Feedback Report: Policy Colloquium

December 2025

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Minister's Foreword

There is no question that South Africa has made significant strides in increasing access to meaningful connectivity. In many areas, South Africa's performance is on par with advanced economies. However, the persisting digital divide means that the benefits of increased coverage have not reached the very people that need it the most.

Upon taking office in 2024, it was abundantly clear to me that government could not overcome the digital divide by itself. The private sector has, time and time again, shown its ability to respond to emerging trends and reach people where government could not. Government can no longer afford to operate in a silo and without extensive collaboration with industry and civil society and expect to improve the outcomes in our sector.

This realisation was what motivated me to convene the Policy Colloquium. I want to reassure you that this was not a once-off engagement, but the start of reforming the relationship between the Department of Communications and Digital Technologies and the stakeholders most impact by our work. It is my sincere intention to move from engagement as compliance, towards engagement as a process of co-creating solutions to eradicating the digital divide.

You were clear about the challenges. The gap between potential and delivery is too wide. Delays and fragmented mandates slow decisions. Universal access is limited by structural barriers, not only technology. Governance failures at local level hold back infrastructure. There is also a real trust deficit. We accept this message and the responsibility to close the gap between promises and delivery.

This report synthesises what we heard from our stakeholders and puts forward a potential response to the identified challenges. The draft roadmap for action should not be seen as a comprehensive reflection of what we see as our priorities for the next five years, but rather as the starting point of our renewed attempts to work much closer with industry and stakeholder to find mutually beneficial solutions to our shared challenges.

We will not get this relationship right overnight. It is highly likely that we will all experience many frustrations with each other before we find common ground. Yet, we cannot allow short-term frustrations deter us from pursuing our long-term goal of symbiotic relationship between government, civil society and industry.

Thank you to every partner who joined our Policy Colloquium with time, energy, and honest counsel. You were invited because you bring experience and insight that we value. To our private sector and civil society partners, keep challenging us and bring solutions. To my colleagues in government, listen carefully and act with urgency

Thank you for your commitment to a South Africa that is connected, competitive, and inclusive.

Solly Malatsi
Minister of Communications and Digital Technologies

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We welcome any feedback on this document. Inputs may be sent directly to:

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1. Overview

On 17 October, 2025, the Minister of Communications and Digital Technologies hosted industry, government and civil society stakeholders for a Policy Colloquium in Pretoria. The event was attended by representatives from mobile network operators, broadcasters, SMMEs, digital innovators, regulators, Parliament, academia, and civil society.

The purpose of this feedback document is to:

- Summarise the main inputs received across plenary, breakaway groups and written submissions. The document does not capture every single piece of feedback provided on the day. Rather, it focuses on recurring themes across submissions.
- Discuss how these inputs align with the Minister's priorities on meaningful connectivity, investment, inclusion, digital skills and better governance of the digital ecosystem, and how such alignment may be leveraged to drive priority actions for the Department of Communications and Digital Technologies.

This document reflects what the Minister and Department heard from stakeholders, and proposals for responding to this feedback should not be viewed as commitments. Rather, it is intended to engage with participants to the Colloquium on what the next steps should be to ensure government, private sector, and civil society work together toward a shared vision for a digitally empowered South Africa.

All information contained in this report represents the views presented by the stakeholders on the day of the Policy Colloquium. It is not necessarily a reflection of the Minister's or Department's views and should not be interpreted as official government positions on the various issues discussed.

2. Problem statement summary

Based on the feedback received on the day, there is strong agreement about what the industry views as the key constraints in South Africa's ICT Sector:

1. While South Africa's digital and ICT policies are broadly moving in the right direction, execution is too slow and too fragmented, which adversely impacts the country's ability to adapt and respond to emerging and advancing technologies.
2. The above feeds into regulatory uncertainty, which has a significant adverse impact on investment in emerging technologies. The lack of clear and coherent approaches to particularly emerging technologies creates investment risk and limits the investment attraction of the South African market. Even though the industry may be growing, the scale of the growth is inhibited by uncertainty.
3. The pace of infrastructure rollout is too slow, and the primary deterrents are inefficient municipal processes, rent seeking behaviours, vandalism, and uncoordinated public infrastructure investments.
4. Meaningful universal connectivity is a prerequisite for inclusive digital growth, but such connectivity is held back by the total cost to connect and communicate. Improvements in coverage are diminished by the affordability of devices and data, energy constraints and

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a lack of digital services and skills that prevent people from fully benefiting from expanded coverage.

