

department of communications and digital technologies

SA Connect Phase 2 Programme

Broadband Connectivity

Portfolio Committee Presentation

Connecting the nation

A leader in enabling a connected and digitally transformed South Africa!

- Phase 1 Scope
- Strategic focus of SA Connect Phase 2
- Key Objectives of the SA Connect Phase 2
- Progress on Community & Households Connectivity
- Progress on Government Sites Connectivity
- Progress on Universal Service Obligation Connectivity
- Conclusion – Key Matters for Resolution

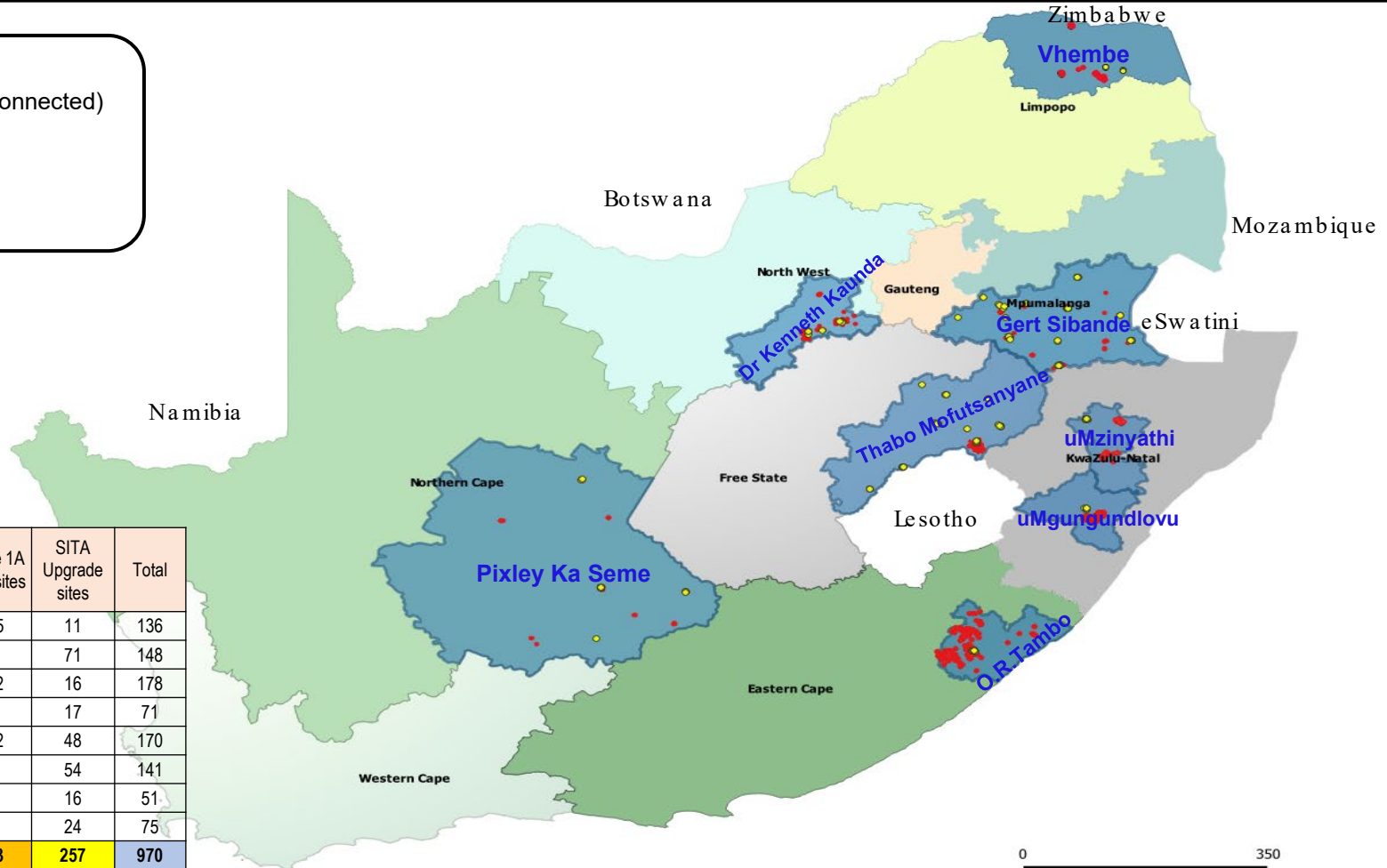
- 713 new facilities were completed under Phase 1 .
- 257 existing facilities were upgraded to 10Mbps by SITA.

