PRESENTATION TO THE

PORTFOLIO COMMITTEE

PROGRESS AGAINST MINISTER'S AUGUST 20TH

COMMITMENTS TO THE PCC

Period: November 2013 to January 2014

18 February 2014

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

☐ 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)

Commitment	Due Date	Actual Progress
Ensure a more effective DoC	2014 Elections	❑ 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. ❑ 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. ❑ 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)

Commitment	Due Date	Actual Progress
Ensure a more effective DoC	2014 Elections	❑ Almost all senior positions are now filled. ❑ 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. ❑ 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. ❑ 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

Commitment	Due Date	Actual Progress
A less fragmented and fractious ICT Sector	2014 Elections	❑ The Minister continued engagements with relevant organisations and individuals on content issues and with regards to mediating differences between stakeholders. ❑ The Ministry has met 191 organisations and individuals since 12 July 2013. ❑ 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.

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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	❑ Cabinet approved "South Africa Connect", the National Broadband Policy, Strategy and Plan on 4 December 2013. It was gazetted on 6 December 2013. ❑ A copy is enclosed. It sets out the targets and the four-pronged strategy: digital readiness; digital development; digital future; and digital opportunity. ❑ A Steering Committee and Task Teams, comprising of various government departments, have been established to develop a detailed implementation plan of the policy. ❑ The implementation will ensure that the policy decisions are achieved. ❑ List of Candidates for Broadband Council has been compiled for Minister's consideration. ❑ 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	❑ The Department has developed a draft Policy Direction on Spectrum for Broadband to facilitate universal broadband access and economic development. ❑ 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. ❑ 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)

Commitment	Due Date	Actual Progress
Finalise a new policy directive on Transparent Pricing Policy	30 Sept. 2013	❑ 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	*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.

Cost to Communicate (2)

Commitment	Due Date	Actual Progress
Engage ICASA on the review of the Mobile Termination Rate (MTR)	30 Sept. 2013	❑ Engagement were held with ICASA. ❑ ICASA released the final regulations on mobile termination rates, gazetted on 4th Feb 2014, which will be effective as of the 1st March 2014.

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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 83.7% of the population. ❑ 16% of the remaining population will be covered by Sentech's satellite platform which provides 100% geographical and population coverage. ❑ 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.

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 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.

Schools Connectivity

Commitment	Due Date	Actual Progress
Connect 788 schools as part of increasing focus on rural and other underserviced areas	2014 Elections	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 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

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	**Status of Post Offices**		**No.**
		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**

Total composition of these points of presence are as follows:
- 20 Retail Postal Agencies (RPA's),
- 25 Conventional Traditional Post Offices (CTPO) and
- 5 Mobile Post Offices.

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National Address System

Commitment	Due Date	Actual Progress
Take forward the project on the National Address System	-	❑ A Policy provision regarding the National Addressing System has been sent for consideration by the Policy Panel in the Green Paper. ❑ Over 326 971 post and addresses were delivered. *(this covers the period August 2013 to January 2014 as no actual numbers were provided to the PCC on 5 November 2013)* ❑ 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. ❑ A concept paper has been developed and consultation for its finalisation is underway.

SOE Oversight (1)

Commitment	Due Date	Actual Progress
Provide clearer Shareholder Compacts and exercise more stringent oversight of the SOCs	2014 Elections	❑ Shareholder Compacts of SAPO, Sentech and SABC were approved by the Minister. ❑ 9 Board members of .zaDNA are to be appointed. The process is almost complete.

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SOE Oversight (2)

Commitment	Due Date	Actual Progress
Provide clearer Shareholder Compacts and exercise more stringent oversight of the SOCs	2014 Elections	❑ 3 Sentech board members have been appointed. 2 others are to be appointed soon. ❑ Four SAPO Board members were appointed by Cabinet on 4 December 2013. ❑ SAPO strike largely ended. Strike has to be linked to overall structural problems in SAPO. ❑ An SIU investigation into SAPO has begun. ❑ A further investigation into USAASA is being processed following the draft Gobodo Report. ❑ 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.

Postbank

Commitment	Due Date	Actual Progress
Finalise the licence issues and the appointment of Board members to the Postbank	31 Jan. 2014	❑ 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. ❑ Final appointment of members will be done once a report on the fit and proper assessment is received from the Registrar. ❑ 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. ❑ 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. ❑ 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	❑ Following Cabinet approval for its gazetting, the National Integrated ICT Policy Green Paper for public consultation on 24th January 2014. ❑ The period for consultation on the Green Paper has been extended to 24th March 2014. ❑ Public engagements will commence on 3rd March 2014 with a National Consultative Conference, which will be followed by Provincial Public hearings.

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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	❑ A database of relevant stakeholders has been created and a ToR for the National ICT Forum has been developed. ❑ The launch of the National ICT Forum will take place after the completion of the Green Paper public hearings.

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Community Broadcasting

Commitment	Due Date	Actual Progress
Finalise a new Community Broadcasting Support Policy	2014 Elections	❑ A draft Community Broadcasting Support Strategy has been developed and will be published for public comment soon. Infrastructure has been provided to 4 Community Radio Stations as follows: ❑ Lentswe Community Radio – Parys (Freestate) ❑ Zebitiela Community Radio – Zebitiela (Limpopo) ❑ Botlokwa community Radio – Botlokwa Limpopo) ❑ Phalaborwa Community Radio –Namakgale (Limpopo) Infrastructure for an additional 7community radio stations will also be provided in the second quarter of the 2014/15 financial year as follows: ❑ Thabazimbi Radio – Thabazimbi ❑ Shine FM – Richards Bay ❑ Maputaland Radio – Jozini ❑ Good news FM – Durban ❑ Radio KC – Western Cape ❑ Valley FM – Western Cape ❑ Vaaltar FM – Taung

Legislative Programme

Commitment	Due Date	Actual Progress
Process the 4 Bills before Parliament: ○ Electronic Communications Amendment Bill; ○ ICASA Amendment Bill; ○ South African Post Office Amendment Bill; and ○ The Postbank Amendment Bill.	2014 Elections	❑ 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)

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	❑ The integrated e-Skills Institute, "Ikamva National e-Skills Institute", will be launched on 21 February 2014. ❑ Funding to the tune of R15 million has been secured and has already been transferred to NEMISA. ❑ Discussions have concluded 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 being strengthened

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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	❑ 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.

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Overview

❑ 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.