

Invitation for high demand spectrum to be published soon, says ICASA

According to the Independent Communications Authority of South Africa (ICASA), the Invitation to Apply (ITA) for both the Wireless Open Access Network (WOAN) and the International Mobile Telecommunications (IMT) spectrum, also known as high demand spectrum, will be published no later than 30 September 2020.



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“The authority first highlighted the delay on 2 July 2020. The delay was occasioned by, among others; the prioritisation of the release of the Covid-19 emergency spectrum, the additional considerations particularly on the viability of the WOAN as well as the fact that council was almost inquorate for a period close to three months,” ICASA said on Thursday, 3 September.

“In light of the time lost as a result of the delay in the issuing of the ITAs, the auction of the high demand spectrum, which was originally contemplated to take place during December 2020, will be completed by no later than 31 March 2021,” ICASA said.

Key considerations

In line with its processes in the development of the ITAs, ICASA considered and analysed all representations received in response to the Information Memorandum (IM). To this end, a reasons document capturing the authority’s positions on the received comments will be published concurrently with the ITA. The key considerations emanating from the representations into the IM include the following:

- The development of various empowerment obligations to be imposed on the successful bidders in the auction process, including a requirement to support mobile virtual network operators (MVNOs);
- The requirement for successful bidders to support the WOAN through procurement of a minimum 30% national capacity;
- The imposition of empowerment obligations on the WOAN in order to ensure that it is a credible empowerment tool that will assist the Authority to achieve the sector’s transformation agenda; and
- The structuring and framing of the lots in a manner that balances the objective to promote effective competition, facilitate new entrants and raise revenue for the fiscus.

“ICASA has also completed a process to determine the fair economic value of the five spectrum bands that will be made available for auction and spectrum that will be made available to the WOAN taking into consideration the current state of competition in the South African market,” ICASA chairperson Dr Keabetswe Modimoeng said.

The two ITAs are being finalised for issuance with due consideration of the Ministerial Policy/Policy Directions as issued by the minister of communications and digital technologies in line with section 3(4) of the ECA.

In terms of the aforementioned Policy Directions, ICASA was directed to, among other things; issue an ITA, accept and consider applications for an individual electronic communications network service (I-ECNS) licence, and to urgently consider the licensing of a radio frequency spectrum licence for a WOAN.

“In the intervening period, the authority would like to invite representations from stakeholders on the impact of the Covid-19 pandemic on the market and any specific factors emanating therefrom, which council should take into account in finalising the ITAs.”

The representations must reach ICASA by end of business on 16 September 2020 and must be marked for the attention of Phil Molefe on pmolefe@icasa.org.za and Fikile Hlongwane on fhlongwane@icasa.org.za].

Critical, potentially contentious process

Modimoeng said this is one of the most critical and potentially contentious regulatory processes ever undertaken by ICASA with immeasurable economic value for the country.

“The delicate nature of the licensing process requires that the authority exercise added caution to ensure full compliance with all administrative and procedural fairness requirements.

“It is also of significance that the ultimate outcome of the process receives the buy-in and support from all interested stakeholders. We appeal to stakeholders to adhere to the aforementioned deadline in order to avoid any further delays to the process,” he said.

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