



**RESPONSE BY HON. IPUMBU SHIMI, MINISTER OF FINANCE AND
PUBLIC ENTERPRISES, ON QUESTIONS RAISED BY HON. ELMA
DIENDA REGARDING REGARDING THE COMPENSATION OF
TRADITIONAL AUTHORITIES WHEN MTC SET UP TOWERS
WITHIN THE COMMUNAL AREAS.**

07 November 2023

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NATIONAL ASSEMBLY

NOTICE OF QUESTION

BY

Hon. Elma Dienda (PDM)

Signature: 

I hereby give notice that on Thursday, 19 October 2023, I shall ask the Minister of ~~Information, Communication and Technology~~, Hon. Dr. Peya Mushelenga, the following:
Finance and Public Enterprises

Honourable Minister,

It has come to my attention that there appears to be a discrepancy in the compensation provided to Traditional Authorities for the erection of MTC network towers in specific areas, where some receive compensation, while others do not.

I therefore ask the Honourable Minister:

1. What are the reasons for such disparities in the compensation for Traditional Authorities where some are compensated, while others are not?
2. What are the criteria or factors that MTC considers when determining whether to compensate Traditional Authorities for the erection of network towers in particular areas?
3. Lastly, Hon. Minister, what measures, if any, are in place to ensure fairness and equity in this compensation process?

I so submit

Honourable Speaker,

I rise to respond to questions, raised by Hon. Elma Dienda regarding the compensation of Traditional Authorities when MTC set up towers within the communal areas.

Honourable members,

Prior to the commencement of the Communal Land Reform Act No. 5 of 2002, the chiefs and/or Traditional Authorities had the authority to allocate land rights to individuals. The allocation of land rights before 1 March 2003 (prior to the commencement of the Communal Land Reform Act) was not regulated or documented, such rights were usually allocated orally.

MTC would then during the said period, be requested by various chiefs and/or Traditional Authorities to set up towers within the communal areas. These requests were usually not documented, and agreements were not concluded with the chiefs or Traditional Authority. As such, MTC would compensate chiefs and/or Traditional Authorities an administrative fee when required or requested to do so.

The Communal Land Reform Act 5 of 2002 commenced on 1 March 2003 and according to Section 30 (4) of the Communal Land Reform Act, a right of a leasehold is granted by the communal land board, only if the Traditional Authority consents to the grant of such right. After having complied with the application procedures in terms of the Act, the right of a leasehold is granted.

An application for a leasehold is granted on the condition, that the board allows an amount to be paid by way of instalments in a manner agreed between the board and the person to whom the leasehold is allocated. In compliance with the said provisions of the Act, MTC concludes leasehold agreements with the boards after being granted the leasehold rights and compensates them an agreed amount.

MTC has no criteria when it comes to the compensation of Traditional Authorities, however, the practice since the commencement of the Communal

Land Reform Act is to pay an agreed consideration to the board after granting MTC a right of leasehold.

The compensation is an agreement concluded between the board and MTC, no agreements are concluded with the Traditional Authorities. In some areas, the Traditional Authorities have tariffs that MTC must pay and in other areas no tariffs exist. MTC has always operated on the basis of the processes set by the Communal Land Board and Traditional Authorities.

Hon. Speaker,

Hon. Members

MTC's intention is not to take advantage of any Traditional Authority, MTC recognises that the various Authorities have varying rules based on their traditions and customs. Therefore, MTC cannot dictate the rules applicable but merely follow the processes provided.

MTC aims to uplift the communities within which it operates and not only provide services but assist in improving the quality of life. With that said, MTC is in the process of establishing a compensation policy that will standardize the tariffs, administration fees and compensation to all Traditional Authorities.

I, therefore, wish to thank Hon. Dienda for this important question as it created an opportunity to provide information to the Nation

I thank you