

ICASA's Public Hearings:

**SABC's Oral Submissions to the Draft
Digital Migration Regulations 2025.**

29/30 September 2025



Everywhere for Everyone, Always

Team

Presentation led by:

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Introduction

- ❖ The SABC would like to **thank the Authority for the opportunity** to make this oral **presentation on the Draft Digital Migration Regulations 2025.**
- ❖ As the Public Broadcaster, our **mandate is to render TV and Radio services to all South Africans in all corners of the country.**
- ❖ South African **audiences should be able to access SABC content regardless of where they reside in the country,** and through whichever **technology and platform is available to them to access** this content.

Overview

- ❖ **Part A – Highlights of the Draft Regulations.**
- ❖ **Part B – Draft Regulations key concerns.**
- ❖ **Part C – SABC's responses to submissions of other entities.**
- ❖ **Part D – Concerns on the status of DTT.**

PART A: Highlights of the Draft Regulations

Highlights

- ❖ We **appreciate that most of the SABC's responses/proposals to the Authority's Questions and Discussion Document on the review of the DTT Regulations have been considered** in the Draft Regulations.
- ❖ The **removal of the DTT/DTH split not only promotes a technology neutral environment but promotes the achievement of a 100% population coverage** with convenience and comfort **through multiple technologies** such as OTT and DVB-T2 Lite. This is a welcomed change to the Draft Regulations.
- ❖ **The 100% allocation of MUX 1 to the SABC and allocation of an additional MUX is also welcomed.**
- ❖ **Separation of MUX Operator and Signal Distributor functions is welcomed.**
- ❖ Therefore, **this presentation will deal with the following:**
 - The **36 months period for the “use it or lose it” principle;**
 - The **Channel Authorization Process;**
 - **Rollout and availability of set top boxes;**
 - **Penalties.**

PART B: Draft Regulations Key Concerns

Use it or Lose it Principle

- ❖ The 36 months prescribed for the **“use it or lose it” principle is not in line with future expansion prospects of a Public Broadcaster**. A special dispensation should rather be extended towards the **Public Broadcaster to be able to provide services relevant to the public as and when the need arises within the allocated spectrum at any given time**.
- ❖ We further suggest that licensees be rather granted **condonation in cases where they cannot fully use the allocated MUX capacity due to external factors or financial challenges** or any good cause.
- ❖ The **future expansion prospects of a Public Broadcaster in the DTT space is also dependent on the** digital migration process and availability of Set-top-boxes (STBs).

Channel Authorisation Procedure

- ❖ The Draft Regulations provides that ICASA may hold public hearings as part of the Channel Authorisation Procedure. **Holding public hearings will lengthen the channel authorisation process for broadcasters** except for Community Broadcasters which are excluded from this provision.
- ❖ Whilst it is appreciated that the Authority has not initiated public hearings during the implementation period; **it is equally important to remove the said regulation with the view to level the playing fields and foster certainty**, as this will allow broadcasters to be agile and responsive to audience needs.
- ❖ **Public hearings may perhaps be held in exceptional circumstances where some clarification is needed** from broadcasters.
- ❖ The **SABC welcome fair and equal treatment between licensees** for execution of the channel authorization process.
- ❖ **Regulations should level the playing fields and foster certainty**, as this will **allow for agility and responsiveness to audience needs.**

Signal Distribution of DTT Services

- ❖ The **proposal for the Regulator to invite other ECNS licensees to apply for the provision of services to a broadcaster** due to the failure to comply with signal distribution stipulations **is viewed as interference in the operations of broadcasters and has no legal basis..**
- ❖ The SABC has reservations about this proposed action being followed in its entirety. **Broadcasters should be independent to run their operations without interference from The Regulator.**
- ❖ We **propose a tariffs structure for the signal distribution market instead of individual broadcasters.**
- ❖ It is also **advisable to have these regulations aligned with the upcoming signal distribution regulations for ease of execution.**

Penalties

- ❖ The **penalties proposed for contravening the regulations are too steep**. A proportionate fining mechanism should rather **be employed to specific contraventions instead of a blanket fine** being imposed.

- ❖ The **nature of the offence should be proportionate to the penalty**:
 - a) For an example, a **R500 000 penalty for not applying for channel authorization might be deemed unreasonable**;
 - b) **similarly, a R500 000 penalty for non-provision of an EPG may be deemed too excessive and unreasonable**;
 - c) Thus, it submitted that a **minor offense should not receive such a severe penalty**.

PART C: Responses to others' submissions

Spectrum usage

❖ **eMedia:** The reallocation and **granting the SABC two Muxes**, means that the SABC has **increased its percentage allocation of a Mux (or Muxes) from 85% to 200%**, being an **increase of approximately 135%**.

