



2nd Floor, ITG House, 356 Rivonia Blvd., Rivonia
P.O. Box 4603, Rivonia 2128,
Tel. (011) 803-6412/803-6152
Fax (011) 803-7840
Reg. No.: 90/01678/07

Codesa Working Group 1
World Trade Centre

Fax 397 2211

4th June 1992

Attention : Mr. Murphy Morobe

Telecommunications Policy Forum

Dear Mr. Morobe

Our company, BMI-TechKnowledge Ltd, is the acknowledged leader in South Africa in research-based consultancy. We conduct client-confidential studies as well as multi-client research projects in the field of Information Technology and electronics.

We have for the last ten months been conducting a major multi-client research project into the telecommunications networks in Southern Africa, involving on-site investigations in most SADCC countries. Our investigation is covering many aspects of the telecommunications industry, including broadcast, radio communications, telephony and corporate networking.

A topic of vital relevance in this research is :

* Telecommunications policy and the regulatory environment

We have been involved in examining these issues since July last year, and for this reason would like to bring to your attention the

* Telecommunications Policy Forum

that has been initiated by ourselves in the recent months. We consider that the attached draft papers will provide interesting information for you.

I will be calling you to discuss this particular topic on Monday morning, and would appreciate some time with you to discuss the latest initiative in this regard.

Yours faithfully,

Alan Paul

Directors: D. Smit (Managing)
A. Paul
B. Neilson
J. Harrod (British)

Telecommunications Policy Forum

Background

The decades of domination of the economy and national infrastructure by minority interests, and the diverting of large measures of resources and manpower into the strategic concerns of providing certain facilities to a privileged minority have passed. The emergence of a new regime has resulted in a political process involving the majority of the population in the determination of priorities in the re-structuring of the economy as well as its direction.

This has meant that new processes and mechanisms have to be put in place to facilitate input from far larger constituencies and interests than previously. In order to cater for this process, and to ensure a democratic development of national priorities in infrastructural development, requires that attention be given to the policies underlying the new decision-making process. This is happening in the communications arena, with the emergence of the telecommunications policy forum.

Definitions

The Telecommunications Policy Forum (TPF) is a dynamic forum of representatives drawn from the entire telecommunications community.

The community is understood as comprising the various players in the field of telecommunications, such as the Telecommunications Operator (Telkom SA) and the broadcasters (SABC, M-NET, Radio 702 etc), alternate telecommunications operators, the proposed regulatory body, the Frequency Spectrum Advisory Committee, various user bodies (such as the NTUG and the LMRA), the private sector suppliers of technology (Industry), consumer bodies representing the general public and the trades unions engaged in the industry.

Objectives of the TPF

The objective of the policy forum will be :

- ◆ to provide an open arena for the formulation of proposals on national telecommunications policy,
- ◆ to air and address the needs of less privileged communities in the provision of basic services such as telephony and broadcast services,
- ◆ to make such recommendations to Codesa and the future government as are necessary for the legislation affecting the telecommunications and broadcast industry,

- ◆ to assist Codesa in its deliberations on policy determination,
- ◆ to assist in the structuring of the proposed Commission for Communications, and its representation,
- ◆ to advise the new regulatory body in its function of administering the defined policy.

Composition

The Policy Forum shall be a dynamic body, with no fixed membership, but with a composition defined by the requirements of the issues at hand. It will be managed by a praetorium of no more than eight individuals, representing diverse interests in the community, with no more than one individual representing each constituency. It is envisaged that the Forum would meet as and when required to discuss problems in the administration or legislation concerning telecommunications. For these meetings, invitations to the various communities would be made out, as well as to external bodies such as the economic forum, foreign policy-making bodies or consultants, who would be qualified to make representation on the matters at hand.

Terms of Reference

The TPF would address issues as they arise from time to time, and would be the main recourse for each one of the identified communities to address problems or issues in telecommunications policy. The TPF would be the prime vehicle for communications between Codesa and the future government and the various communities identified, in matters pertaining to telecommunications policy. The TPF will also serve as the instrument for consultation in the process of policy-making and establishing legislation.

Authority

The TPF will in itself have no powers of legislation or enforcement, but will be respected as the principal body for the formulation and recommendation of policy as it affects telecommunications. The TPF would have implicit recognition arising from its representation of the full spectrum of communities affected.

