



13 February 2015

ICASA

Attention: Mr. Elias Mogwase Letlape

Per email: ELetlape@icasa.org.za

Dear Elias

ISPA's submissions in respect of the draft amendments to the Radio Frequency Spectrum Licence Fee Regulations 2010

1. ISPA refers to the notice in terms of section 4(1) of the Electronic Communications Act 36 of 2005 ("the ECA") setting out proposed amendments to the Radio Frequency Spectrum Fees Regulations, 2010 ("the Regulations"), published in Government Gazette 38300 on 8 December 2015 ("the draft amendments").
2. ISPA wishes to record its support for the reform of the Regulations in the manner proposed. The draft amendments address the identified underutilisation of the millimetre wave (mmW) bands by proposing a simple mechanism to create a powerful incentive for the use of bands above 50 GHz for PtP links.
3. ISPA has noted the interest in this band with regard to the deployment of high-capacity PtP links and the ready availability of the required radio equipment. There is also identification of the mmW bands with future development of 5G mobile broadband technology and networks.
4. The proposed action to be taken is accordingly timeous.
5. ISPA submits that the Authority should give due consideration to ensuring that – the low cost of use notwithstanding – spectrum licensed at the minimum fee is efficiently used.

Terminology

6. The Regulations contain references to "Radio Frequency Spectrum Pricing" and certain of these are retained notwithstanding the draft amendments. ISPA submits these references should be deleted as the scope of the Regulations relates to the fees for applying for licences and the fees for using spectrum. The Regulations deal with pricing only to the extent that they set the unit price as a factor in the determination of usage fees. The scope of the Regulations does not extend to setting a price for spectrum through a competitive process.

ISPA Management Committee:

Ant Brooks*, Graham Beneke, Guy Halse, Jenny King, Siyabonga Madyibi,
Duncan Martin, Mohammad Patel, Mike Silber, Elaine Zinn* (*ex officio)

Transparency in respect of congested spectrum

7. ISPA has no difficulty with the proposed amendment to the definition of “congested” but submits that the Regulations should make provision to the effect that all spectrum shall be regarded as “not congested” unless otherwise set out in the Government Gazette by the Authority.
8. What is really required is a simple spreadsheet available on the Authority’s website listing bands to be regarded as congested for the purposes of the Regulations.

Annual increase in RFS fees

9. The draft amendments propose the insertion of an automatic annual increase in RFS fees by CPIX.
10. The obvious difficulty for licensees is in calculating the value of the increase when required to pay and there needs to be greater clarity here. ISPA suggests that the Authority considers an approach whereby the CPIX figure for the previous financial year is applied to the increase so that there is certainty in the amount to be invoiced by the Authority and paid by the licensee. This would allow ample time for communication of the applicable increase percentage.
11. ISPA notes that its members indicate that the Authority does not generally send out invoices timeously and that this presents a challenge in being certain about the amount payable as also for those entities with internal policies that payment can be released only against receipt of a valid tax invoice. ISPA requests that the Authority take such internal steps as it can to ensure that invoices are timeously sent.

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ISPA REGULATORY ADVISOR