THE PRESIDENCY

REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF PLANNING, MONITORING AND EVALUATION

SOCIO-ECONOMIC IMPACT ASSESSMENT SYSTEM (SEIAS)

FOR THE DRAFT NATIONAL INTERGRATED ICT POLICY WHITE PAPER

FINAL IMPACT ASSESSMENT (PHASE 2)

26 February 2016

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Final impact assessment

The final impact assessment provides a more detailed assessment of the ultimately legislative proposal. In addition, it identifies (a) mechanisms for monitoring, evaluation and modification as required; and (b) a system for managing appeals that could emerge around the implementation process.

1 Problem statement/Theory of change

1. Summarise the proposal, identifying the problem to be addressed and the roots (causes) of the problem that will be addressed by the new rule.

Summary of the proposal

Since the advent of democracy in 1994, South Africa developed separate frameworks for the telecommunications, broadcasting, postal sector and a green paper on e-commerce. These policy frameworks adopted assisted the country to begin transforming the communications sector, and also provided for universal service and access to information and communications technologies.

The 1996 White paper on telecommunications intended to address amongst other key policy issues the following: (i) not all citizens had access to affordable reliable and quality communication services (Stats); (ii) ineffective competition due to market structure inefficiencies (Price and market); transformation of the sector (previously disadvantaged individuals (PDIs) not participating meaningfully in the sector); (iii) need for effective regulation of these sectors and radio-frequency spectrum; (iv) affordability and tariff setting; (v) development of the equipment supplier industry and, (vi) human resource development for the sector. The issue of financing or funding of the sector and regional and international cooperation were fundamental for South Africa to achieve its goal of universal access and service.

The key policy objectives identified for the telecommunications sector were also largely applicable to the White Paper on Postal, except for spectrum issues. The White paper on Postal intended to address issues pertaining to the definition of universal access and universal obligations, market structure and financial inclusion. The e-commerce green paper on the other hand, aimed to create e-commerce opportunities for the entire population, building confidence in the security and privacy of transactions performed electronically, enhance the information infrastructure for electronic commerce and, establish rules that will govern electronic commerce.

Though a lot of gains have been made in the implementation of these objectives, more still needs to be done. The issue of universal access is still at the core of the ICT sector reform. Moreover, inefficiencies in competition, allocation of spectrum on a first come first serve basis, have sustained a highly concentrated market structure over time, making it impossible for government to extend communication services to the majority of citizens. Over nearly the past two decades, these policy challenges, coupled with convergence in technologies, compelled government to initiate a process to review the ICT sector.

The review process started in 2012, with the appointment of a 22 member Advisory Panel by Minister of Communications. A framing paper outlining the objectives of the review was gazetted for comments in April 2013. This was followed by the gazetting of the Green paper in January 2014, reflecting on achievements against the original vision, and asked what have been the major impediments.

It was followed by the publication of the Discussion paper in November 2014, which presented a range of options and possible policy approaches to realise the objectives set in the framing paper. In March 2015, the ICT Policy Review Panel handed over is final recommendations report to the Minister of Telecommunications and Postal Services. This report formed the basis for the development of the National Integrated ICT Policy White paper. The overarching policy challenges being addressed by the National Integrated ICT Policy White paper are as follows:

- Universal access gap;
- Lack of coherent Universal Service and Access Obligations (USAO) framework;
- Separate Policy frameworks governing the sector (Lack of convergence of policies); and,
- Outdated legislative framework.

This National Integrated ICT Policy White paper takes cognisance of the historic development (original intentions of the separate policies), new developments (including the current landscape) as well as likely future dynamics in the sector.

Overarching Problem	
1. Lack of universal communication access and Services (Availability, Accessibility, Affordability, Awareness and Ability):	
Problem	**Root Causes**
1.1 Availability of networks and coverage (Supply-side)	• Ineffective market structure and competition, • High costs of network deployment/infrastructure; • Lack of rapid deployment of infrastructure; • Limited access to Radio Frequency Spectrum - Unequal treatment of licensees with regard to access to spectrum - Lack of effective policy framework (management and allocation of spectrum) on the use of frequency spectrum as a scarce resource, inhibit potential entrants. • Historical Telkom exclusivity • Limited or lack of infrastructure sharing amongst the incumbents • Ineffective regulation of the sector by the regulator. Regulatory failure to create a one-stop shop which would facilitate obtaining permissions and approvals, shortening the time and expense involved in the deployment of electronic communications network roll out. • Inadequate funding for roll-out of infrastructure, particularly in rural communities; • Decline in mail volumes due to emerging technologies • Encroachment by Postal private operators in the reserved postal market • Lack of effective Postal policy monitoring and enforcement by the regulator; • Lack of policy direction from government for regulation of foreign operators and establishment of Extra Territorial Offices of