Draft Issue for Comment

Telecommunications Policy Forum - A Workshop

Developments in the regulatory environment of the telecommunications industry have progressed at a rapid rate in the last few months. Behind the scenes activities have reached a stage where it is possible to open up the process of interaction to a wider body of participants. The formation of the core of a Policy Forum has been achieved. Considerable pent-up interest in the activities of this body has to be satisfied. This is the scenario behind the proposed Workshop entitled : The Telecommunications Policy Forum.

- ◆ First Public Workshop Dates : 16th and 17th July 1992
- ◆ Venue : Volkswagen Conference Centre, Midrand, Transvaal
- ◆ Conference Organisers : BMI-TechKnowledge Pty Ltd
Web Systems Ltd

Objectives

The objective of this workshop is to facilitate the process whereby a number of specific objectives will be achieved. These specific items include :

- ◆ The facilitation of dialogue between stakeholders in the industry on key policy and regulatory issues. To develop an understanding of the complexities involved, trust between delegates and direction concerning the future.
- ◆ A presentation of the current state in policy formation, and the position of several key parties in the political arena.
- ◆ A presentation of the policy framework development as proposed at Codesa. Open discussion of the options and alternatives being considered.
- ◆ Presentation on the proposed Commission for Communications, its role, functions and composition.
- ◆ Reviewing progress to date in the Telecommunications Policy Forum, and defining its role as a high level integrative industry body providing Policy input/advice or assistance to the newly constituted Commission for Communications . Discussing the composition of such a Forum and the mechanisms by which such an entity would be constituted.
- ◆ To raise the profile of the Telecommunications Policy Forum, and to define how this body would interact with the Commission for Communications, Codesa and the eventual regulatory body.
- ◆ To provide a mechanism whereby the decisions of the participants in the Forum will be effectively communicated to all the parties participating in policy deliberation and regulatory issues and in particular the Commission for Communications.

Nature of the Workshop

The workshop will comprise three main elements :

- ◆ A presentation session in an auditorium, where a number of papers will be presented, probably 6 at most, outlining the status of a number of issues. Each paper will define the scope of the topic to be dealt with in the workshop, thus limiting the boundaries of the specific issue (topic) to be dealt with.
- ◆ A working session in which task groups, of a limited size, will debate and reach consensus on a topic. These working groups will be formed from the delegates present, as they prefer. This activity be spread over two working sessions, the afternoon of the first day, and the morning of the second day.
- ◆ A review session, presented to the full assembly, in which each task group will present its conclusion and recommendations on the topic. This will conclude the working activities. The forum committee will then compose the Forum Papers into the final output of the working sessions.

Output

A written synopsis of the proceedings will be drawn up by the Forum Working Party, and presented to all delegates at the workshop. This document will also be made available to the public at large.

The document will contain the statement of principle behind each issue from which a standpoint on policy will be formulated. This will prove invaluable to the development of the regulations and the legislation proposed to manage and control this industry.

Benefits to Delegates

Another key result of this workshop will be the interaction between the delegates, which will include key figures in the industry, and in the present Department, and the creation of a dynamic which proves valuable to the development of the industry.

Proposed Agenda and Topics to Cover

Session 1: Presentation of papers

1. **Introduction and opening address**
 - Terms of Reference of the TPF
 - The position of Codesa (based on its report to the Plenary Session 15/16 May)
2. **Policy Issues**
 - An ITU perspective
 - Examples of Policy formation in Africa
 - Provision of services to rural populations
 - Integration of national and regional networks
 - Optimisation of national resources
 - Usage of the Frequency Spectrum
 - Ownership of the infrastructure
3. **Regulatory Issues**
 - Proposals on the formation of the regulatory authority
 - The structure of the Commission for Communications
 - Basis for selection of Commissioners
 - Relationship with the Policy Forum
 - Telecommunications (line) regulations
 - Value-Added Services regulations
 - Broadcast regulations
 - Radio communications regulations
4. **Management of the Radio Spectrum**
 - Ownership of spectrum
 - Re-allocation of frequencies (WARC recommendations)
5. **Basic telephony services provision**
 - Ownership of customer premises equipment
 - Protection of user interests
 - Privatising the "local loop"
 - Alternative operators and competition
 - De-regulation of services
6. **Proposals on Value-Added Services regulations**
 - Third-party traffic restrictions (switching and carrying)
 - Value added requirements
7. **Broadcasting**
 - Restructuring of the Broadcast Operators
 - Limitations to effective operation - de-regulation
 - New role of broadcasting
 - Public broadcasting
 - Private broadcasting
 - Program content

Session 2 : Working Group Activities (2 sessions of 4 hours each)

Session 3 : Presentation of working group papers

1. **Winding up of the Workshop**
 - Closing Address : The Way Forward