PRESENTATION TO THE

PORTFOLIO COMMITTEE

PROGRESS AGAINST MINISTER'S AUGUST 20TH

COMMITMENTS TO THE PCC

05 November 2013

Introduction

On 20 August 2013, we presented to the Portfolio Committee on Communications (PCC) a strategy and programme for the period until the 2014 elections, focusing mainly on the following areas:

- A more effective DoC
- A less fragmented and fractious ICT sector
- Finalisation of the Broadband Policy, Strategy and Plan
- An effective Spectrum Policy
- A Policy Directive on Transparent Pricing Policy
- Setting foundation for further reducing the costs to communicate
- Beginning the Roll-out of Digital Migration
- Greater focus on Rural and other underserviced areas
- Corporatisation of Postbank
- ICT Policy Review Green Paper
- National ICT Forum
- Progress on Community Media as well as Community Broadcasting Support Policy
- Merger of e-Skills organisations

Since 20 August the DoC has prioritised these areas and made significant progress, we think, in almost all these areas. However it is for the PCC to evaluate and decide.

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A more effective DoC (1)

Commitment	Due Date	Actual Progress
Ensure a more effective DoC	2014 Elections	❑ DG's delegations and Performance Agreement have been finalised. The Performance Agreements of the DDGs will be reviewed and finalised within 2 weeks. ❑ Following the finalisation of interviews, recommendations are to be put to Cabinet for appointments to 3 Deputy Directors-General positions. These interviews were held within 2 weeks of the closure of the date for applications. ❑ The Chief Financial Officer position has been shortlisted and interviews will be held within two weeks. ❑ The posts of Chief Director (CD): Human Resource Management, CD: Internal Audit and Director: Internal Audit have been shortlisted and interviews will be held by mid-November 2013. ❑ 40 non-Senior Management Services (SMS) positions and 8 critical SMS positions will have been advertised by mid-December.

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A more effective DoC (2)

Commitment	Due Date	Actual Progress
Ensure a more effective DoC	2014 Elections	❑ 80% of employees have been migrated into the revised organisational structure and we hope to finalise the migration process by the end of November. ❑ All outstanding labour matters have been finalized. ❑ An integrated Action Plan has been developed to address issues raised by the Auditor General in the 2011/2012 and 2012/2013 financial years. ❑ To improve performance against targets, the Department has, through engagement with National Treasury, agreed on project management training for managers, to begin on 8 November.

4

Less Fragmented ICT Sector

Commitment	Due Date	Actual Progress
A less fragmented and fractious ICT Sector	2014 Elections	❑ As part of contributing to a less fractious and fragmented ICT sector, the Minister has had engagements with over 180 organisations and individuals, and mediated or arranged for mediation in several cases of differences between stakeholders. Several workshops and meetings have also been held bringing stakeholders together, including on such issues as cost-to-communicate, spectrum and digital migration.

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Broadband

Commitment	Due Date	Actual Progress
Finalise Broadband Policy, Strategy and Plan to take through the Cabinet process	30 Nov. 2013	❑ The Department has, with the assistance of some experts made progress on the Broadband Policy, Strategy and Plan, and will process it through Cabinet by 4 December. ❑ A consultative workshop was held on the 25 October 2013 to solicit the views of industry, experts, government and civil society. Views and comments from the consultative workshop were considered in taking the policy forward.

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Radio Frequency Spectrum

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Commitment	Due Date	Actual Progress
Develop an effective Spectrum Policy to facilitate the development of wireless technologies in support of universal access and economic development	2014 Elections	❑ A multi-stakeholder consultative workshop was convened on 15 October 2013 to solicit stakeholder views on any amendments to the 2010 National Spectrum Policy. However, the workshop concluded that there was no immediate need for a review of the 2010 policy, but that Ministerial Policy Directives were required on issues, including spectrum pricing for non-commercial spectrum usage as well as policy directives on the licensing of suitable spectrum for broadband applications. The development of such Policy Directives on high demand spectrum has commenced. ❑ It was also decided that the review of the 2010 National Radio Frequency Spectrum Policy should be informed by the decisions of the International Telecommunication Union World Radio-communication Conference in 2015.

7

Cost to Communicate (1)

Commitment	Due Date	Actual Progress
Finalise a new policy directive on Transparent Pricing Policy	30 Sept. 2013	❑ The policy directive on Transparent Pricing Policy has been deferred until early next year to provide space for further consultation.
Convene a pricing workshop as part of a consultative process on the cost-to-communicate	30 Sept. 2013	❑ The DoC engaged the network operators and the relevant Government departments at a workshop on 26 September 2013, to explore the possibilities of reducing the cost to communicate, without undermining the independent role of the Independent Communications Authority of South Africa . ❑ Network operators proposed an industry forum where the Minister could engage the sector on pricing matters and the state of the ICT sector. It was concluded that the Minister will consider the proposal to establish a standing industry/CEO forum.

