



Policy and Regulatory Affairs

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31 January 2020

Mr Davis Kgosimolao Moshweunyane

Independent Communications Authority of South Africa

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Dear Mr Moshweunyane,

SABC'S SUBMISSION ON THE LICENSING PROCESS FOR THE IMT SPECTRUM, INVITING COMMENTS IN RESPECT OF THE PROVISIONING OF MOBILE BROADBAND WIRELESS OPEN ACCESS SERVICES FOR URBAN AND RURAL AREAS USING THE COMPLIMENTARY BAND, IMT700, IMT800, IMT2300, IMT2600 AND IMT3500

Please find attached hereto for your consideration, SABC's submission on the Licensing Process for the IMT Spectrum, Inviting Comments in respect of the provisioning of Mobile Broadband Wireless Open Access Services for Urban and Rural areas using the Complimentary band, IMT700, IMT800, IMT2300, IMT2600 and IMT3500.

Yours sincerely,

**PHILLY MOILWA
GENERAL MANAGER :
POLICY AND REGULATORY AFFAIRS**



SABC'S SUBMISSION TO ICASA ON THE LICENSING PROCESS FOR THE IMT SPECTRUM, INVITING COMMENTS IN RESPECT OF THE PROVISIONING OF MOBILE BROADBAND WIRELESS OPEN ACCESS SERVICES FOR URBAN AND RURAL AREAS USING THE COMPLIMENTARY BAND, IMT700, IMT800, IMT2300, IMT2600 AND IMT3500

31 January 2020

1 Introduction

- 1.1** The SABC is mandated to deliver a public value proposition of educating, informing and entertaining all South Africans in all official languages in line with the Broadcasting Act of 1999, as amended.
- 1.2** The Corporation delivers on its mandate through 18 radio stations and 7 television channels.

2 Background

- 2.1** On 1 November 2019, the Independent Communication Authority of South Africa, (“the Authority”) published a notice inviting comments regarding the licencing process for International Mobile Telecommunications (IMT) spectrum in respect of the provisioning of mobile broadband wireless open access services for urban and rural areas using the complimentary bands IMT 700, IMT 800, IMT 2300, IMT 2600 and IMT 3500 (“the Memorandum”). The closing date for written submissions is 31 January 2020.
- 2.2** The SABC would like to thank the Authority for the opportunity to make a written submission on the information Memorandum. The SABC supports the Authority’s intention for the provision of mobile broadband wireless open access services in the country and thus supports South Africa’s Broadband Policy.
- 2.3** The Corporation also supports the Authority’s intention to manage the nation’s scarce natural resource (the radio frequency spectrum) to aid in economic developments in both the rural and urban areas of our nation. The SABC welcomes and appreciates the Authority’s invitation to submit written representations and contribute to the intended broadband implementation in the country. The SABC also requests to be given an opportunity to participate in oral hearings to further substantiate and elaborate on this initial submission.
- 2.4** The SABC will nevertheless largely confine its submission on this Memorandum to areas which directly relate to its role and sustainability as the public broadcaster.

3 Issues of Concern

3.1 The Delay in the Broadcast Digital Migration (BDM) process

The SABC has been operating its analogue and digital television services in the band 694 – 854 MHz among other Very High Frequency (VHF) and Ultra High Frequency (UHF) bands. This band has been divided into two sub-bands 694 – 790MHz (the 700MHz) and 790 – 854MHz (800MHz). These sub-bands are generally referred to as Digital Dividend bands (DD1 and DD2) since they were allocated to mobile services through the World Radiocommunication Conferences 2007 and 2012 respectively. The SABC is supposed to migrate its services out of these bands. The Broadcast Digital Migration (BDM) process has begun. The SABC has cooperated with the Department of Communications and Digital Technologies (DCDT) and has switched off all of its analogue television services in the Square Kilometre Array (SKA) area in the Northern Cape Province and also at Senekal in the Free State Province. The Authority has been notified in this regard.

The SABC will soon be making separate and comprehensive submissions to both the Minister and the Authority with regard to how the current but outdated broadcasting digital migration policy and regulations directly and severely impact the viability of the public broadcaster. The SABC will set out financial, technology and governance imperatives that require a change in approach in order to achieve an expedited digital migration.

Nonetheless, the submission notes the delay in the migration process which in itself has become a national setback and a threat to the sustainability of the public broadcaster. In view of this, it is important for its television services operating in the DD1 and DD2 bands to be protected against interference until migration has been successfully completed.

As indicated earlier, there are digital TV transmissions which are currently operating in the dividend bands. The migration out of these bands will be more complicated and costly.