❖ **SABC Response:**

- a. The **SABC is the only licensed public broadcaster in the country with the incomparable and wide public service mandate** of educating, informing and entertaining all members of the public, in all official languages.
- b. The **current 3-tiers of broadcasting systems exists to differentiate the existing types of licensees and this system is also supported by the AAVCM Draft White Paper.**
- c. Thus, the **SABC should be allocated more capacity to deliver on this wide mandate.**
- d. The SABC is **in a process to grow its channel offering to ensure that no South African language is marginalised.**

Spectrum usage

❖SABC Previous Response

The Corporation has proposed, in response to Question 2, that it is allocated 2 MUXes. That is, it is proposing that the current Mux 1 allocation where it has the highest percentage capacity allocation of 85% be increased to 100% and 100% of the capacity of another additional Mux of Mux 4. The Community Broadcasters should be allocate a dedicated Mux for themselves as shown below:

Mux	Capacity	Broadcaster
1	100%	SABC
2	100%	Etv and DSTV
3	100%	Commercial
4	100%	Community Broadcasters
5	100%	SABC



Use it or lose it principle

❖ **MMA and Sentech** proposed that licensees be granted **24 months to fill the allocated mux capacity.**

❖ **SABC Response**

- a) The **BDM Policy was developed in 2008 and to date the process has not been finalised.**
- b) This process has been marred with a lot of **delays (i.e. inaccessibility of STBs, slow process of STB roll-out, litigation and may other challenges).**
- c) Thus, it will be difficult to plan for **new channels with the existing regulatory and policy uncertainty.**
- d) **The costs of the channels are also a challenge that need to be factored in on the channel growth plan.**

Use it or lose it principle

❖SABC Current and Previous Position:

- a) There are **high costs involved in the implementation of a broadcasting network** which need to be factored in. The **stipulation of the time period** for the use of the licence capacity in the Multiplex **places undue commercial challenge on the Public** Broadcaster.

- a) It is submitted that this **provision be removed and give room for instances which are beyond the control of a licensee**. For example, **the Authority can grant licensees an opportunity to apply for condonation upon reasonable grounds**, in cases where the licensee is unable to launch services on the allocated spectrum.

PART D: Concerns on the Status of DTT

Subsidised STB Registrations and Installations

❖ **Status** of subsidised **STB registrations** unknown:

- Official **registration figures in the remaining four provinces** unknown;
- **No latest feedback from the BDM PMO.**

❖ **Status** of subsidised **STB Installations** unknown:

- Official STB **installation figures in the remaining four provinces** unknown;
- **No latest feedback from the BDM PMO.**

❖ **Active awareness campaigns activities to promote ASO and Digital Migration has subsided.**

Rollout and Availability of STBs

- ❖ There are households who **still don't have access to television services due to the unavailability of DTT Set Top Boxes in the retail market.**
- ❖ These are the **missing middle who do not qualify for the Government subsidised STBs** and cannot afford subscription television.
- ❖ **Failure to adequately address this will leave millions of households without TV post ASO** and render the Digital Migration process fruitless

ASO Impact on prime-time audiences 2022-2025

❖ Key Insights for ASO Impact Narrative:

- a) **Audience cliff during ASO window (FY21/22):** SABC's prime-time reach plunged by roughly 27 % year-on-year as analogue transmitters were switched off (Nov 2021–Feb 2022). Viewers without digital set-top boxes lost signal, **triggering an abrupt migration to satellite** (DStv) and other platforms.
- b) **Persistent loss:** Even after partial recovery, **SABC growth remains 46 % below the FY20/21 baseline**, showing that **many analogue viewers never returned**. This confirms that **ASO caused a permanent redistribution of audiences rather than a short-term dip**.

❖ Channel vulnerability differs:


- a) **SABC 2 absorbed the sharpest long-term hit** (about -64 % vs FY20/21), reflecting its older, more rural audience segments least prepared for digital migration. **SABC 1 lost about 45 %, while S3 remained flat but on a very small base**.
- b) **Competitors gained from disruption:** eMedia held audience levels nearly steady (-1 % vs FY20/21) and DStv Total grew strongly (+27 % by FY24/25), highlighting how better-equipped rivals capitalised on SABC's analogue audience loss.
- c) **Gradual stabilisation but no full recovery:** From FY22/23 onward, SABC shows modest year-on-year improvements (about +3 % YTD FY25/26), suggesting that digital migration campaigns and content adjustments are slowing the decline but have not restored pre-ASO reach.

❖ These points give a clear cause-and-effect storyline:

- a) 1. **Policy trigger** (ASO) → 2. Immediate **audience drop** → 3. **Competitor gains** & structural **shift** → 4. Partial stabilisation with **continued gap**, supporting **recommendations for stronger digital distribution, audience education** and **platform-neutral advertising** strategies.

