ever it is possible to do so from a spectrum point of view. Indeed, it has long been recognised by South African policymakers that the needs of rural people have been marginalized. Dual illumination should be allowed for broadcasters to provide both an analogue and a DSB service. In the case of DRM, it would be immediately possible given the lack of spectrum scarcity in the AM bands and would bring immediate benefits to the needs of the currently-marginalised rural population.

9.3. PMG respectfully takes issue with the International Benchmark exercise reported on in paragraph 5 of the Discussion Paper. In this regard:

9.3.1. PMG questions the wisdom of focusing on developed countries such as Australia, the United Kingdom, the United States of America and Singapore rather than on other developing countries, for example the BRICS nations, given the importance of economic realities to the roll out of DSB.

9.3.2. PMG also questions the wisdom of focusing on three countries in ITU Regions outside of Region 1 and on only one country in our Region 1, particularly in respect of DSB standards issues.

9.3.3. PMG questions the wisdom of focusing on countries that are essentially mono-lingual (as is the case with all countries bench-marked) when South Africa has 11 official spoken languages. To ignore while the language needs of the population and the potential of DSP to address these challenges, ignores one of the fundamental rationale is for why DSB ought to be introduced as soon as possible in South Africa.

9.3.4. PMG questions the wisdom of including Singapore in any International Benchmarking exercise on DSB given that it is an extremely small territory that is almost entirely urbanized. Such a country cannot provide a useful benchmark for a country like South Africa which has a large territorial area, much of which is rural. Consequently the fact that Singapore has chosen to licence only DAB makes complete sense for Singapore but cannot be a useful comparator country for South Africa which clearly requires DRM in addition to DAB in order to cover sparsely populated rural areas.

9.3.5. The roll out of DSB services should not be held back and be dependent on full DTT migration, as the case may be for DAB+ which require spectrum to become free, however as DRM, which fits into the current frequency plan, should be allowed to roll out DSB services immediately.

9.3.6. Indeed, some broadcasters, especially those that bear high transmission costs, might want to migrate to DSB as soon as possible to make use of the reduced transmission costs that can be achieved though the DSB technology.

10. AD QUESTION 8:

10.1. PMG is of the view that licensing new DSB licensees is essential to broach the digital divide that exists in the country, particularly in respect of community and public broadcasting services.

10.2. However, PMG recognises that in urban areas it may prove difficult to license new DSB licensees given the spectrum scarcity that exists in the FM frequency bands and delays in full DTT migration. Nevertheless where DRM can be utilised on the MW frequency bands, this should be proceeded with.

11. AD ANNEXURE A: ADDITIONAL QUESTIONS FOR BROADCASTERS:

11.1. Ad Question 1:

11.1.1. Broadcasters expect to be able to provide enriched multi-media services to their listeners as a result of DSB. These additional value added services would create exciting opportunities for broadcasters.

11.1.2. Broadcasters are concerned about being unable to promote the adoption of digital radio receiver sets because no DSB licences are currently being granted by ICASA. Such licences are essential in order to begin the rollout of receiver sets and the take-up thereof by the public.

11.2. Ad Question 2:

PMG is of the view that DSB will enhance the listeners experience as a result of the quality of the sound and the interactivity of additional services.

11.3. Ad Question 3:

PMG respectfully submits that the implementation of DTT will not have cost implications for DSB other than the costs of listener/audience education to promote the take-up of digital sound receiver sets

11.4. Ad Question 4:

PMG is of the view that the most important issue that concerns it is the possibility of ICASA inadvertently creating monopolies and holding back the rollout of DSB when spectrum is in fact available. For example, if MW spectrum is in fact available there would be no harm in licensing DRM services first and licensing DAB services once spectrum does become available.

11.5. Ad Question 5:

PMG is excited about the business opportunities presented by DSB.

11.6. Ad Question 6:

As ICASA is aware, PMG has been extremely involved in the testing of DRM and its detailed tests results report has been submitted to ICASA.

11.7. Ad Question 7:

N/A.

11.8. As Question 8:

PMG is of the view that additional sound broadcasting services through the licensing of DSB would stimulate a variety of economic activity such as additional programme production.

12. PMG thanks ICASA for the opportunity of making these submissions. Please do not hesitate to contact the writer should you have any queries.

Kind Regards

Yours Faithfully

Dr Roelf Petersen

Managing Director: Pulpit Media Group (PMG)