

REGULATORY

A minute before midnight, focus required! Deadline is 22 January 2024

21 December 2023 3 min read

and Chiara Ferri – Candidate Attorney

The Media and Digital Platforms Market Inquiry (“**the Inquiry**”), which launched in October 2023, issued a Further Statement of Issues (“**FSOI**”) earlier this week following its first round of information gathering.

The Competition Commission (“**the Commission**”) is calling on market participants and stakeholders to respond by submitting detailed inputs on specific additional key areas which they wish to incorporate into the Inquiry and deem would enrich the Inquiry investigation process.

By **17h00 on 22 January 2024**, written submissions are to be emailed to **mdpmi@compcom.co.za** and all submissions must be supported by adequate justifications and supporting data.

The Commission has identified 6 additional crucial themes that the FSOI is adamant about delving into further. These include –

1. incorporating constitutional interpretation into the Inquiry;
 - this asks which constitutional rights would be implicated in the Inquiry and how the Inquiry provisions ought to be constitutionally interpreted.
2. assessing the ramifications of disinformation and misinformation;
 - this asks what the impact has been of a growing public distrust of media platforms and how the business models of digital platforms have played a role in the exacerbation of misinformation.
3. looking more closely at radio and TV broadcast news media;
 - this queries how the market features of digital platforms impact competition for advertising revenue and what the distribution mix of radio and TV news looks like in a growing digital world.
4. evaluating the news' impact on search and social media platforms;
 - stakeholders have been asked to comment on how the news and media benefit search engines, news aggregators and social media platforms. It also asks how the Inquiry ought to measure news media engagement or consumption.
5. examining revenue-sharing agreements between news media and digital platforms
 - this aims to obtain clarity as to what the reasons are for some platforms providing revenue share arrangements and others not. It also asks whether revenue sharing ought to be based on gross revenue or net revenue and why?
6. scrutinizing the role and importance of transparency in platforms and Advertising Technology (Adtech) markets
 - media stakeholders have been asked to identify specific instances of an apparent lack of transparency and why for certain platforms, levels of transparency are not achievable.

The Commission, in terms of section 43B(1)(a) of the Competition Act, 89 of 1998 (as amended) aims to investigate the distribution of media content on South African digital platforms and the Advertising Technology (Adtech) markets which facilitates the connection between buyers

and sellers of digital advertising inventory.

Concerns that digital platforms and disseminating news media content might have market characteristics that hinder, distort, or restrict competition, or undermine the goals of the Act, with significant ramifications for the South African news media industry, led the Commission to launch the Inquiry.

The Inquiry also seeks to determine whether certain aspects of these marketplaces have unfavourable effects, especially those that affect SMEs and historically disadvantaged people (HDPs), and whether these elements need to be addressed.

See the following links for more detail –

[On to the next! The Competition Commission Sets its Sights on Digital Platforms – Werksmans](#)

[Media and Digital Platforms Market Inquiry – The Competition Commission \(compcom.co.za\)](#)

Over the holiday season, we urge stakeholders and market participants to start thinking about whether they wish to contribute to the FSOI and determine whether of the questions from one / all of the key areas are accurately addressed and substantively sustained.

It is through collective and critical thinking that a robust outcome can be achieved. Do not waste the opportunity to contribute and impact on the Inquiry.



Ahmore Burger-Smidt

Head of Regulatory

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