5. There is a tangible trust deficit between government and the sector, which needs to be rebuilt through transparency, shared data, and regular engagement.

In summary, stakeholders believe that, despite broad governmental platitudes about the importance of the digital economy and ICT's ability to act as an economic multiplier, government is not effectively executing its role in creating an enabling environment for the growth of the digital economy.

As the digital economy can contribute in some extent to every other sector of the economy, there is a clear shared belief that government should treat enabling the potential of the digital economy as a whole-of-government, apex priority.

3. Thematic areas of feedback

Prior to convening the Policy Colloquium, a pre-Colloquium Survey was distributed to participants. The findings of the survey were used to determine the priority agenda items for the Colloquium, which were grouped into four areas.

3.1. Investment, market structure and enabling regulation

3.1.1. Key messages from stakeholders

Government has the challenging role of finding the correct regulatory balance between promoting and protecting the public interest, expanding connectivity, promoting and attracting investment, and ensuring that growth in the sector is rapid but inclusive and sustainable. According to stakeholders:

- The current policy and legislative frameworks are viewed as outdated and thus not fit-for-purpose for today's digital ecosystem. There is a particularly strong view that the Electronic Communications Act and related instruments have not adapted sufficiently to the structural changes driven by emerging technologies.
- Fragmentation between the various regulators or entities with regulatory authorities and the resultant inconsistencies and delays in implementation and enforcement creates operational uncertainty for industry stakeholders. This drives up the cost of doing business and impedes investment.
- Further to the above point, licensees want predictable licence renewal and clear development obligations upfront, rather than the current approach where obligations are often negotiated case-by-case.
- The industry believes that agile regulatory tools, such as co-regulation (in which government develops broad rules, but implementation/enforcement of codes is the responsibility of industry bodies), regulatory sandboxes, and general authorisation regimes for some digital services have the potential to contribute to a more enabling regulatory environment.

The key message for government is thus that the achievement of its goals requires private sector investment, and greater levels of investment than currently experienced. This requires a more enabling environment, in which government considers the needs of their "clients" (stakeholders) when making regulatory decisions. Industry is not asking government to abandon its regulatory role, but to ensure its role is exercised responsibly and with the sustainable growth of the industry and digital inclusion as its core mission.

3.1.2. Proposed solutions

To address the challenges discussed above, the following solutions were presented:

- Establish a Regulators Forum that formalises cooperation between the various regulators, including the Competition Commission, ICASA, and relevant industry bodies and state agencies.
- Conduct a focused review of outdated provisions of the ECA and related legislation. The fact that legislative amendments are complex and will require time, stakeholders believe that interim tools, such as directives or exemptions that fall within the Minister's powers, can be used to address pressing concerns.
- Develop and issue a policy statement/direction of predictable licensing, renewals and obligations for public and industry consultation.
- Establish an investment desk to support and fast-track investments in the ICT sector.
- Launch a priority regulatory impact review exercise to identify customer pain points in common processes, so that government can adopt priority reforms.

3.1.3. Unresolved issues

In addition to the challenges and solutions identified above, stakeholders raised additional emerging themes that potentially require a policy response from government, but where the solutions are not yet clearly articulated:

- The regulation of over-the-top media services, particularly in relation to development obligations.
- The best use of competition instruments to make infrastructure sharing more practical and workable.

