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Department:
Communications
REPUBLIC OF SOUTH AFRICA

PRESENTATION TO THE PORTFOLIO COMMITTEE

PROGRESS AGAINST MINISTER' S AUGUST 20TH COMMITMENTS TO THE PCC

Period: November 2013 to January 2014

18 February 2014

- ❑ 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 underserved 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

- ❑ On 05 November 2013, the Minister presented to PCC a progress report on the above-mentioned focus areas.

- ❑ This presentation aims at providing an update of progress made since 05 November 2013 till 31 January 2014.

A more effective DoC (1)



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Commitment	Due Date	Actual Progress
Ensure a more effective DoC	2014 Elections	<ul style="list-style-type: none"><li data-bbox="575 362 1866 568">❑ DDG: SOCs Oversight & Enterprise Development; DDG: Information Society Development & Research and DDG: ICT Infrastructure Development have been appointed and have assumed their duties in the Department.<li data-bbox="575 611 1866 816">❑ The Chief Financial Officer (CFO); Chief Director: HRM; Chief Director: Internal Audit & Risk Management assumed their duties in January 2014. The Director: Internal Audit will start work on 17 Feb 2014.<li data-bbox="575 859 1866 1116">❑ A total of 58 non-SMS positions were advertised internally and 16 critical SMS positions were advertised in November 2013. Positions advertised are being interviewed and appointments are expected to be made as early as February and March 2014.

A more effective DoC (2)



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Commitment	Due Date	Actual Progress
Ensure a more effective DoC	2014 Elections	<ul style="list-style-type: none"><li data-bbox="575 357 1420 392">❑ Almost all senior positions are now filled.<li data-bbox="575 435 1864 578">❑ All SMS and non-SMS employees have been migrated into the revised organisational structure and the process was finalized on 15 January 2014. The migration of SMS is finalised.<li data-bbox="575 621 1864 763">❑ The integrated Action Plan developed to address issues raised by the Auditor General in the 2011/2012 and 2012/2013 financial years is being implemented and monitored.<li data-bbox="575 806 1864 999">❑ An operations Committee has been established to review all the policies of the Department and align them with DPSA and National Treasury Regulations. The review will be completed by April 2014.

Less Fragmented ICT Sector



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Commitment	Due Date	Actual Progress
A less fragmented and fractious ICT Sector	2014 Elections	<ul style="list-style-type: none"><li data-bbox="542 354 1858 496">❑ The Minister continued engagements with relevant organisations and individuals on content issues and with regards to mediating differences between stakeholders.<li data-bbox="542 539 1858 632">❑ The Ministry has met 191 organisations and individuals since 12 July 2013.<li data-bbox="542 675 1858 911">❑ The DoC has taken a decision to focus on key measurables to assess the state of the ICT sector. Furthermore, the DoC Stakeholder engagement strategy is in the process of being reviewed in line with the aim of a less fragmented ICT Sector through pro-active stakeholder engagement.

Broadband



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Commitment	Due Date	Actual Progress
Finalise Broadband Policy, Strategy and Plan to take through the Cabinet process	30 Nov. 2013	<ul style="list-style-type: none"><li data-bbox="627 425 1864 582">❑ Cabinet approved “South Africa Connect”, the National Broadband Policy, Strategy and Plan on 4 December 2013. It was gazetted on 6 December 2013.<li data-bbox="627 601 1864 758">❑ A copy is enclosed. It sets out the targets and the four-pronged strategy: digital readiness; digital development; digital future; and digital opportunity.<li data-bbox="627 776 1864 933">❑ A Steering Committee and Task Teams, comprising of various government departments, have been established to develop a detailed implementation plan of the policy.<li data-bbox="627 952 1864 1048">❑ The implementation will ensure that the policy decisions are achieved.<li data-bbox="627 1066 1864 1162">❑ List of Candidates for Broadband Council has been compiled for Minister’s consideration.<li data-bbox="627 1180 1864 1338">❑ The schools connectivity programme has been accelerated – 565 schools have been connected since 4 December adoption of “South Africa Connect”.

