



1. Introduction and Background

We commend Parliament for deciding to hold public hearings on this important issue, and are pleased to be able to make this submission.

The Alliance for Affordable Internet (A4AI - www.a4ai.org) is the world's broadest technology coalition. Launched in 2013, today A4AI has more than 80 members from the public sector, the private sector and civil society, including national governments, civil society actors and some of the world's largest technology companies. These diverse members have united around a common belief that universal access to affordable internet is essential for sustainable development, and that policy and regulatory tools are needed to drive progress. All have endorsed a set of policy good practices, available at: <http://a4ai.org/wp-content/uploads/2016/04/A4AI-Policy-and-Regulatory-Good-Practices.pdf>

A4AI was initiated and is led by the World Wide Web Foundation (www.webfoundation.org), which was established in 2009 by the Web's inventor, Sir Tim Berners-Lee. The Web Foundation believes that the open Internet is a public good and a basic right. The Foundation's 30+ staff represent more than a dozen nationalities, and work from hubs in Cape Town, Jakarta, London and Washington DC.

It is worth noting at the outset of this submission, that whilst we have a detailed view of global trends and issues, because South Africa is not one of our focus countries at present, we do not consider ourselves specialists in local policy issues. Therefore, our submission focuses on broad themes, principles and practices, and does not attempt to drill into the detail of the South African landscape. Given our expertise, we have also chosen to focus our submission on internet access specifically, rather than broader communications issues.



2. Summary of Key Points and Recommendations

<p>Universal access to affordable internet delivers social and economic benefits, and is essential to meet South Africa's international and domestic policy commitments.</p>	<ul style="list-style-type: none">• Government should continue to prioritise this issue, and should weave affordable and equal internet access targets and interventions across all ICT and telecom priority policy areas.
<p>South Africa ranks 19th of 51 emerging and developing countries considered by A4AI's 2015 Affordability Drivers Index. This is sixth in Africa and behind countries such as Rwanda and Nigeria.</p>	<ul style="list-style-type: none">• There is scope to use policy more effectively in order to deliver progress.
<p>Income inequality means that internet access remains unaffordable for most South Africans, with a basic mobile allocation costing 6 - 19% of monthly incomes, well above the United Nations benchmark of 5% maximum.</p>	<ul style="list-style-type: none">• Refine reporting to consider income inequality specifically• Expand public access programmes• Investigate innovative solutions, including community-owned networks
<p>Women are less likely than men to be able to get online affordably.</p>	<ul style="list-style-type: none">• Set and report on explicit targets for bringing women online• Prioritise investment into public access programmes that serve women and girls.



3. The Importance of Affordable Internet

Members of the Committee will no doubt be aware of the proven economic benefits of connectivity, established in many studies, and clearly encapsulated in the 2016 [World Development Report](#) from the World Bank, which noted that *“digital technologies have boosted growth, expanded opportunities, and improved service delivery.”*

While mindful of and excited by the economic benefits of affordable access, we are equally motivated by the broader benefits. In 2014, the Web’s inventor Sir Tim Berners-Lee [wrote](#): *“The web is now a public resource on which people, businesses, communities and governments depend. It is vital to democracy and now more critical to free expression than any other medium.”*

As members of the Committee review submissions and help to shape future policy, we urge that you bear in mind that universal access can help to reduce injustice and inequality of all types, and recognise that the rights it enables citizens to exercise — such as access to information and free expression — are underpinnings of a healthy democracy.

We are pleased to note that SA Connect — the 2013 Broadband Policy — explicitly recognises many of these imperatives. In the intervening years since the policy was gazetted, the United Nations has also developed and adopted the Sustainable Development Goals, which South Africa has endorsed. These contain two important ICT related targets:

- Goal 9c: Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020.
- Goal 5b: Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women.

With these factors in mind, it is clear that enabling universal, affordable access to the internet will deliver social and economic benefits, and is imperative in order to meet South Africa’s domestic and international policy commitments.