	Exchange (ETOES); • Enhance the information infrastructure for electronic commerce.
1.2 Accessibility (Limited) of services – ability to use and access services regardless of education, race, gender, disability, location, etc. (Demand-side).	• Lack/Low levels of basic literacy and ICT skills for some parts of the population • Lack of availability of infrastructure • Technology barriers limiting participation of people with disability, • Inadequate ICT community access points • Ineffective regulation of the sector by the regulator. • Current funding mechanisms targeted to the supply side of the market, with little or no focus on demand side interventions. • Limited or slow transformation of the sector, inhibiting participation of Previously disadvantaged individuals in the sector (transformation, empowerment and Ownership); • Poor condition of postal infrastructure; • Universal Service as an obligation for SAPO only. • Lack of ICT infrastructure and connectivity within the Postal outlets; • Long travelling distance to access postal services (more than five kilometres) • Lack of facilities for people with disabilities. • Lack of policy framework to ensure a coordinated roll-out of addresses to the rural and unaddressed communities • Lack of National address database; • Inadequate access to e-commerce opportunities to the entire population (Expanding opportunities) – Confidence in the security and privacy of transactions performed electronically; • Lack of trust and confidence use of online services.
1.3 Affordability of people to use and access services	• High costs to communicate, including access to affordable devices (Equipment supplier industry) • Lack of effective competition, driving costs to communicate higher; • Ineffective regulation (facilities leasing, whole sale rates), • Community Access points • Duplication of infrastructure • Lack of price transparency on the unreserved market • Lack of regulatory framework for the unreserved market • Private Operators Encroaching on the reserved market.
1.4 Awareness (Lack thereof) by users and potential of what is available and the benefits thereof	• No coherent approach by government to promote use and benefits of ICTs; • Lack of transparency of services and prices; • Lack of availability of services in local languages; • Lack of awareness regarding threats on the use of ICTs; • Lack of trust and confidence in the use of ICTs; • Regional and international cooperation.
1.5 Ability to use information and data to enhance quality of life	• Lack of basic literacy skills • Lack of basic ICT skills/e-literacy/e-astuteness
2. Lack of coherent Universal Service and Access Obligations (USAO) framework	Out-date Definition of Universal services and access which previously focused on access to telephone lines and supply side interventions only - Overlapping roles/lack of coordination and responsibilities of policy maker, USAASA and the regulator - Lack of uniform obligations following licence

	conversions.
3. Separate Policy frameworks governing the sector (Lack of convergence of policies)	• Ineffective Capacity of the state (Policy-makers, Regulator leading to Technological developments overtaking policy and legislative frameworks – rendering the existing frameworks outdated/irrelevant.
4. Outdated legislative framework	Outdated policy frameworks

2. Describe the intended outcomes of the proposal.

The National Development Plan states that *"a new policy framework will be needed to realise the vision of a fully connected society".* In line with this vision, the National Integrated ICT Policy white Paper has been developed to set out new policies for the networks and resources necessary for communications technologies (including spectrum, fixed and mobile networks and the Internet), postal services (including letter, parcel, bulk mail and digital postal services) and the services, applications and content that can be accessed or sent via these technologies (digital government services, e-commerce, other applications, services and content). The key areas covered by the policy include:

- Overarching interventions to promote access including universal service and access strategies and policies to facilitate fair competition and protect the Open Internet;
- An Internet policy framework covering governance of the Internet;
- A digital transformation framework (or e-strategy) covering issues such as digital government, the digital economy and digital services for all;
- New policy approaches to address supply side issues and infrastructure roll-out (such as the introduction of an open access approach and a policy on rapid deployment)
- New approaches on scarce resources such as spectrum and numbers – taking into account the changing environment;
- Updates on the previous White Paper on the Postal Sector; and
- The institutional framework to facilitate the realisation of policy approaches

3. Describe the groups that will benefit from the proposal, and the groups that will face a cost. These groups could be described by their role in the economy or in society. As a minimum, consider if there will be specific benefits or costs for the poorest households (earning R7000 a month or less); for black people, youth or women; for small and emerging enterprise; and/or for rural development. Add more lines if necessary.