Radio Frequency Spectrum



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	<ul style="list-style-type: none"><li data-bbox="575 372 1858 529">❑ The Department has developed a draft Policy Direction on Spectrum for Broadband to facilitate universal broadband access and economic development.<li data-bbox="575 548 1858 705">❑ The Department is in the process of publishing the findings of the Digital Dividend study which is essential to the release of digital dividend spectrum.<li data-bbox="575 723 1858 881">❑ The process to align the draft broadband spectrum policy directions with the Broadband Policy (establishment of open access model) has been taken forward.

Cost to Communicate (1)



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Commitment	Due Date	Actual Progress
Finalise a new policy directive on Transparent Pricing Policy	30 Sept. 2013	<input type="checkbox"/> The Department was waiting for the finalisation of ICASA's MTR regulations before taking forward the Policy Directive on Transparent Pricing Policy. This is now being done.
Convene a pricing workshop as part of a consultative process on the cost-to-communicate	30 Sept. 2013	<i>The target was achieved and no activities were needed post the 5th of November. Outcomes will be incorporated in the cost to communicate programme for 2014/2015 year.</i>

Cost to Communicate (2)



Commitment	Due Date	Actual Progress
Engage ICASA on the review of the Mobile Termination Rate (MTR)	30 Sept. 2013	<ul style="list-style-type: none"><li data-bbox="627 358 1381 401">❑ Engagement were held with ICASA.<li data-bbox="627 415 1864 572">❑ ICASA released the final regulations on mobile termination rates, gazetted on 4th Feb 2014, which will be effective as of the 1st March 2014.



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	<ul style="list-style-type: none"><li data-bbox="575 386 1858 486">❑ The Digital Terrestrial Television (DTT) network now covers 83.7% of the population.<li data-bbox="575 501 1858 665">❑ 16% of the remaining population will be covered by Sentech's satellite platform which provides 100% geographical and population coverage.<li data-bbox="575 679 1858 893">❑ The DoC, in collaboration with its State Owned Companies (SOCs), is continuing with conducting education provincial road-shows to promote the uptake of digital television services provided under the newly launched satellite platform.



Commitment	Due Date	Actual Progress
<p>Convene a facilitation process to bring together the contending parties to reach agreement on the Set Top Box “Control issue”</p>	<p>15 Sept. 2013</p>	<ul style="list-style-type: none"> ❑ The facilitation report was completed and submitted to the Department. ❑ The amendments to the BDM Policy were gazetted on 6 December 2013, following Cabinet approval on 4 December 2013 . ❑ A copy of the amendments is included. Basically, the policy states that broadcasters are free to decide whether they want to use the control system or not. The STBs will, however, have a control system for a variety of reasons, including the need to protect our local electronics industry, create space for emerging entrepreneurs, avoid the delays that changing the SABS standard would require, minimise successful legal action and keep the doors open to broadcasters not wanting to use the control system now doing so in the future. Broadcasters using the system will have to pay for it. There are 12 criteria that were used to shape this approach. ❑ As there is still not consensus on this approach, negotiations are continuing both through the Facilitation Team and in other ways. We would like this finalised as soon as possible.



Commitment	Due Date	Actual Progress
Connect 788 schools as part of increasing focus on rural and other underserviced areas	2014 Elections	<ul style="list-style-type: none"> • 6841 schools connected since 2009 by the ICT industry (Vodacom, MTN, Cell C, Sentech, Telkom, Neotel, WBS, USAASA, CSIR) • 4900 of these schools benefited from e-rate • 1427 schools have been connected by the DoC in the current financial year <ul style="list-style-type: none"> • 565 schools have been connected since adoption of the broadband Policy in December 2013 • 268 of these schools have end to end connectivity solution • A total of 8268 schools have been connected through government and industry initiatives



Commitment	Due Date	Actual Progress	
		Status of Post Offices	No.
SAPO to build 50 new post offices as part of increasing focus on rural and other underserviced areas	2014 Elections	Post offices completed and operational	15
		Post offices under construction with estimated d.o.c.: 31/03/14	9
		Retail Postal Agencies ready to be fitted with counters and staff to be trained	22
		Mobile offices ready to be fitted with equipment	4
		TOTAL	50
		<p>Total composition of these points of presence are as follows:</p> <ul style="list-style-type: none"> • 20 Retail Postal Agencies (RPA' s), • 25 Conventional Traditional Post Offices (CTPO) and • 5 Mobile Post Offices. 	

