

# Tech giants reject OTT regulation for SA

By [Duncan Alfreds](#)

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Facebook, Microsoft and Google have voiced their opposition to possible regulation of over-the-top (OTT) services such as WhatsApp and Skype in South Africa. Representatives of these companies addressed their concerns at a meeting on OTT regulation at Parliament in Cape Town on Tuesday.



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The meeting was organised by the Portfolio Committee on Telecommunications and Postal Services after the CEOs of MTN South Africa and Vodacom last year said that OTT services don't contribute financially to local networks. The two companies also made calls to explore OTT regulation.

At Parliament's OTT meeting on Tuesday, MTN discussed the issues it has with OTTs, which range from these internet services not paying taxes to South Africa's government to security around users' personal information.

## Opposition to regulation

But Fortune Mgwili-Sibanda - who is the public policy manager at Google South Africa - argued against regulation as he said the search giant pays tax in South Africa. Google operates its voice and text OTT service dubbed 'Hangouts' in South Africa and across the globe.

"Content should not be regulated like access," said Mgwili-Sibanda.

"Services are not networks; there is no evidence that OTTs are harming telco revenues," Mgwili-Sibanda said.

Microsoft's legal and corporate affairs director, Siyabonga Madyibi, also criticised any possible move to regulate OTTs in South Africa. Microsoft owns popular voice over internet service Skype.

"Beware using 20th century regulations on internet services," said Mgwili-Sibanda at the meeting.

## **Impact on local innovators**

"Regulating Skype won't impact Microsoft, but what about a local innovator? You are effectively killing anyone who wants to break into the market just to protect the revenues of mobile operators," said Madyibi.

Another global tech player at the meeting on Tuesday was Facebook, which owns instant messaging service WhatsApp. "WhatsApp operates independently. We do not sell user data; we sell advertising," said Ebele Okobi, who is the head of public policy for Africa at Facebook.

"We have a symbiotic relationship with operators," said Okobi. Okobi went on to say that "applying traditional telecoms regulation will hurt local innovation".

At the start of the meeting, the Chair of Parliament's Portfolio Committee on Telecommunications and Postal Services, Mmamoloko Kubayi, said the gathering was a meeting and not a hearing into possible OTT regulation in SA.

"Get it clear colleagues; we are not here to stifle competition," said Kubayi.

Source: [Fin24](#) via News24 Wire

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