District Municipality	School	Health	Government	Thusong	Health Upgrade	Gvt Upgrade	Total Upgrade	Total
Eastern Cape	139	22	0	1	2	14	16	178
Free State	99	23	0	0	6	43	49	171
Mpumalanga	63	14	0	0	10	56	66	143
North West	123	2	0	0	0	11	11	136
Northern Cape	15	38	1	0	4	13	17	71
Kwazulu Natal	109	13	0	0	10	64	74	196
Limpopo	46	5	0	0	5	19	24	75
Total	594	117	1	1	37	220	257	970

Phase 1 SA Connect Overview Scope

LEGEND

- SA Connect Sites (Connected)
- SITA Upgrade Sites
- SA Connect District



District	Province	Phase 1A & 1B sites	SITA Upgrade sites	Total
Dr Kenneth Kaunda	NW	125	11	136
Gert Sibande	MP	77	71	148
OR Tambo	EC	162	16	178
Pixley ka Seme	NC	54	17	71
Thabo Mofutsanyane	FS	122	48	170
uMgungundlovu	KZN	87	54	141
uMzinyathi	KZN	35	16	51
Vhembe	L	51	24	75
Total		713	257	970



- In line with the NDP, MTSF ERRP, etc. the intended outcomes of the project are:
 - affordable and universally accessible broadband nationally, to meet the diverse needs of public and private users, both formal and informal, consumers and citizens;
 - policy and regulatory conditions that enable public and private sector players to invest and contribute in other ways to reaching South Africa's broadband ambitions;
 - 80% of population have access to the internet by 2024
- This then necessitates the development of strategies and plans to ensure that the department achieves these objectives.
- Following the 2013 SA Connect policy the department started with the SA Connect project to implement the objectives of the policy.
- In September 2021, the Department embarked on a process to consider an alternative approach to ensure rapid broadband roll-out within a period of three years and with due regard to fiscal constraints.
- In October 2021, a Project Steering Committee was established by the Minister, which provide a revised model and implementation plan for the SA Connect Phase 2.
- Through the SA Connect Phase 2, the Government of South Africa wishes to launch a national project which will mobilise the capabilities, resources and energy of both the public and private sectors, together with civil society, in order to connect South Africans to each other and the world.

Approach to SA Connect Phase 2

- The revised SA Connect Phase 2 is divided into three streams:
 - Connectivity to Government Sites
 - Universal Service Obligations Connectivity;
 - Connectivity to Communities and Households

- a) **SITA will connect Government Sites** (National and Provincial departments – including SAPS); and excluding Schools and Clinics (unless they are part of existing Broadband initiatives)
 - a) SITA to connect at a **minimum of 10Mbps** (total of **14 742 government sites**)
 - b) **Existing budgets from line departments** must be utilised for maintenance and the extension of services provided by SITA.
- b) **Telecommunication companies through the awarded ICASA High Demand Spectrum licenses** will be mandated as part of their **Service Obligations** within 36 months to provide **10Mbps (uplink and downlink), uncapped and upgradable** for the same duration that the entities are licensed to utilize the spectrum broadband services to connect a total of:
 - a) **18 520 Schools**
 - b) **1764 Hospitals & 3967 Clinics**
 - c) **567 South African Police Services; and**
 - d) **8241 Traditional & Tribal Authority Centres**
- c) **Broadband Infraco and SENTECH**, under the planned merged entity named **State Digital Infrastructure Company (SDIC)** will provide broadband infrastructure to enable more broadband connection possibilities at a minimum of 5Mbps for the 5 830 208 households:
 - a) **840 Open Access Base stations**
 - b) **33 539 community Wi-Fi hotspots to connect 5 830 208 households**
 - c) **1 600 households VSAT connections in (EC, KZN & NC mountainous areas)**

The local **Small Medium Micro Enterprises (SMMEs), Internet Service Providers (ISPs), Wireless Access Service Providers (WASPs) and Mobile Virtual Network Operators (MVNOs)** will lease capacity and provide connectivity to those households and Community Wi-Fi hot spots, with the applicable metering and support. SDIC and the ICT industry will aggregate and backhaul the SA Connect traffic using state owned and private sector infrastructure .

Subject	Description	Status
FUNDING	<ol style="list-style-type: none"> 1. Presidential Employment Stimulus (R200m) 2. Balance of Phase 1 (R48m) 3. Phase 2 Funding (R2.5 bn) 4. USAASA Funding (R219m) 	<ol style="list-style-type: none"> 1. Application for roll-over submitted to National Treasury (NT). Awaiting feedback. Terms of Reference in progress for Fund Management. 2. Application for roll-over submitted to National Treasury (NT). Awaiting feedback. 3. Funding application including Financial Analysis was submitted to National Treasury. Awaiting feedback. 4. This funding has been made available and the project is in implementation mode. Procurement is in progress.

