



# **MEDIA AND DIGITAL PLATFORMS MARKET INQUIRY**

## **CALL FOR PARTICIPATION IN PUBLIC HEARINGS**

### **TO BE HELD FROM 4 – 22 MARCH 2024**

#### **BACKGROUND**

The Competition Commission formally launched the Media and Digital Platforms Market Inquiry (the “Media and Digital Market Inquiry”, “Inquiry” or “MDPMI”) on 17 October 2023 in terms of section 43B(1)(a) of the Competition Act 89 of 1998 (as amended) (“the Act”). The Inquiry was initiated because the Commission has reason to believe that there are market features on digital platforms that distribute news media content that impede, distort, or restrict competition, or undermine the purposes of the Act, and which have material implications for the news media sector of South Africa. The Scope of the Inquiry is set out in the Terms of Reference which was published on 15 September 2023.

Search and social media platforms primarily fund themselves through advertising and drive consumer traffic, engagement, and data collection using news media content to drive traffic and engagement. Online platforms influence the bargaining over the use of news content and the referral traffic to news media websites. News aggregation services curate content from various news sources to offer consumer convenience for online news consumption, and market features influence the bargaining over the use of that news content. Like digital media platforms, news media content publishers fund the creation of news content through advertising and depend on engagement and data collection for optimising targeted advertising, although many also incorporate subscription fee revenues to support the funding of news generation. The Inquiry is also looking into ad tech, which is the buying and selling of advertising space on publishers’ websites.

The launch was followed by the release of the Statement of Issues (“SOI”) along with Requests for Information (“RFIs”) to various online platforms, news aggregation platforms, news media organisations, broadcasters, and community media as well as ad-brokers who are players in the ad tech space. The first SOI and set of RFIs were primarily targeted at getting an initial

understanding of some of the market dynamics and the sort of business practices occurring across these platform types operating in South Africa.

After reviewing the initial submissions, the Inquiry released a Further Statement of Issues (“FSOI”) on 19 December 2023, along with further requests for information from market participants. All the Inquiry documents as well as public versions of stakeholder submissions are available on the [Inquiry’s website](#).

## **PUBLIC HEARINGS**

The Inquiry will be holding public hearings from **4-22 March 2024** as set out in the [Administrative Timetable](#). The Inquiry may extend the period for public hearings if required to hear from more stakeholders. The public hearings will be hybrid (i.e. participants will be appearing both in-person and virtually) to accommodate all stakeholders both within South Africa and globally irrespective of time zone.

Public hearings are an important part of a fair and transparent process to which the Inquiry is committed. This will foster accountability and legitimacy in the Inquiry process and enhance market participants and the public confidence in the Inquiry process.

The purpose of the public hearings in March is to enable the Inquiry panel and technical team to engage directly with stakeholders in respect of their submissions around how these platform markets operate, the issues identified by the Inquiry to date, and any remedial actions stakeholders consider are necessary to address any issues identified. There is also scope for stakeholders to highlight other issues that the Inquiry is not aware of currently as long as these fall within the Terms of Reference. Participants will be permitted to first make their presentation followed by questions from the panel and technical team.

To maximise the benefits of the public hearings, the Inquiry would like to hear from platforms themselves (both large and small), businesses making use of platforms such as news publications and media houses, relevant organisations (business and non-profit), government and the public. The Inquiry would also primarily like to hear from the business and organizational representatives rather than external legal or expert representatives. Stakeholders need to ensure that suitably informed business and organizational representatives are present to answer questions from the Inquiry Panel and Technical Team on the main areas covered by the submissions. Stakeholders who wish to make representations of a legal or expert nature can request the Inquiry for a separate engagement following the public hearings, which can also accommodate a discussion on confidential information.

The public hearings in March will be held entirely public with no provision for a private breakout to cover confidential information. Stakeholders wanting to make confidential submissions may make written submissions and claim confidentiality or request the Inquiry for a private session following the public hearings.

## **CALL FOR PARTICIPATION IN THE PUBLIC HEARINGS**

Stakeholders that wish to participate in the public hearings must submit a request to participate using the “Inquiry Hearing Form” on the website and send it to the Inquiry email address [mdpmi@compcom.co.za](mailto:mdpmi@compcom.co.za) by **17h00 on 9 February 2024**. The request must set out the nature of the submissions to be made at the hearing, as well as the individuals who will be present at the hearings to make the submissions and respond to questions from the Inquiry Panel and Technical Team.

The period for the public hearings is limited and there may not be sufficient time to accommodate all stakeholders that have expressed interest. For this reason, the Inquiry will use its discretion as to which stakeholders will be allowed a slot to participate in the hearings and the length of time granted. The Inquiry is likely to give preference to those stakeholders where public engagement is able to contribute to a deeper understanding of the issues beyond what can be obtained from the written submissions. However, all submissions will form part of the record even if the stakeholder is not granted a slot at the hearings.

The Inquiry may require that a stakeholder also address the panel and technical team on any relevant issue in addition to the main areas covered in the submission. The Inquiry may also use its discretion to require the participation of any stakeholder that has not requested participation, but which can materially contribute to the work of the Inquiry. In each such case, the Inquiry will communicate with the participants before the public hearings to permit preparation.

The Inquiry will publish on its website the schedule for the public hearings by **23 February 2024**, including the participants and the length of their time slot (split between presentation time and question time) for each of the hearing days. The public hearings will attempt to group participants making submissions on the same type of platforms. The preliminary running order that is subject to change would be online/digital platforms, news media organisations, broadcasters, community media, agencies ad tech and ad brokers, with submissions from government, regulators, organisations and the public interspersed between platform types.

## **GUIDELINES FOR PARTICIPATION IN PUBLIC HEARINGS**

The [Guidelines for Participation](#) in the Inquiry published on the Inquiry website contain general instructions for participation in the public hearings, and stakeholders are advised to review these before participation.

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