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Cost to Communicate (2)

Commitment	Due Date	Actual Progress
Engage ICASA on the review of the Mobile Termination Rate (MTR)	30 Sept. 2013	❏ A concept paper has been developed by the Department focusing on the reduction of telecommunication costs including MTRs. ❏ A meeting was held with ICASA where this matter was discussed among others and ICASA attended the above-mentioned 26 September workshop.

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Commitment	Due Date	Actual Progress
SENTECH to provide 84% of the country with network for the roll-out of the Digital Terrestrial Television	2014 Elections	❑ The Digital Terrestrial Television (DTT) network now covers 81.7% of the population. ❑ On 30 September 2013, Sentech launched the satellite platform "Freevision" to serve as the "DTT Gap-Filler" for the 16% of the population which is not covered by DTT. This satellite platform provides 100% geographical and population coverage. ❑ The Department is in the process of issuing a tender for subsidized satellite Set Top Boxes (STBs) using the funding available for the 2013/14 financial year. ❑ The Department is planning to officially launch Broadcast Digital Migration in South Africa, initially using satellite technology, while the DTT STB Control matters are being resolved. ❑ The DoC, in collaboration with its State Owned Companies (SOCs), is currently conducting education provincial road-shows to promote the uptake of digital television services provided under the newly launched satellite platform.

Broadcasting Digital Migration (2)

Commitment	Due Date	Actual Progress
Convene a facilitation process to bring together the contending parties to reach agreement on the Set Top Box "Control issue"	15 Sept. 2013	❑ The facilitation process on Set Top Box (STB) Control began in mid-September. The facilitation team has finalised its report and it is being processed for a Cabinet decision by 4 December.

Schools Connectivity

Commitment	Due Date	Actual Progress
Connect 788 schools as part of increasing focus on rural and other underserviced areas	2014 Elections	❑ A framework on school connectivity has been agreed to by the Deputy Minister's E-Connectivity Forum. The framework will inform school connectivity initiatives by various stakeholders across the sector. ICASA is implementing the framework as part of the licence obligations. ❑ 61 of the 788 schools have been connected thus far. ❑ Progress was slow due to lack of required equipment for the WAN & LAN installation. However the equipment has been received and connectivity can now be accelerated.

Postal Infrastructure

Commitment	Due Date	Actual Progress
SAPO to build 50 new post offices as part of increasing focus on rural and other underserviced areas	2014 Elections	<u>4 Post offices under construction</u> 3 in Eastern Cape & 1 in Limpopo <u>11 Post offices at tender stage</u> 1 in Free State, 1 in Eastern Cape, 3 in Gauteng, 3 in Mpumalanga, 3 in Western Cape <u>3 Post offices at Drawing stage</u> 3 in KwaZulu-Natal <u>32 Post offices are in the Planning stage *</u> 4 in Eastern Cape, 1 in North West, 3 in KwaZulu-Natal, 6 in Gauteng, 13 in Limpopo, 2 in Mpumalanga, 1 in Western Cape and 1 in Northern Cape * *Location of 1 post office to be confirmed with SAPO*

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National Address System

Commitment	Due Date	Actual Progress
Take forward the project on the National Address System	-	❑ Meetings were held with Statistics South Africa and South African Post Office (SAPO) in August, September and October to clarify roles and responsibilities. ❑ A stakeholder meeting is being arranged for November 2013 with the Departments of Cooperative Government and Traditional Affairs, Home Affairs, Social Development and Statistics South Africa. ❑ Following the stakeholder meeting, an Interdepartmental Committee on the National Address System will be established in November after which monthly monitoring and reporting will take place. ❑ The DoC will provide strategic support to SAPO in the establishment of a National Address Database (NAD) as mandated by the White Paper on Postal Policy.

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Commitment	Due Date	Actual Progress
Provide clearer Shareholder Compacts and exercise more stringent oversight of the SOCs	2014 Elections	❑ Most Shareholder Compacts have been resubmitted with amendments. ❑ With regard to .za Domain Name Authority (.zaDNA), the independent selection committee has made its final recommendations to the Deputy Minister for the appointment of non-executive board members. ❑ 5 Sentech board members have been appointed. ❑ SAPO nomination committee that will recommend candidates to the Minister for appointment to the Board of SAPO has been established. The committee is currently screening CVs of potential candidates. ❑ Entities have been requested to submit corrective action plans on how to address the negative audit findings in their 2012/13 annual reports in order to avoid recurrences.