PROVINCE	Planned VSAT	Completed VSAT (To-Date)	Budgeted Base Stations	Extended Planned Base Stations (To-Date)	Comments
Eastern Cape	586	53	138	350	Complete
Free State		29	55	312	Complete
Gauteng		16	71	140	Complete
KwaZulu-Natal	789	33	189	2351	Complete
Limpopo		77	152	582	Complete
Mpumalanga		11	74	269	Complete
Northern Cape	225	72	32	59	Complete
North West		21	74	495	Complete
Western Cape		13	55	359	Complete
Total	1600	325	840	4917	

- High level base station planning has been completed for all provinces.
- Fibre route and detailed designs are in progress.
- Actual deployment will only start once the funding has been made available by National Treasury (slide 6).

14 742 Government Sites Connectivity

Index	Province / Dept	No. of Sites Planned	Agreed Sites Per Province	Progress Update 27/07/2022
1	EC	3,484	EC BB 2700	629/2700 connected to date
2	FS	572	Libraries (to confirm number and site list)	Engagements in progress to confirm lists.
3	GP	2,317	GP BB 1000+	Engagements in progress
4	KZN	1,007		Engagements in progress
5	LP	466		Engagements in progress
6	MP	381		Engagements in progress
7	NW	488	NW BB 230, 1324 Schools and 103 Clinics	Procurement currently in progress for 230 sites. 1324+103 sites are currently in planning as tasking was received in May 2022.
8	NC	93		Engagements in progress
9	WC	3,538	WC BB 2015	Engagements in progress
10	SAPS	2396	SAPS Migration	Proposal signed off
	Total Sites	14,742	7441	

Subject	Description	STATUS
<p>TELCO OBLIGATIONS</p>	<ol style="list-style-type: none"> 1. Telco Social Obligations - ICASA 2. Social Obligations Site lists: <ol style="list-style-type: none"> a) DBE - 18520 Schools b) DoH - 1764 Hospitals & 3967 Clinics c) 567 Libraries (SAPS Replacement sites) d) 8241 Traditional & Tribal Authority Centres 3. Site Lists Inputs 	<ol style="list-style-type: none"> 1. Several engagements were held with ICASA to allocate sites for Telcos. Site lists required from beneficiaries 2. ICASA is engaging with Telcos and DCDDT to finalise the requirements and obligatory agreements. 3. Awaiting full list responses from: <ul style="list-style-type: none"> • DBE (NW, LP, EC, GP) • DoH (NW, LP, EC, GP) • COGTA (EC, FS, NW, GP, LP, WC, NC, KZN, MP) well short of 8241 sites. • COGTA (33 539 WiFi HotSpots).

Progress to Date

1. Provincial and Departmental engagements are in progress (see slide 9 for updates).
2. All submissions to National Treasury for Funding have been made and DCDT is following up regularly so that the roll out to start in earnest. Feedback expected around October 2022.
3. Prioritization of sites to be rolled out is still in progress, in conjunction with DoH, DoE, COGTA, Provinces etc.
4. ICASA has started engagements with the Operators to agree on the definition of connectivity to be provided, as well as allocating the requisite sites for each operator.
5. Rapid Deployment policy finalized.
6. All infrastructure from private and public institutions Non-ICT SOCs (like Eskom, Transnet, PRASA etc.) has been factored into the designs.



Subject	Item Description	Stakeholders	Challenges
Provincial, Departmental and other engagements	<ol style="list-style-type: none"> 1. Departmental Engagements 2. Provincial Engagements 3. Other Engagements 	<ol style="list-style-type: none"> 1. Engagements were done with: <ol style="list-style-type: none"> a) DBE (Schools) b) DoH (Clinics & Hospitals) c) COGTA (Traditional Authorities) 2. Engagements were completed with: <ol style="list-style-type: none"> a) Free State b) Limpopo c) Mpumalanga d) Eastern Cape e) KZN f) Western Cape g) North West h) Northern Cape i) Gauteng 3. Engagements were done with: <ol style="list-style-type: none"> a) ISP Forums b) MISA c) National Treasury/ Intergovernmental Technical Committee on Finance (including provincial Treasuries) d) Eastern Seaboard/ Smart City e) KZN PGITOC 	Conclusion on CAPEX Funding

1. National Treasury Funding availability is a necessary prerequisite before programme can begin (queries on private sector funding vs fiscal funding being put forward by NT).
2. Discussions of definition of connectivity are ongoing between ICASA and the Operators.
3. Location of the 33 539 Wi-Fi Hotspots required – COGTA to assist in identifying these areas as part of the District Development Model.

