

Amended Electronic Communications Act create an enabling environment for Community Broadcasting

April 14, 2014 – The Media Development and Diversity Agency (MDDA) welcomes the **amendments to the Electronic Communications Act 36 of 2005** (Act No.36 of 2005) and in particular **of section 89 exempting community broadcasting service licensees from making payments of the prescribed contributions to MDDA**. ICASA prescribes the basis and manner of determination of such contributions, which currently are 0.2% of the licensee's annual turnover. It is our considered view that the non-exemption regime that existed was unintended during the 2005 enactment. The new amendment is now in line with the objectives of the White Paper on Broadcasting and the legislative framework aimed at promoting and supporting a three tier broadcasting industry, media diversity and creating an enabling environment for the growth of community broadcasting. This is indeed part of the good story told as we celebrate 20 years of our democracy.

His Excellency, President Jacob Zuma has, in terms of Section 84(2) (a) of the Constitution of the Republic of South Africa, 1996, signed into law the Electronic Communications Amendment Act, 2014 (Act No.1 of 2014). The Act seeks amongst others to amend the Electronic Communications Act, 2005 so as to align it with broad-based black economic empowerment initiatives and specifically Section 89 is amended to **exempt holders of community broadcasting service licences who have been granted licenses by ICASA from paying the prescribed annual contributions of the licensee's licensed activity to the MDDA and/or Universal Service and Access Fund (USAF)**.

The Act also provides that Broadcasting Service Licensees contributing to the MDDA will have their annual MDDA contribution set off against their prescribed annual contribution to the USAF. MDDA will only collect the prescribed contributions from the other Broadcasting Service Licensees in terms of its agreement with the Broadcasting Service Licensees, who have continued to partner and support the MDDA in pursuit of its mandate as enshrined in the MDDA Act No. 14 of 2002.

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Issued by the MDDA

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