3.2. Infrastructure, inclusion and universal access

3.2.1. Key messages from stakeholders

The cost of infrastructure deployment and maintenance has an impact on the cost of delivering services, which in turn influences the affordability of access. Coverage is not necessarily South Africa's biggest challenge; it is converting coverage into meaningful access that drives inclusion where we are still falling short. According to stakeholders:

- Local issues, such as wayleave delays, rent seeking, unpredictable and uneven municipal practices, vandalism, and energy constraints are key drivers of deployment costs. There is thus a clear requirement for local government to play its role in creating a conducive environment for connectivity, but that role is not adequately appreciated by local governments. There is also not sufficient coordination between the various spheres of government to address the inter-connected nature of the issues industry faces.

- Universal access mechanisms, such as the Universal Service and Access Fund, have not achieved its goals of addressing the digital divide effectively. Too little progress has been made through the deployment of these tools, particularly in rural areas.
- Stakeholders want to see a shift in infrastructure sharing and open access that enables inclusion-oriented consolidation where there is clear public interest to do so. While the infrastructure sharing environment is enabling in principle, stakeholders pointed out that they still face regulatory barriers that limits industry's ability to maximise the benefits of infrastructure sharing.
- South Africa should also adapt its definition of access to ensure that government efforts are directed towards achieving universal and meaningful access. This requires that the quality of connections, availability for use, affordability, devices, skills and security must all be acknowledged as crucial aspects of access.

What is clear from the stakeholders' feedback is that advancements in meaningful access will require a whole-of-government approach – local governments have a key role to play in improving the efficiency of front-line processes, while national departments must work collectively to create an enabling macro-environment.

3.2.2. Proposed solutions

To address the above messages, industry put forward the following solutions for government to consider:

- Enforce a standardised digital municipal process and model by-law for ICT infrastructure deployment, with set standards for turnaround times and transparent pricing. This requires a joint effort between DCDT, SALGA and COGTA, but will make it infrastructure planning and roll-out significantly easier and less costly.
- Review universal service and access funding arrangements to improve the outcomes of the deployment of the USAF. Part of this review should be to increase the transparency in how the funding is utilised, and to fully implement "pay or play" approaches, under which ECNS providers can use funds to meet the needs of under-serviced areas.
- Review and redefine, with stakeholders, what meaningful access should mean in South Africa, and determine how that will impact the collective approach to access.
- Create formal mechanisms in the economic cluster targeting reductions in the total cost of access, which must include device affordability, type approval timelines, refurbishment models and cost of data.

3.2.3. Unresolved issues

There are additional issues identified that are deemed important in achieving the intended outcomes in this theme, but where the solutions are not yet clearly defined:

- The potential modalities and benefits of establishing a national public-private partnership and permitting platform for digital infrastructure.
- How to better protect infrastructure against harm/theft/vandalism and what the approach is to ensure buy-in from local and traditional leadership, communities, security agencies

and municipalities, considering the broad society-level safety and security challenges and limited resources for crime fighting.

- How to appropriately deal with taxation and whether to provide incentives to AI and data centre infrastructure, particularly considering global competition in attracting investment in the space.

3.3. Innovation, skills and digital inclusion

3.3.1. Key messages from stakeholders

There is a strongly held and shared belief that South Africans are innately innovative, and that we have significant untapped potential. Skills development and innovation is seen as parts of a virtuous cycle, but major constraints persist that reduces the competitiveness of South Africa's ICT sector and digital economy. According to stakeholders:

- There is no shortage of local innovation capacity, but commercialisation is blocked by a restrictive public procurement framework, rigid funding rules and fragmented research and development efforts. Public entities lack innovation-friendly procurement pathways, effectively limiting a key funding source (government) for innovation.
- Stakeholders believe that the National Digital Skills Framework is not sufficiently aligned to the National Skills Plan, and that is largely ineffective. The lack of differentiation between the types of skills required by public sector leaders, technical officials, digital natives, non-digital natives, youth and women means that we are not providing people with the skills that are appropriate for the roles they are playing the digital economy.
- All skills development efforts should also be integrated with priority sector efforts (sectors with high job growth potential), such as agritech, edutech, healthtech, tourism, climate and ecommerce.
- Startups and SMMEs pointed out that the support by government (DCDT) is not sufficient and not closely aligned with their needs. As such, startups feel unequipped to successfully navigate the complex regulatory environment, funding opportunities and lack market access support.
- South Africa's digital policy, particularly in emerging themes, should be proportionate and based in the advancement of national sovereignty. While we must continue to approach our participation in and alignment with global processes, we must also act in the best interests of South Africa and South Africans and promote our national interests.