National Address System



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Commitment	Due Date	Actual Progress
Take forward the project on the National Address System	-	<ul style="list-style-type: none"><li data-bbox="517 344 1889 444">❑ A Policy provision regarding the National Addressing System has been sent for consideration by the Policy Panel in the Green Paper.<li data-bbox="517 458 1889 615">❑ Over 326 971 post and addresses were delivered. (<i>this covers the period August 2013 to January 2014 as no actual numbers were provided to the PCC on 5 November 2013</i>)<li data-bbox="517 629 1889 958">❑ A Steering Committee composed of COGTA, Home Affairs, Social Development, SA Police Services, Monitoring and Evaluation, Statistics South Africa, and SAPO has been established and held its first meeting on 07 February 2014, to guide in the rollout of address by other agencies and guide the implementation of the standardised addresses.<li data-bbox="517 972 1889 1072">❑ A concept paper has been developed and consultation for its finalisation is underway.

SOE Oversight (1)



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Commitment	Due Date	Actual Progress
Provide clearer Shareholder Compacts and exercise more stringent oversight of the SOCs	2014 Elections	<ul style="list-style-type: none"><li data-bbox="633 386 1862 486">❑ Shareholder Compacts of SAPO, Sentech and SABC were approved by the Minister.<li data-bbox="633 501 1862 601">❑ 9 Board members of .zaDNA are to be appointed. The process is almost complete.

SOE Oversight (2)



Commitment	Due Date	Actual Progress
Provide clearer Shareholder Compacts and exercise more stringent oversight of the SOCs	2014 Elections	<ul style="list-style-type: none"><input type="checkbox"/> 3 Sentech board members have been appointed. 2 others are to be appointed soon.<input type="checkbox"/> Four SAPO Board members were appointed by Cabinet on 4 December 2013.<input type="checkbox"/> SAPO strike largely ended. Strike has to be linked to overall structural problems in SAPO.<input type="checkbox"/> An SIU investigation into SAPO has begun.<input type="checkbox"/> A further investigation into USAASA is being processed following the draft Gobodo Report.<input type="checkbox"/> Following the analysis of 2nd Quarter reports of Entities, meetings have been held with all the entities where the respective quarterly reports have been presented and discussed. Quarterly Report meetings for the quarter ending 31 December will be concluded by the end of February 2014.

Commitment	Due Date	Actual Progress
Finalise the licence issues and the appointment of Board members to the Postbank	31 Jan. 2014	<ul style="list-style-type: none"><li data-bbox="556 358 1864 518">❑ List of potential Postbank board designate members have been submitted to the Registrar of Banks with the application for fit and proper assessment by the Registrar.<li data-bbox="556 534 1864 636">❑ Final appointment of members will be done once a report on the fit and proper assessment is received from the Registrar.<li data-bbox="556 652 1864 925">❑ A Cooperation Agreement, emanating from the Postbank Act, has been developed and approved 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.<li data-bbox="556 941 1864 1100">❑ In terms of the application for authorisation to establish a bank, SARB has started engagements with SAPO/Postbank on 16 January 2014 in this regard.<li data-bbox="556 1116 1864 1389">❑ R481m has been allocated to Postbank for the 2013-2016 financial years by National Treasury – although this will not be sufficient. With the R205 million of the allocated funds already received by Postbank, it is in a process of implementing new IT infrastructure and new capabilities required in a bank.

