



**A SUPPLEMENTARY SUBMISSION AND COMMENTARY
On specific Chapters of the ECA Amendment Bill
As Gazetted on 17 November, 2017**



**telecommunications
& postal services**

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Telecommunications and Postal Services
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1. THE ICT SMME CHAMBER'S SUPPLEMENTARY SUBMISSION

On Structuring the Wireless Open Access Network

The ICT SMME Chamber appreciates this opportunity to augment and supplement our original submission of the 31 January 2018. We reiterate our warm embrace and welcome the spirit and the letter of the ECA Amendment Bill as it seeks to open up the information telecommunications market.

The ICT SMME generally and the black, African men, women and Youth ICT SMME business particularly should be earmarked or targeted as beneficiaries of the ECA Amendment Bill in terms of inclusivity in the ownership of the levers of the ICT economy, the promotion of competition in the sector as well as the “falling of the data and other telecommunications costs”. The ICT SMME sector believes, if implemented, these regulatory instruments should be equal to the task of transforming the ICTs.

The ICT SMME Chamber urges that the ECA Amendment should in, structuring the Wireless Open Access Network, stipulate that it is owned up to 70% by Black people.

On Licensing the Wireless Open Access Network

The ICT SMME Chamber believes that international investors would be more interested in South Africa being a politically and economically stable investment destination. We do not believe the rhetoric that any of the pronouncements in the ECA Bill are likely to dispel the requisite investor confidence in our country; rather we would argue that investors prefer equitably shared wealth in diversified economies.

To that extent, the ICT SMME Chamber believes the WOAN should be licensed expeditiously in order to optimally contribute to the transformation of the ICT sector and provide a levelled playing field for all, while enabling entry for new and emerging ICT SMMEs who seek to access the economic and business opportunities in the sector.

The ICT SMME Chamber strongly believes that investors would be concerned more about regulatory certainty in this jurisdiction and we are satisfied that the ECA Amendment Bill adequately provides such desired certainty. The Chamber therefore urges Minister to issue a Policy Direction creating and licensing the WOAN, as per our main submission.

On Accessing the Spectrum

The ICT SMME Chamber is well aware of the outcry by the established Mobile Network Operators (MNOs) for the spectrum. While we believe that there is a real spectrum crunch as experienced by the operators, we equally believe that this is partly a consequence of the operators own greed which has spanned 20 years.

On the other hand, we hold the Authority together with the Department culpable in denying new entrants the opportunity by withholding issuing of licences to SMMEs, frustrating their active involvement in the broadband rollout networks and provision of services especially to the rural and township areas. The Chamber submits that the ECA Amendment Bill must set aside bot the township and rural-areas broadband strictly aside for the ICT SMMEs.

Further, the ICT SMMEs must be granted high demand spectrum as individual businesses so as to create real unfettered competition and diversity in the ICTs market. Both the Authority and the DTPS have been impeding the development of ITCs by commission or omissions. To that we say, we have trust that the Amendment Bill stands to relieve the small business men and women in the ICTs from their imposed bondage.

As ICT SMME Chamber submits whilst we process the ECA Amendment Bill the minister may, through issuance of a policy directions, create and licence the WOAN. Expedition of the licensing of the WOAN would be achieved through a licence transfer application as per Clause 5 (6) of the Electronic Communications Act.

The ICT SMME proposes that, in line with the prevailing policy direction, the WOAN be licensed as well as new SMME entrants. We urge the Minister to engage ICASA on the issuance of fresh I-ECNS licences that will prioritise benefitting and empowering the SMMEs.

Spectrum assignment

The ICT SMME Chamber calls for assignment of high demand spectrum prioritizing the ICT SMMEs and other new entrants as well as the WOAN. The spectrum assigned to new entrants, including the WOAN must be high value and comparable to other spectrum “spectrum blocks”.

SMMEs and the WOAN must be entitled to a 36-month spectrum licence holiday where the Black PDIs shall hold a 70% ownership of the WOAN and mobile operators purchase, each, up to 30% of their capacity from the WOAN.

The ICT SMME Chamber ends its written submission.

Centurion, GP, 19 March 2018