ASO Impact on prime-time audiences 2022-2025

National	Live + VOSDAL	AMR %															
Target	Total Individuals (incl guests)																
Day Part group	18:00:00 - 21:59:59 Mon-Sun																
Date group \ Channel	SABC Group	F-O-F %Change	Total eMedia Group	F-O-F %Change	DSTV Total	F-O-F %Change	SABC Terrestrial	F-O-F %Change	SABC 1	F-O-F %Change	SABC 2	F-O-F %Change	S3	F-O-F %Change	e.tv	F-O-F %Change	
FY19/20	14,2		7,0		8,3		14,0		10,2		3,0		0,8		5,4		
FY20/21	12,1	-14,8%	7,5	7,1%	8,8	6,0%	11,9	15,0%	8,9	12,7%	2,5	16,7%	0,5	-37,5%	5,3	-1,9%	
FY21/22	8,8	-27,3%	7,5	0,0%	7,2	-18,2%	8,7	26,9%	6,5	27,0%	1,7	32,0%	0,4	-20,0%	5,1	-3,8%	
FY22/23	6,4	-27,3%	6,9	-8,0%	6,3	-12,5%	6,3	27,6%	4,8	26,2%	1,0	41,2%	0,4	0,0%	4,5	-11,8%	
FY23/24	6,2	-3,1%	7,2	4,3%	7,0	11,1%	6,0	-4,8%	4,7	-2,1%	1,0	0,0%	0,3	-25,0%	4,5	0,0%	
FY24/25	6,3	1,6%	8,1	12,5%	8,9	27,1%	6,1	1,7%	4,6	-2,1%	0,9	10,0%	0,5	66,7%	5,1	13,3%	
FY25/26 YTD (till Aug 25)	6,5	3,2%	7,4	-8,6%	8,0	-10,1%	6,3	3,3%	4,9	6,5%	0,9	0,0%	0,5	0,0%	4,5	-11,8%	
%Loss Current FY vs FY20/21:		-46%	-1%		-9%		-47%		-45%		-64%		0%		-15%		



ASO during this fiscal (Nov 21-Feb 22)



ASO Impact on prime-time audiences 2022-2025

Market	Activity		Variable													
National	Live + VOSDAL	Share of Audience%														
Target	Total Individuals (incl guests)															
Day Part group	18:00:00 - 21:59:59 Mon-Sun															
Date group \ Channel	SABC Group	F-O-F %Change	Total eMedia Group	F-O-F %Change	DSTV Total	F-O-F %Change	SABC Terrestrial	F-O-F %Change	SABC 1	F-O-F %Change	SABC 2	F-O-F %Change	S3	F-O-F %Change	e.tv	F-O-F %Change
FY19/20	43,3		21,3		25,1		42,7		31,2		9,2		2,3		16,4	
FY20/21	37,1	-14,3%	22,9	7,5%	26,9	7,2%	36,6	-14,3%	27,2	-12,8%	7,8	-15,2%	1,6	-30,4%	16,1	-1,8%
FY21/22	31,9	-14,0%	27,2	18,8%	26,1	-3,0%	31,3	-14,5%	23,5	-13,6%	6,2	-20,5%	1,6	0,0%	18,5	14,9%
FY22/23	27,4	-14,1%	29,4	8,1%	26,8	2,7%	26,8	-14,4%	20,7	-11,9%	4,5	-27,4%	1,6	0,0%	19,1	3,2%
FY23/24	25,0	-8,8%	28,8	-2,0%	28,1	4,9%	24,2	-9,7%	18,9	-8,7%	3,9	-13,3%	1,4	-12,5%	18,1	-5,2%
FY24/25	22,1	-11,6%	28,7	-0,3%	31,2	11,0%	21,4	-11,6%	16,4	-13,2%	3,3	-15,4%	1,7	21,4%	17,9	-1,1%
FY25/26 YTD (till Aug 25)	23,8	7,7%	27,2	-5,2%	29,4	-5,8%	23,0	7,5%	18,0	9,8%	3,3	0,0%	1,8	5,9%	16,5	-7,8%
%Loss Current FY vs FY20/21:	-36%		19%		9%		-37%		-34%		-58%		13%		2%	

ASO during the fiscal (Nov 21-Feb 22)



Conclusion

- ❖ **High Signal costs and lack of competition** in the signal distribution market **continue to suffocate the SABC.**
- ❖ **ICASA's intervention in regulating the signal distribution costs** through the Signal Distribution Inquiry and Signal Distribution Services Regulations **is welcomed.**