ICT Policy Review



Commitment	Due Date	Actual Progress
Finalise a National Integrated ICT Policy Green Paper	30 Nov. 2013	<ul style="list-style-type: none"><li data-bbox="558 372 1858 529">❑ Following Cabinet approval for its gazetting, the National Integrated ICT Policy Green Paper for public consultation on 24th January 2014.<li data-bbox="558 548 1858 648">❑ The period for consultation on the Green Paper has been extended to 24th March 2014.<li data-bbox="558 666 1858 823">❑ Public engagements will commence on 3rd March 2014 with a National Consultative Conference, which will be followed by Provincial Public hearings.



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	<ul style="list-style-type: none"><li data-bbox="627 372 1866 472">❑ A database of relevant stakeholders has been created and a ToR for the National ICT Forum has been developed.<li data-bbox="627 486 1866 586">❑ The launch of the National ICT Forum will take place after the completion of the Green Paper public hearings.

Community Broadcasting



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Commitment	Due Date	Actual Progress
Finalise a new Community Broadcasting Support Policy	2014 Elections	<ul style="list-style-type: none"><input type="checkbox"/> A draft Community Broadcasting Support Strategy has been developed and will be published for public comment soon. <p>Infrastructure has been provided to 4 Community Radio Stations as follows:</p> <ul style="list-style-type: none"><input type="checkbox"/> Lentswe Community Radio – Parys (FreeState)<input type="checkbox"/> Zebitiela Community Radio – Zebitiela (Limpopo)<input type="checkbox"/> Botlokwa community Radio – Botlokwa Limpopo)<input type="checkbox"/> Phalaborwa Community Radio –Namakgale (Limpopo) <p>Infrastructure for an additional 7community radio stations will also be provided in the second quarter of the 2014/15 financial year as follows:</p> <ul style="list-style-type: none"><input type="checkbox"/> Thabazimbi Radio – Thabazimbi<input type="checkbox"/> Shine FM – Richards Bay<input type="checkbox"/> Maputaland Radio – Jozini<input type="checkbox"/> Good news FM – Durban<input type="checkbox"/> Radio KC – Western Cape<input type="checkbox"/> Valley FM – Western Cape<input type="checkbox"/> Vaaltar FM – Taung



Commitment	Due Date	Actual Progress
<p>Process the 4 Bills before Parliament:</p> <ul style="list-style-type: none"> ○ Electronic Communications Amendment Bill; ○ ICASA Amendment Bill; ○ South African Post Office Amendment Bill; and ○ The Postbank Amendment Bill. 	<p>2014 Elections</p>	<ul style="list-style-type: none"> ❑ SAPO and Post Bank Bills have been enacted by the President. ❑ The ECA Bill was adopted by the Select Committee on Labour and Public Enterprises on 5 February 2014. ❑ The ICASA Bill is expected to be adopted by the Select Committee on Labour and Public Enterprises on 12 February 2014. ❑ We once again express our appreciation to the PCC for your efficient processing of the Bills.

E-Skills (1)



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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	<ul style="list-style-type: none"><li data-bbox="575 358 1856 458">❑ The integrated e-Skills Institute, “Ikamva National e-Skills Institute”, will be launched on 21 February 2014.<li data-bbox="575 472 1856 572">❑ Funding to the tune of R15 million has been secured and has already been transferred to NEMISA.<li data-bbox="575 586 1856 743">❑ Discussions have concluded with 12 key government departments to finalise an audit of current approaches aimed at e-skills delivery.<li data-bbox="575 758 1856 858">❑ The partnership with local universities that are currently hosting the 6 provincial e-Skills colabs is being strengthened

E-Skills (2)



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	<input type="checkbox"/> Collaboration with IBM International and the Digital Opportunity Trust was established to further enhance collaboration in the country and to establish a 7th CoLab in the North West Province.

Overview



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- ❑ Overall our sense is that we have delivered on most, not all, targets, and have, overall, done reasonably.
- ❑ But, of course, we can do more – and we must.
- ❑ We welcome stringent oversight from the PCC and we thank you for holding us to account rigorously.