## GENERAL NOTICES • ALGEMENE KENNISGEWINGS

## INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA NOTICE 55 OF 2018



Independent Communications Authority of South Africa Pinmill Farm, 164 Katherine Street, Sandton Private Bag X10002, Sandton, 2146

GENERAL NOTICE – SUBMISSION OF ANNUAL FORECAST OF LICENCE FEES & UNIVERSAL SERVICE AND ACCESS FUND CONTRIBUTIONS FOR 2017/2018 BY BROADCASTING AND ELECTRONIC COMMUNICATIONS SERVICES (ECS) AND ELECTRONIC COMMUNICATIONS NETWORK SERVICES (ECNS) LICENSEES

- The Independent Communications Authority of South Africa ("the Authority") has a
  mandate in terms of the Independent Communications Authority of South Africa Act
  Act No. 13 of 2000 ("ICASA Act"), as amended and the Electronic Communications Act
  No. 36 of 2005 ("ECA"), as amended to regulate Broadcasting Services (BS) Electronic
  Communications Services ("ECS") and Electronic Communications Network Services
  ("ECNS"), in the public interest.
- 2. Section 4(3)(g) of the ICASA Act, provides that "the Authority may, by notice in writing, direct the holder of a licence in terms of the underlying statutes to produce or furnish to the Authority, at a time and place specified in the notice, any documents and information specified in such notice and relating to any matter in respect of which a duty or obligation is imposed on such a licensee by this Act or the underlying statutes".
- 3. Schedule 3, regulation (3) of the ICASA General Licence Fees Regulations, 2012 ("the GLF Regulations") as published in Government Gazette no. 36323, dated 28 March 2013, as amended, requires every BS and ECS/ECNS licensee, to submit an annual forecast of licence fees for the year under review, using the format in Schedule 3(1), of the GLF Regulations, on or before the end of April every year.
- 4. Therefore, the Authority hereby calls upon every BS and ECS/ECNS licensee, to submit an annual forecast of licence fees and the Universal Service and Access Fund contribution. The Universal Service and Access Fund contributions should be calculated in keeping with the Annual Turnover definition in the Universal Service and Access Fund Regulations, published in Government Gazette no. 34010, dated 10 February 2011.
- 5. Further, only BS licensees pay a certain portion to the Media Development and Diversity Agency ("MDDA"). Therefore, in their respective submissions every BS licensee must specify the portion of the amount each will pay to the MDDA.
- 6. In addition, every BS and ECS/ECNS licensee must also submit a trial balance; detailed management accounts and reconciliations of the trial balance; and a calculation of the forecast of the license fees and Universal Service and Access Fund contribution.

- 7. For licensees that may not be in operation yet, the Authority would like to refer them to regulation 5(4) and (5) of the Amendment Standard Terms and Conditions for Individual Licences, 2015 as published in *Government Gazette* no.39875, dated 30 March 2016. The said Regulations provide as follows:
  - "(4) Where a Licensee has not commenced operations, it must provide the Authority with a letter from external auditors confirming that it has not generated any revenue from the licensed service.
  - (5) Where a Licensee is not legally required to have audited financial statements, it must submit a letter from an independent accounting officer and must submit a clearance certificate from the South African Revenue Services as proof that it did not generate any revenue from the licensed service."
- 8. Every BS and ECS/ECNS licensee therefore, <u>must submit on or before 30 April</u> <u>2018</u>, the requisite information referred to in this notice to the following contact persons:

## For Broadcasting

ATTENTION: Mr Maano Dzebu
By e-mail: MaDzebu@icasa.org.za

## For ECS/ECNS

ATTENTION: Ms Keitumetse Setshedi

By e-mail: <a href="mailto:Ecsecns.compliance@icasa.org.za">Ecsecns.compliance@icasa.org.za</a>

9. Any licensee that may fail to submit the required information by the deadline referred to above, will be in contravention of section 4(3)(g) of the ICASA Act and schedule 3 of the GLF Regulations. If found guilty of contravening the aforementioned legislative requirements, a licensee may be liable to pay a fine of up to R1 000 000 (one million rands).

Rubben Mohlaloga

Chairperson