Independent Communications Authority of South Africa
350 Witch-Hazel Avenue,
Eco-Point Office Park
Centurion

COUNCIL DECISIONS–30 September 2020

ITEM NO.	AGENDA ITEM	DECISION
1.	**Invitation to Apply for the Wireless Open Access Network (WOAN).** 1.1 The Authority indicted that it had comprehensively considered the Competition aspect of the ITA and it was satisfied that there will be sufficient viability of the WOAN. 1.2 The Authority submitted that the publication of the WOAN ITA will provide interested parties with sufficient time to consider and respond to the ITA. The Committee indicated a period of six (6) months for interested parties to respond to the ITA. 1.3 The Authority further indicated that the adjudication process that was set out in the ITA for the appointment of the successful bidder was clear, objective open, fair and transparent. 1.4 The Authority indicated that it was satisfied with the 30% off-take and that it would only be reasonable for both ITA's to be published at the same time in order to provide more clarity to the prospective bidders.	**It was resolved that an Invitation to Apply (ITA) for the Wireless Open Access Network be approved for publication.**

	1.5 The Authority indicated a seven (7) year period for the WOAN to be fully functional. This was an amendment from the initial 5-year period as per the draft ITA.	
2.	**Publication of the ITA for the International Mobile Telecommunications (IMT) Spectrum** Manager: Broadcasting Frequency Specialist presented the submission: 2.1 The purpose of the submission was for Council to approve the publication of the ITA for the International Mobile Telecommunications (IMT) Spectrum. 2.2 Council previously requested the Committee to look into the reserved price in auctioning of the different bands of spectrum and whether or not to extend the interim arrangement of assigning temporary spectrum. 2.3 The information and Communications Technology (ICT) COVID-19 National Disaster Regulations (ICT Regulations) was published in terms of section 4(3) (j) of the of the Independent Communications Authority of South Africa Act, 2000 (ICASA Act) and sections 4(1) and (7)(b) of the Electronic Communications Act, 2005 (ECA), as amended and having given consideration to the Electronic Communications, Postal and Broadcasting Directions issued by the Minister of Communications and Digital Technologies in terms of Regulation 10(8) of the Disaster Management Act, No. 57 of 2002, in Notice No. 417, Government Gazette No. 43164	**Council resolved to approve the publication of the ITA.**

		dated 26 March 2020.	
	2.4	The purpose of the ICT Regulations was to prescribe minimum standards that Licensees must adhere to, during the subsistence of the National State Disaster in order to:	
		2.4.1 facilitate the dissemination of information required for dealing with the National Disaster;	
		2.4.2 enable the facilitation of the national response to the National Disaster and post-disaster recovery and rehabilitation; and	
		2.4.3 enable implementation of measures that may be necessary to prevent an escalation of the National Disaster or to alleviate, contain and minimise the effects of the National Disaster; and ensure that there is continuation of the provision of services in the Republic.	
	2.5	The Authority indicated that it had developed a sound and robust ITA that considers the Competition Assessment which was one of the most critical elements in ensuring that the spectrum to be issued will shape future competition in mobile markets in South Africa, and the extent to which individual national and/or sub-national wholesalers	

		are able to credibly compete.	
	2.6	The Authority acknowledged that the Competition Assessment was also an important pre-requisite for the determination of fair economic value of the five bands, and the spectrum auction itself was taking a view on the current state of competition as well as considering competition in mobile broadband markets in the South Africa in the future.	
	2.7	The Competition Assessment further promote fairness to all the prospective applicants/market itself in how the spectrum is to be issued with the built-in spectrum floors, spectrum caps and reserve prices prescribed.	
	2.8	The Radio Frequency Spectrum Regulations, 2015 particularly regulation 6 and 7 that are being implemented by the draft ITA and competition assessment deals with elements that were lacking during the issuance of the temporary spectrum such as competition, transparency, and fairness.	
	2.9	The ITA must be published to invite applicants that intend to acquire the spectrum through this process.	
	2.10	All the applications must be assessed in accordance with the set criteria in the ITA by concluding the prequalification stage of the ITA.	
	2.11	The qualified applicants can proceed to the Auction and complete the process in the licensing stage as scheduled in	

		the project plan should the COVID-19 risks be mitigated satisfactorily.	
	2.12	Regulation 6(6) of the ICT COVID-19 National Disaster Regulations provides that subject to sub-regulation (7), any radio frequency spectrum assigned temporarily to licensees in terms of sub regulations (3) and (4) shall be revoked upon the expiry of three (3) months of termination of the National State of Disaster.	
	2.13	The Committee recommended that the Authority should publish the ITA in its current form as it is based on the principles of competition, transparency, and fairness. However, with the inclusion of the section that deals with the risks that comes with COVID-19 pandemic.	
	2.14	The reserve price was modelled using different methodologies and had considered several ranges for the reserve price to be attractive to the proposed bidders.	

ISSUED BY: Secretariat Office
on behalf of Council