The transmissions are to be migrated to a seven (7) mux plan. This plan consists of seven (7) frequency assignments per broadcast location and is based on large province-wide single frequency networks (SFNs). There are some concerns with regard to the stability of large SFN networks. On 18 June 2018 the Corporation made submissions to the Authority through its Joint Spectrum Advisory Group (JSAG) requesting that a pilot migration be done to confirm if digital television transmission networks will be stable in a large province-wide SFN. The cost of the pilot was then estimated to be about R31m.

3.2 Timelines

The timelines for the licencing process has not been provided for in the Memorandum which remains an important omission. The Authority stated in section 6.2.6 on page 27 that “a licensee will have a maximum of three (3) years from the date that the 700MHz and 800MHz bands become available to provide services in line with the set objectives”. This requirement on the licensee will indirectly mean additional pressures on the licensees to the extent that sharing principles of the spectrum can easily be compromised. This will lead to interference to the disadvantage and severe prejudice of broadcasters. The SABC therefore submits that the process of licencing the 700MHz and 800MHz frequency bands can begin but spectrum should only be made available to the licensees after the BDM process has been successfully completed.

In Australia, the auction of the 700MHz band was completed and the winner was announced in May 2013. However, the frequency was only licenced in January 2015. The revenue raised by auctioning of the digital dividend was utilised to cover some of the costs needed for television digital migration. This trend also applies to other developed Countries as well.

Over the years where the Authority published the IMT Roadmap, the Corporation has submitted the same responses requesting the availability of the spectrum and the usage of the spectrum in the 700MHz and the 800MHz frequency bands for IMT services should only be after its television services have migrated out of the digital dividend

bands i.e. the completion of the analogue switch-off (ASO) and digital-to-digital (D-to-D) migration.

If these bands are licensed and brought into use before the successful completion of the BDM process about 30% of the South African population will be deprived of their constitutional rights of access to be informed, entertained and educated. The public broadcaster still remains the main source of news for many South Africans and therefore any interference with our services directly impacts our public mandate.

The SABC submits that the Authority, in the execution of its duties is bound, not only the Electronic Communications Act and other founding statutes, but also by the provision of section 3 of the Promotion of Administrative Justice Act (PAJA) in its totality. The SABC is deeply concerned about the bringing into use of the DD1 and DD2 spectrum bands when objections have been repeatedly raised during the public consultation process. Disregarding the SABC's concerns may have an adverse effect on the SABC as articulated in this and previous submission and the Corporation submits that this violates the provisions of PAJA.

Lost audiences will also mean a direct loss of advertising revenue for the public broadcaster. Section 2 (t) of the Electronic Communications Act of 2005, as amended, enjoins the Authority to protect the integrity and the viability of public broadcasting services. Thus, the SABC's viability should be safeguarded in order to ensure that the public continues to have access to public interest programming.

3.3 No mechanism of dealing with interference concluded

The SABC has called for a mechanism of dealing with interference in a geographic spectrum sharing environment. The Authority has seemingly not taken these submissions into account. The Corporation hereby repeats the call that in the interest of orderly frequency spectrum management, a transitional arrangement plan be discussed, agreed upon and gazetted.

This plan will provide the needed guidance and the assurance that harmful interference will be dealt with during the transition period. At the moment the industry is in the dark

when it comes to the level of interference it has to accommodate and for how long this will be sustained from IMT services. Geographic sharing of spectrum without a proper mechanism of dealing with interference can be harmful to SABC's current television operations in the digital dividend bands. The SABC therefore reiterates its submission that the BDM process should be successfully completed before IMT services are activated.

4 Summary of Recommendations

- The SABC will be soon be making separate and comprehensive submissions to both the Minister and the Authority with regard to how the current but outdated broadcasting digital migration policy and regulations directly and severely impact the viability of the public broadcaster. The SABC will set out financial, technology and governance imperatives that require a change in approach in order to achieve an expedited digital migration.
- The SABC proposes that the process of licencing the 700MHz and 800MHz frequency bands can begin and be finalised. However, the bringing into use of the spectrum should only be done after the successful migration of the SABC as part of the BDM process.
- If these bands are licensed and brought into use before the successful completion of the BDM process, it will result in an uncontrollable interference that will have serious and prejudicial financial impact on the Corporation.
- Section 2 (t) of the Electronic Communications Act enjoins the Authority to protect the integrity and the viability of the public broadcasting services. Thus, the SABC's viability should be safeguarded in order to ensure that the public continues to have access to public interest programming.
- If geographic sharing of the spectrum will be embarked then a transitional arrangement plan be discussed, agreed upon and gazetted. Geographic sharing of spectrum without a proper mechanism of dealing with interference can be harmful to SABC's current television operations in the digital dividend bands.