In short, government must be more innovative in its approach to creating an enabling environment for innovation, skills development and digital inclusion. Rehashing the same processes and methods will not deliver the required solutions at the required pace.

3.3.2. Proposed solutions

- Review, update and adopt a National Digital Skills Framework that is clearly aligned with the National Skills Development Plan and the needs of the ICT sector, both current and future. The roles of various agencies, such as the Department of Basic Education, Department of Higher Education and Training, Sector Education and Training Authorities, the National Skills Fund, NEMISA and industry should all be clearly defined and quantified.

- Establish a startup and innovation desk (potentially linked to the investment desk) that works closely with startups and SMMEs in the sector to guide them through regulatory, standards and funding processes, and to create a platform for market access.
- Pilot a structured digital and AI sandbox environment, working with the previously mentioned Regulators Forum, to created controlled environments for testing new innovations.

3.3.3. Unresolved issues

In addition to the above, there below issues require additional deliberation and contributions from external government stakeholders:

- Adopting innovation-friendly approaches within the context of the PFMA, with support from National Treasury (amendment of the PFMA may be a long-term approach).
- The best approach to improving the research and development environment, which will require consolidating fragmented government efforts and creating equitable pathways to commercialisation.
- Pathways to recognition for industry-led digital skills certifications, especially where there are gaps in what is provided government-accredited certification institutions.

3.4. Governance, coordination, institutional capacity and trust

3.4.1. Key messages from stakeholders

While stakeholders acknowledge that government's mandate and responsibility is exceptionally challenging, they are unanimous in their view that government's performance is not acceptable, and poor performance actively constrains growth in the sector. According to stakeholders:

- Coordination failures and the pervasive silo-effect in government increase the cost to communicate. Too often, departments are making decisions that not only lead to duplication of efforts but actively undermine the work of other departments.
- Industry and civil society also strong feel that they are not sufficiently included in government's decision-making processes. Engagements are often experienced as mere box-ticking exercises, rather than active efforts to understand what industry needs.
- Mandates of the various departments and entities (DCDT, ICASA, SITA, BBI, Sentech, USAASA and municipalities) in the ICT portfolio are not clearly defined/understood, leading to uncoordinated efforts and implementation gaps. It also means that government addresses issues that can be solved through private sector investment, while ignoring areas where there are no business cases for private sector investment.
- Stakeholders want evidence-based policy, not ideological dogmatism. Regulations should be based on data, not subjective views, and supported by a shared evidence hub.
- There is a clear trust deficit between the industry and government. This can only be rebuilt through transparency, mutual respect and delivery on agreed actions. Industry wants government to understand that profit and purpose are not mutually exclusive. Government does not have a monopoly on caring for South Africa's future, the private sector is also committed to the development of a more prosperous and inclusive future for the country.

No one denies how challenging government's role in fostering the growth of the ICT sector is, but the scope of the challenge does not justify government's poor performance, when there are clear areas for improvement. The scope of the problem is exactly why government should collaborate more with private sector and focus its energies on areas that will result in tangible change, rather than trying to resolve all issues – particularly if those issues can be addressed by the private sector.