4. The Affordability Drivers Index: South Africa's Ranking

Each year, A4AI produces the Affordability Drivers Index (ADI). This Index looks at the policies, incentives, and infrastructure environment in place across 51 developing and emerging countries, including those policies [outlined in our good practices](#) (such as ensuring the availability of spectrum in a transparent manner to meet growing demand for broadband services and promoting infrastructure sharing). It then assesses the extent to which these policies are being implemented. The ADI deliberately does not measure price directly — but there is a correlation between better scores on the ADI and lower broadband prices relative to income. In short, countries that do well on the ADI also tend to have lower broadband prices for their citizens, and are likely to be able to drive prices down further and faster in the future.

In 2015, South Africa ranked 19th out of 51 countries on the ADI, and sixth amongst African countries. Countries such as Rwanda and Nigeria outranked South Africa. This indicates that South Africa is lagging behind many peers, and that further policy interventions may be needed.

For a detailed look at South Africa's performance on the ADI, visit:

http://a4ai.org/affordability-report/data/?_year=2015&indicator=INDEX&country=ZAF

5. Income Inequality

The UN's Broadband Commission has set an affordability target for broadband services — that 500MB of data should cost no more than 5% of monthly incomes.

At first glance, South Africa seems to meet this measure comfortably, with 500MBs of data priced at around 1.48% of monthly incomes. However, as in many other nations, income inequality skews this picture, as A4AI's [2015-16 Affordability Report](#) shows. [Average income \(as measured by GNI per capita in 2014\)](#) was US\$6790, but 60% of the population actually earn less than half of that amount. In practice, this means that a seemingly affordable mobile internet connection (1.48% of "average" monthly income) actually costs the majority of South Africans anywhere between 6-19% of their income.

Given the high levels of income inequality that persist in South Africa, we have three recommendations.

- Ensure reporting on affordability is broken down by income levels.
- Recognise that market-based solutions must be augmented with investment in public access programmes.
- Remain open to innovative solutions to meet the connectivity challenge, such as community-owned networks, dynamic spectrum allocation, and provision of a basic Wi-Fi allowance (such as is currently the case in some areas of Tshwane).



5. Gender Equality

Recent [research by the Web Foundation](#) shows that poor women in urban areas in ten developing countries are 50% less likely to be connected to the internet than men in the same age group, with similar levels of education and household income. While South Africa was not included in this study, it is likely that a similar picture exists.

We have two recommendations in this area:

- **Commit to collecting and reporting sex-disaggregated data and most importantly, to integrating a gender perspective in all measuring efforts by introducing gender indicators in their surveys and data collection activities.** The Partnership on Measuring ICT for Development has developed and shared [guidance](#) for improving these data collection efforts and ensuring that the data collected can be compared and analysed internationally.
- **Develop gender-specific policies with clear, measurable targets.** These could include prioritising public access programmes that target spaces valuable to and used by women and girls.

6. Conclusion and Additional Resources

While progress has been made in recent years, much hard work lies ahead before all South Africans can access the internet affordably and universal access becomes a reality. We hope that the brief analysis and recommendations above will help to inform future policy-making.

For more detailed information, we invite committee members to review the following additional documents:

- **A4AI's Good Practices.** Endorsed by all Alliance members on joining, these good practices cover areas such as ensuring the availability of spectrum in a transparent manner to meet growing demand for broadband services, and promoting infrastructure sharing. Available at: <http://a4ai.org/wp-content/uploads/2016/04/A4AI-Policy-and-Regulatory-Good-Practices.pdf>
- **A4AI's Affordability Report.** Available at: <http://a4ai.org/affordability-report/>
- **Web Foundation Briefing Note - Closing the Digital Divide.** Available at: <http://webfoundation.org/2016/04/closing-the-digital-divide-a-briefing-note/>



A4AI ALLIANCE FOR
AFFORDABLE INTERNET

7. Representatives and Contact Details

Two of our team members are available to attend and present to the Committee if requested.

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