



JOINT STATEMENT: Minister Dr. Siyabonga Cwele and the Council of ICASA agree to settle the spectrum court challenge and to initiate the licensing of unallocated high demand spectrum

For immediate release

26 September 2018

The Minister of Telecommunications and Postal Services Dr Siyabonga Cwele and the Council of the Independent Communications Authority of South Africa (ICASA) have agreed to settle the court matter involving the Invitation to Apply (ITA) which was issued on 15 July 2016 for the allocation of high demand spectrum.

In terms of the settlement agreement ICASA will withdraw the ITA and the Minister will also withdraw the legal challenge.

This settlement agreement is in line with President Cyril Ramaphosa's call to "initiate the process for the allocation of high-demand radio spectrum to enable licensing" which was made on Friday, 21 September 2018 in the announcement of the economic stimulus and economic recovery plan.

The agreement is a product of consultations between the Minister, the Department and ICASA. As a result of the settlement, the Minister commenced consultations with ICASA on a Draft Policy Direction for the licensing of high demand spectrum and intends issuing the Draft Policy Direction for public comment. This Policy Direction will be issued in terms of the provisions of the Electronic Communications Act, 2005 (ECA).



The Minister intends to direct ICASA, to issue an Invitation to Apply (ITA), accept and consider applications for an electronic communications network service license and radio frequency spectrum licence to provide wholesale open access, while ensuring its sustainability and viability, taking into account the outcomes of the study conducted by the Council for Scientific and Industrial Research (CSIR).

Moreover, the Minister intends to direct ICASA to issue an ITA, accept and consider applications for electronic communications network service licenses and radio frequency spectrum licences for unassigned high demand spectrum not reserved for assignment to the ECNS that provide wholesale open access.

At the end of the public consultation process, and after considering the final policy and policy directions issued by the Minister, ICASA will commence the licensing process for the assignment of high demand spectrum.

The processes and procedures outlined above are in keeping with the provisions of the ECA, which will govern and continue to apply to the process of licensing high demand spectrum.

“We are determined to move with speed to transform the sector to enable a greater participation of black women, the youth, people with disabilities and SMMEs. We shall continue to consult with all stakeholders to ensure that we rollout modern telecommunications infrastructure and services at affordable costs to all citizens of our country. South Africa is open for investment in the ICT sector. Accordingly, the settlement agreement and the subsequent Policy Direction will contribute to improving investor confidence,” said Minister Cwele.



ICASA Chairperson, Rubben Mohlaloga echoed the Minister's comments and committed to ensuring that the Authority is always ready to execute its mandate of promoting competition and facilitate transformation in the ICT sector.

"The Authority is indeed pleased that the impasse over the licensing of high demand spectrum has finally been resolved. It is our concerted view that the settlement of the 2016 litigation and pending consultation process on the Policy Direction provides much needed certainty for the sector to thrive. The Authority will ensure that it executes its mandate in a manner that promotes competition, facilitates transformation of the sector and provides a regulatory environment that encourages investment in the sector" said Rubben Mohlaloga.

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