3.4.2. Proposed solutions

- Stakeholders want an institutionalised multi-stakeholder platform that meets quarterly. It is suggested that its work is structured around five workstreams:
    - Policy and regulation
    - Infrastructure and investment
    - Skills and human capacity
    - Markets and innovation
    - Governance, legislation and coordination
- Establish a small, dedicated function within DCDT with the responsibility to coordinate efforts between departments, entities and stakeholders and to unblock constraints to major projects and priority initiatives.
- Develop a legislative coordination roadmap to align ICT, competition, broadcasting/content, data governance and digital economy mandates.
- Create a national evidence hub to pool data from CSIR, StatsSA, ICASA, SITA, relevant entities, civil society and industry to support data-driven policy development.

3.4.3. Unresolved issues

By its very nature, improved coordination requires buy-in from government stakeholders with their own mandates and priorities. As such, the solutions to the following challenges are not yet clear:

- The best way to get political buy-in and support for efforts under the digital economy from other government departments, considering they also operate in a resource-constrained environments and challenging mandates.
- How to integrate national digital priorities into provincial and local government programmes of action, particularly in the face of the problems faced by local government.

4. Feedback on future priorities

The Policy Colloquium could not address all policy issues that impact and influence South Africa's digital economy, and there are various areas that fall under the DCDT's mandate that were not addressed during the Policy Colloquium (which is why the Colloquium is seen as the start of a process, rather than a once-off event).

However, certain key issues emerged during the conversations that do not fit directly into the thematic areas into which the day was divided, but that are seen as critical to the broader ICT portfolio's response to changing global trends. The following issues are either at a nascent stage, or requires that government initiates efforts to ensure fit-for-purpose regulations.

4.1. Sovereign AI and a national digital-policy LLM/toolset

The potential of AI to fundamentally impact economies and societies is now well established. In the context of the digital economy/ICT sector, the particular impact on market structure, jobs, content, safety and competition may be significant. It is clear that South Africa must improve its ability not only to adapt to disruptions caused by the deployment of AI, but to all disruptions caused by the increased pace of change that is characteristic of the modern world.

A policy-grade LLM (large language model) and toolset, integrated with a national evidence hub, is proposed as a viable option to entrench rapid, evidence-based decision-making. As the Department responsible for digital technologies, DCDT is ideally positioned to showcase the potential of a policy LLM trained on South African legal text, regulations, Cabinet records, ICASA rulings, POPIA guidance, ITU/ATU materials, market data and other relevant data provided by a national evidence hub.

Such an LLM must be tooled for rapid impact assessments, options analysis, synthesising public consultations and ensuring government-wide regulatory coherence. The tool, however, should not be used to fully automate the decision-making process, so auditability and human-in-the-loop guardrails would be critical for the appropriate use of the tool.

4.2. A national position on satellite, space and SAGIN

There are clear indications that next-generation connectivity will blend terrestrial and non-terrestrial links, particularly with the emergence and moves toward the commercial viability of low-earth orbit satellite networks. Space-air-ground integrated networks will thus become more entrenched in our connectivity architecture, and we should have a cohesive national approach to ensure we deploy such next-generation networks to the maximum public benefit.

Decisions taken at/by international bodies, such as the ITU/ATU and the World Radiocommunications Conference (WRC) can have significant implications and lock in advantages or costs for as much as a decade. South Africa needs a single position that promotes our national interests in relation to orbital slots, fair competition, fair market access, backhaul resilience and international investments. This position (which should also acknowledge our responsibility to the rest of the continent) should inform our unified engagements in international fora to ensure we promote the national public interest collectively.

4.3. Energy and investment framework for data centres and AI infrastructure

The demand for data centres, cloud computing resources and even quantum computing resources are surging, driven by the widespread adoption and deployment of AI technologies. Without a credible energy and investment facilitation package, we risk South Africa losing out on the vast economic potential of this surge in demand or expanding energy demand unsustainably.

A coordinated approach to data centres and AI infrastructure development should cover data centres, GPU clusters, edge nodes in high-traffic areas, dedicated renewable energy generation and storage sources, and water and heat re-use plans. Instruments in this package

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may include energy connection fast lanes, clear regulations on wheeling, time-of-use pricing, standardised power purchase agreements, investment incentives, and localisation (where feasible, i.e. only in cases where there are competitive advantages to be leveraged).

