

Local TV manufacturers call for heavy duties on imported devices

Local television manufacturers have called for government to impose heavy import duties on cheap imported decoders and TV sets, in order to grow the local electronic industry and accelerate the implementation of the broadcast digital migration project.



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“It is imperative that we create balance. The cheap imports of these devices are collapsing the industry,” said Mike Goodyer from Microtronix, a local manufacturer of TV’s sets and decoders.

He was speaking at a briefing session that the Department of Communications held with local television manufacturers on Friday to update the industry on the new delivery model for broadcasting digital migration.

The new model was recently approved by Cabinet.

“As a player in this industry I am fully supportive of the new delivery model for the project, the model is friendly to new entrants in the market. However, I am worried that if heavy import duties are not imposed on cheap TV and decoder imports, the new entrants will suffocate,” said Goodyer.

Briefing local television manufacturers, Dr Mashilo Boloka, Acting Director General at the Department of Communications, emphasised the need for an inclusive approach from retailers and manufacturers to accelerate the implementation of broadcasting digital migration in the country.

Boloka said the department is in discussions with National Treasury around issues of ad valorem tax against decoders that are manufactured locally.

“The new model merely means that government will not procure devices any longer. It will leave this function to retailers. Retailers will now place orders with manufactures as is their main role in the economy. Government will then rightfully do its role of providing policy certainty and oversight.”

He said the delivery model will follow the retail supply of digital reception devices to the remaining analogue television viewing households.

The delivery model that was recently approved by Cabinet will be fully implemented in March 2019.

“We further encourage the electronic manufacturers to participate in the work streams of the appointed Broadcasting Digital Migration Advisory Council - we talk inclusivity nothing else. We are looking forward to those inputs that can accelerate the uptake and implementation of broadcasting digital migration,” added Boloka.

Meanwhile, the Black Business Council encouraged established television manufacturers and new entrants to work together to build a sustainable electronic industry.

The council said it supported any endeavor by the department to make the implementation of digital migration a reality. There are about 3.2 million indigent television-viewing households that are yet to migrate to digital television platform in the country.

South Africa is in the process of switching from analogue transmission to digital broadcasting, which will result in a host of benefits, including better picture quality and more spectrum will be released to provide new services such as wireless and other broadband.

The Department of Communications has adopted a phased approach in the implementation of the broadcasting digital migration, with intention of switching off all the analogue transmitters in the Free State province by end of December 2018.

The North West and Northern Cape Province will be the next to follow as per the project plan.

Communications Minister Nomwula Mokonyane has expressed the urgency which is needed to ensure a complete switch-over from analogue to digital in a manner that is manageable, collaborative and ensure the sharing of resources between government and industry.

The full total digital television migration for the country is expected before 2020.

Next week the department will be in the Western Cape to meet with the television manufacturers and retailers in that province.