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Our reference: ICT Policy Review Framing Paper

Ms. A Masemola
Director: Economic Analysis and Scenario Construction
ICT Policy and Strategy Branch
Department of Communications
Pretoria

Email: ictreviewpanel@doc.gov.za

By email only

Dear Ms Masemola

ICT Policy Review Framing Paper

The Competition Commission (“the Commission”) welcomes the opportunity to comment on the ICT Policy Review Framing Paper (“the Framing Paper”) published by the Department of Communications. At the outset, the Commission commends the Department of Communications on a considered and well-written document that successfully balances varying, and sometimes competing, interests in the furtherance of a more innovative, diverse and competitive ICT sector.

The Commission understands that the publication of the Framing Paper represents the first step towards a comprehensive review of the country’s ICT Policy Framework. Accordingly, the Framing Paper identifies fourteen core principles that will guide the entire policy review process. This comprehensive set of principles responds to the imperatives of access, diversity, equality, independence and national unity.

The Commission is heartened to note that one of the core principles identified by the Department of Communications acknowledges the economic and social benefits of fair competition in the ICT sector. The relevant principle states:

“All South Africans are entitled to a quality communication system that facilitates innovation, fair competition and equitable treatment of all role players.”¹

In its discussion of this principle, the Department of Communications asks what role communications policy can play in encouraging competition in the ICT sector, given that there are other regulators tasked with this purpose. Although the Competition Commission does have a legislative mandate to encourage competition in all sectors of the economy and to investigate and prosecute anti-competitive behaviour, the ICT regulator and licensing authority, ICASA, also plays a critical role in encouraging fair competition in ICT markets.

In particular, an effective licensing regime enhances competition in a number of ways; it constrains the abuse of market power of incumbents by facilitating likely and timely entry, it can encourage diversity of ownership and diversity of views, and it can encourage innovation in the interest of greater product choice for consumers. ICASA thus plays an important role in facilitating competitive ICT markets and the Commission supports the retention of fair competition as a central principle of the ICT Policy Review Process.

The ICT Policy Review process represents an important opportunity to maximise the contribution of the ICT sector to a more competitive economy that supports economic growth and development. The Commission would like to express its interest in participating in this process in support of these objectives.

We look forward to substantive engagement with the Department of Communications during the succeeding phases of the review.

Please contact **Ms Tamara Paremoer**, Principal Policy Analyst in the Advocacy and Stakeholder Relations Division at the Competition Commission of South Africa, at tamarap@compcom.co.za or (082) 474 2411, should you have any queries regarding the contents of this letter.

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NOT SIGNED DUE TO ELECTRONIC SUBMISSION

¹ Section 3.5.12 of the ICT Policy Review Framing Paper