15

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Commitment	Due Date	Actual Progress
Provide clearer Shareholder Compacts and exercise more stringent oversight of the SOCs	2014 Elections	❑ There have been several meetings with the Boards, and at times, the management of the SOCs, and more stringent oversight is being exercised, in some cases through Joint Task Teams. ❑ The Board of the Universal Services and Access Agency of South Africa (USAASA) has been engaged on the recommendations of the Gobodo Report and the legal issues are being managed by the Office of the Chief State Law Adviser. ❑ The Board and management of SAPO have been engaged on the allegations of corruption and appropriate inquiries are underway.

16

Postbank

Commitment	Due Date	Actual Progress
Finalise the licence issues and the appointment of Board members to the Postbank	31 Jan. 2014	❑ A Cooperation Agreement, emanating from the Postbank Act, has been developed for consideration by the SAPO Board. This Agreement requires SAPO and the Postbank to enter into an agreement on pertinent issues such as the sharing of infrastructure amongst others. ❑ SAPO lodged the application with the Registrar of Banks on 26 September 2013 ❑ The Memorandum of Incorporation (MoI), which also emanates from the Postbank Act, has been updated and circulated to all stakeholders for comments. The MoI seeks to incorporate the Postbank as a Company. ❑ The Assets and Liabilities separation has been conducted by SAPO and finalised. DoC is now expected to audit the report. ❑ Negotiations with National Treasury on outstanding matters have been taken forward and a further meeting will be held within 10 days.

17

ICT Policy Review

Commitment	Due Date	Actual Progress
Finalise a National Integrated ICT Policy Green Paper	30 Nov. 2013	❏ All critical research on e-commerce & cybersecurity; broadcasting and postal services as well as the telecommunications sectors have been concluded. ❏ The draft Green Paper, with all 12 Chapters, has been drafted and is currently being edited and will be presented to the Policy Review Panel on 5 November 2013 for final consideration. ❏ It is expected that the ICT Policy Green Paper will be gazetted in early December for public consultation. ❏ A programme of engagement will be implemented, including provincial hearings. A national colloquium is planned for the first quarter of 2014.

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National ICT Forum

Commitment	Due Date	Actual Progress
Establish a National ICT Forum together with government , the industry, trade unions and, individual experts from academic and government as well as civil society role-players	Late Nov. 2013 or early 2014	❑ The National ICT Forum will be launched in early 2014.

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Community Broadcasting

Commitment	Due Date	Actual Progress
Finalise a new Community Broadcasting Support Policy	2014 Elections	❏ We have unfortunately not made substantial progress with regards to developing the Community Broadcasting Support Policy – for which we apologise. ❏ However a detailed Project plan has been developed and a new project leader as well as a project team has been appointed. ❏ Research and consultation has commenced and an outline of the chapters of the policy has been finalised. ❏ The Department has finalised the legal matter that was holding up the roll-out of community broadcasting studios. The DoC is in the process of re-engaging the service provider to provide the infrastructure to 3 Community Radio Stations by mid-January and a further 4 stations will be installed by end of March 2014.

Legislative Programme

Commitment	Due Date	Actual Progress
Process the 4 Bills before Parliament: o Electronic Communications Amendment Bill; o ICASA Amendment Bill; o South African Post Office Amendment Bill; and o The Postbank Amendment Bill.	2014 Elections	❑ We express our appreciation to the PCC for your efficient processing of the Bills.

E-Skills

Commitment	Due Date	Actual Progress
Finalise the merger of the e-Skills Institute (e-SI), the NEMISA and the Institute for Software and Satellite Applications (ISSA), to form an integrated institute for e-Skills	2014 Elections	❑ Working with National Treasury to ensure that it meets the regulatory requirements in terms of establishing the single integrated Entity for e-Skills ❑ The integrated e-Skills Institute, with a proposed name of "Ikamva National e-Skills Institute", will be launched by mid-December 2014. ❑ Funding to the tune of R15 million has also been approved by National Treasury which will be transferred to DoC by end of November 2013 and made available to the e-Skills Institute. ❑ The Department has begun discussions with 12 key government departments to finalise an audit of current approaches aimed at e-skills delivery. ❑ The partnership with local universities that are currently hosting the 6 provincial e-Skills colabs is continuing to build the architecture at a Provincial and Local level for e-Skills to directly impact on the NDP targets for South Africa to be an e-literate society by 2030.

THANK YOU

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