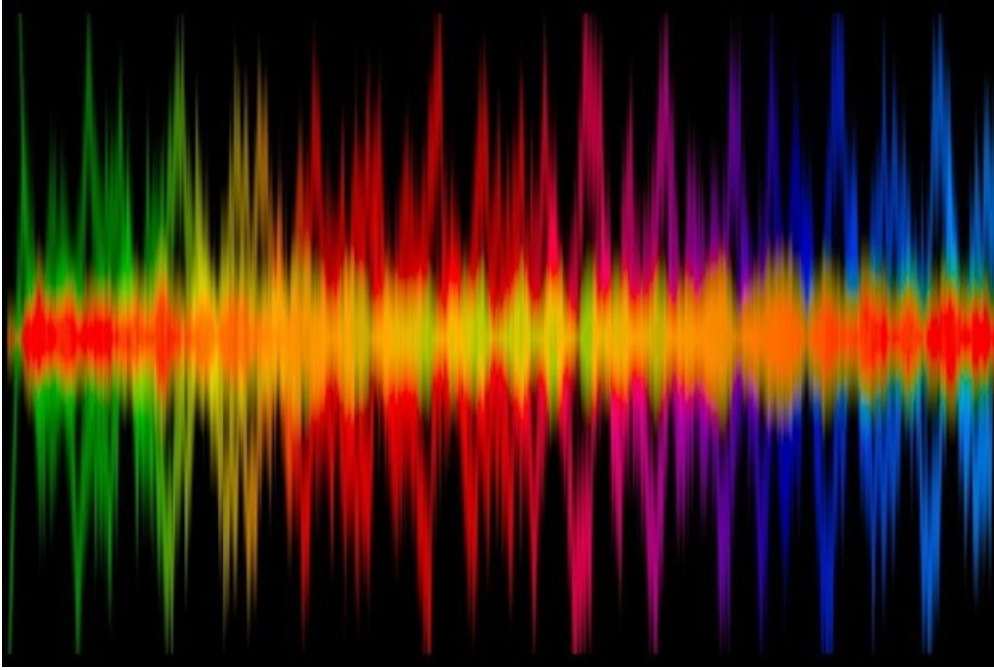


# Settlement agreement reached on spectrum court challenge

A settlement agreement has been reached in the matter involving the Invitation to Apply (ITA) for the allocation of high demand spectrum.



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“The settlement agreement and the subsequent policy direction will contribute to improving investor confidence,” said Telecommunications and Postal Services Minister Dr Siyabonga Cwele in a statement on Wednesday, 26 September 2018.

The Invitation to Apply was issued on 15 July 2016. The Minister and the Council of the Independent Communications Authority of South Africa (ICASA) have agreed to settle the matter.

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

The 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. President Ramaphosa made the call on Friday when he announced the economic stimulus and economic recovery plan.

“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 Small, Medium and Micro-sized Enterprises (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,” Cwele said.

The Minister said South Africa is open for investment in the information and communications technology (ICT) sector.

“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 Department of Telecommunications and Postal Services said.

The Minister intends to direct ICASA to issue an Invitation to Apply, accept and consider applications for an electronic communications network service license and radio frequency spectrum licence.

In addition, the Minister plans 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 Electronic Communications Networks (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 department said.

ICASA Chairperson Rubben Mohlaloga said 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,” Mohlaloga said.

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