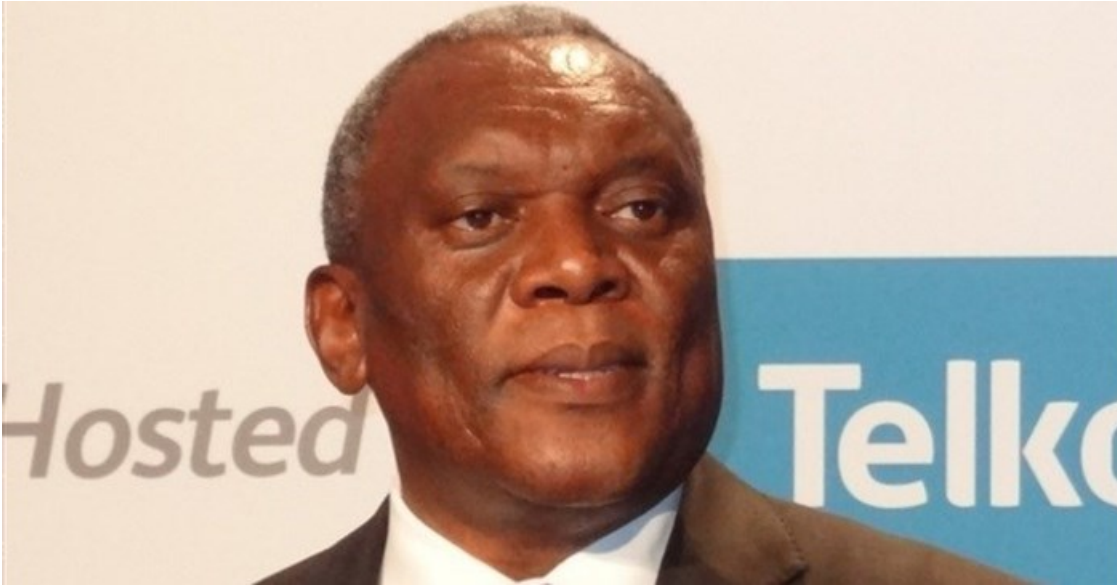


New regulator one of three wins for Cwele against Muthambi

By [Asha Speckman](#)

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Telecommunication Minister Siyabonga Cwele has scored three major victories against Communications Minister Faith Muthambi, one of which is the introduction of a new regulator that will take over some of the Independent Communications Authority of SA's crucial oversight functions.



Telecommunication Minister Siyabonga Cwele.

This is one of the sweeping changes in the National Integrated Information and Communication Technologies white paper approved by Cabinet last week that will be gazetted this week.

The approval came on the eve of Cwele's successful court challenge to Icasa opening a spectrum bidding process despite objections from the telecommunications minister. The High Court in Pretoria barred the regulator from proceeding with the action, which would have netted about R12bn. Icasa falls under Muthambi's department.

The Cabinet-approved white paper proposes that regulatory functions be handled by two entities: one will oversee telecommunications, and postal networks and services, and the other will focus on content and audiovisual services.

Icasa currently has a monopoly on all regulatory functions. However, there have been complaints about its efficacy as a

regulator.

Cwele told Business Day on Sunday: "The other regulator must focus on the network and services, so that the issues of economic regulation are not constrained by challenges of content regulation because that is the problem..."

He declined to comment on whether Icasa, often criticised as toothless, would continue in its current form, saying this would be determined by legislation.

But the introduction of a new regulator would be wrapped up in two years because it had to go through Parliament, he said.

The new regulator would also incorporate the .za Domain Name Authority, overseen by Cwele. "This will facilitate decisive intervention to achieve the inclusive broadband roll-out target envisaged," he said.

A source in Muthambi's department said the creation of a new regulator was seen as part of an ongoing spat between Cwele and Muthambi. "They are pushing for their own regulator," said the source, who asked not to be named because of the sensitivity of the matter.

Other changes mooted in the white paper include the transfer to Cwele of all policy-related functions in the Universal Service and Access Agency of SA and that the entity be disbanded. Agency representatives told Parliament in September it would stop manufacturing and procuring set-top boxes until the Constitutional Court decides on the validity of changes to the broadcasting digital migration policy.

This proposal represents another coup for Cwele because the agency falls under his department but reports to Muthambi on digital migrations. She went against an ANC policy decision and said government-subsidised set-top boxes would not be encrypted.

The new regulator will also take over functions such as determining licence conditions and monitoring the roll-out of networks.

The paper also proposes scrapping the Universal Service and Access Fund and replacing it with a Digital Development Fund.

Crucially, an open-access network, managed by a public-private sector consortium, has also been proposed. The proposed network has placed the probability of a spectrum auction in jeopardy.

High-demand spectrum will be set aside for the shared open-access network, the white paper reads.

Joe Mjwara, telecommunications acting director-general, said parcelling spectrum to current licence holders would result in the consolidation of the industry.

Department of Communications spokesman Mish Molakeng on Sunday said he was not in a position to comment about the proposed regulatory regime in the white paper.

Icasa spokesman Paseka Maleka on Friday said it accepted the high court judgment.

Telkom, a respondent in the matter, said it had recommended to Parliament an inquiry into competition in the broadband market in SA and the associated pricing.

Source: Business Day

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