However, focusing on expansion should not come at the expense of protecting other national interests, and a measured approach should be taken to attracting investment in these areas. As such, the package should include efficiency standards, siting guidelines, community benefit/inclusion mechanisms, cybersecurity, and lawful data handling standards. What should be avoided, however, is any further regulation of the infrastructure aspect of data centres, as existing building and environmental standards provide sufficient guardrails, and further regulation will only increase the cost of compliance.

4.4. Improved measurement of the digital economy in national accounts

The system of national accounts is a (SNA) is the "internationally agreed standard set of recommendations on how to compile measures of economic activity" (United Nations, 2025). In practice, it is how a sector's contribution to the national economy is measured, which in turn influences how the sector is prioritised in the government's budgeting process. Stakeholders believe that the digital economy's activity and contribution is underestimated, and thus the sector is under-prioritised and under-resourced.

Addressing this issue will require updating classifications within the SNA, so that digital services, platforms, content, and data activities are properly attributed. The enabling and productivity multiplier role of ICT sector should also be recognised. The argument is that adopting more appropriate measurements will make the sector's role more visible to fiscal, industrial, and labour policy decisionmakers, which will likely lead to better prioritisation across government efforts.

5. Draft roadmap for action

Considering the above feedback from the stakeholders, we can move towards a draft roadmap for action, which may guide the DCDT and its portfolio entities' priority policy activities for the rest of the current administration.

This draft roadmap should not be interpreted as a commitment by the DCDT, but only as a reflection of the DCDT's reflection on the potential response to the feedback received from the Policy Colloquium. Additionally, inclusion in this list does not mean that the DCDT is not currently doing related work, as there are many processes in various stages of completion that are directly related to the issues raised in this document. Likewise, this is not a reflection of all the work that DCDT plans to undertake in the identified period, it is focused only the issues raised captured in this document.

The purpose of defining this draft roadmap is to articulate a point of departure that can further be refined both internally and with the input from government, industry and civil society stakeholders. Further work is required to determine the prioritisation of these efforts, considering the DCDT's existing workplans and priorities, and resource allocations.

5.1. Immediate actions (January 2026 – June 2026)

- Institutionalise a quarterly a digital economy stakeholder forum, with the five suggested workstreams.
- Establish a priority working group, consisting of DCDT, COGTA and SALGA, to improve the implementation of the *Standard Draft By-laws for the Deployment of Electronic Communications and Facilities* in municipalities.
- Convene relevant stakeholders for a rapid regulatory impact assessment to identify regulatory reform quick wins, particularly in relation to infrastructure deployment related issues.
- Develop a concept document for a national evidence hub and engage with relevant stakeholders to establish a feasible plan towards institutionalisation.
- Launch the process, as prescribed in Section 82 of the ECA, to define what meaningful access means in the South African context.

5.2. Medium term actions (July 2026 – December 2027)

- Operationalise the Regulators Forum, integrating relevant competition, consumer protection, cybersecurity and data governance bodies.
- Finalise the review and updating of the National Digital Skills Framework and align public funding and activities.
- Establish and resource an investment desk and startup and innovation desk within the DCDT.
- Launch ICT sector regulatory sandboxes through support from the Regulators Forum.
- Develop and table a legislative coordination roadmap and ECA review proposal, which should include clear timelines for legislative amendments.
- Review, and amend as necessary, the deployment of the Universal Service and Access Fund, and improve transparency through the publication of an annual universal access report.
- Establish and maintain a maintain a coordinated South African position in regional and global digital forums.

5.3. Long-term strategic actions

- Gradually shift government's regulation approach to enabling, client-centred regulatory architecture.
- Embed digital economy measurements in the national accounts and use it to prioritise initiatives in the digital economy and to set national targets for investment, inclusion and digital skills.
- Create a supportive environment for large scale private investment in AI-ready infrastructure, data centres and energy, using appropriate incentives, PPP platforms and transparent infrastructure pipelines.

[ENDS]