Groups that will benefit	How will they benefit	Groups that will loose	How will they loose
Households	Ease of access to affordable communication services. Opportunity for access to economic and social opportunities (through access to information and communication technologies) – betterment of their lives Opportunity for reduction in the cost of living (reduced transaction		

	costs, through direct reduction in the cost to communicate/regulation of wholesale prices/poverty reduction). Opportunity for cost reduction, improved quality and choice. Awareness on the benefits of ICTs and capacity building proposals would benefit households Open internet policy provides households/citizens with opportunities to access and use the internet without limitations/throttling based on the type of technology or content that is accessed *(internet traffic treated equally).* Opportunity to effectively access and utilize technology as the new ICT-DF funding mechanism will also focus on demand side issues, e.g., skills development and e-literacy. Demand side issues will also be incorporated in the new definitions of Universal Access and Service. Opportunity for easy access to ICT services as Post Offices will be used as ICT service points for households and citizens. Opportunity for citizens to benefit from a whole of government approach in service delivery, thereby achieving a coordinated approach and high impact. Opportunity for households to benefit		

	from the roll-out of the National Address System and meaningful participation participate in the economy.		
ICT Sector Players (Licensees) • licensees in the sector (fixed and mobile operators as well as those offerings communication services)Internet Service Providers • Mobile virtual network operators and other resellers of services	Both the fixed and mobile network operators will be able to save costs of network deployment as the Open Access policy will enable all licensees to access and share infrastructure and the use of spectrum with each other, in an effective, transparent and non-discriminatory manner. Opportunity for infrastructure-sharing arising from the deployment of an Open Access Network – thus doing away with duplication of infrastructure. Opportunity to improve productivity (efficiency gains) through reduced costs of doing business (i) including investment expansion and (ii) improved access to broader customer base/including global reach – marketing and/or transportation costs reduced) Policy Certainty to promote investment in the sector – potentially ensure efficient/rapid deployment of ICT infrastructure (through a single trench policy) Opportunity to increase efficiencies and ease of use of financial transactions with mobile banking as convenient payment solutions, Entry barriers reduced through shared	Current spectrum holders (licensees who have exclusive rights to spectrum)	They will lose their exclusive rights to the use of radio frequency spectrum as the policy introduces a shared approach to accommodate other licensees who require mobile communications services, noting that spectrum is owned by government. It must be noted that the current spectrum holders will still be able to offer mobile communications services.

	assignment of spectrum and open access networks.		

Small, Medium and Micro Enterprises (SMMEs)	Improved competition environment - Opportunity for new potential ICT small companies to enter and boost competition. SMMEs/Previously Disadvantaged Business owners would benefit- A better mechanism of allocating spectrum and ensuring that all potential players have access.		
Consumers	Consumers will have greater and wider choice to service providers and services and will benefit from reduced costs of communications services, transparency in pricing of services and quality of services from competing service providers. Opportunity for consumer protection through robust, secure and reliable ICT networks. Opportunity for consumers to benefit in the roll-out of awareness programmes in terms of cyber security, and consumer complaints resolutions.		
Government	Policy and regulatory certainty – potentially ensure efficient/rapid deployment of ICT infrastructure. Whole of government approach enhances coordinated efforts, thus reducing administrative burden and duplication of resources. Integrated Service delivery with regard to e-government services. Opportunity to make government more		

	effective and accountable and create opportunities for inclusive sustainable development as services are delivered through ICTs Opportunity to enhance government transformation agenda by extending participation of PDI in main-stream ICT sector activities (e.g., ownership, skills development, supplier development, local content/manufacturing)		
State Owned Companies under the Portfolio of Telecommunication and Postal Services: State Information Technology Agency (SITA); Universal Service and Access Agency of South Africa (USAASA);.za Domain Name Authority (.zaDNA); Broadband Infraco (BBI); iNESI/NEMISA and South African Post Office (SAPO)	Opportunity for SITA's mandate to be strengthened to promote e-government services, secure government networks and support locally produced ICT products and services. Opportunity for .ZADNA's mandate to ensure effective and holistic governance of the internet. Protect South African geographic, cultural, heritage and public interest domain names from commercial exploitation. Opportunity for USAASA and USAF to be evolved into an ICT Development Fund, providing support for both infrastructure and demand stimulation projects. Opportunity to streamline Broadband Infraco (BBI) functions to support the roll-out of Broadband Services. Opportunity to reposition and transform NEMISA into iNeSI to act as a catalyst for a new e-Skills dispensation in South Africa.		

South African Post Office (SAPO)	Opportunity for SAPO to benefit as new and effective regulations are implemented, making sure that private operators do not encroach in the Universal Mandate of SAPO. Opportunity for SAPO to extend its mandate and enhancing its sustainability by incorporating digital services such as e-commerce. Opportunity for SAPO to benefit from the roll-out of Broadband as its outlets are used as broadband access points. Opportunity for SAPO to benefit from re-definition of the postal sector, as private operators would be expected to contribute to universal access and service in the ICT-DF.	Postal Private operators	Private operators who are currently encroaching in the reserve market will lose as they would need to adhere to new regulations and could incur a fine of 5% of total revenue if they operate outside the ambit of the law. All unregistered Postal Private operators providing services in the unreserved market are to be registered, otherwise they would need to pay penalties as prescribed by the Regulator. Currently Postal private operators are contributing to the Universal Access and Service Fund. In the new policy regime, they will be expected to make a contribution into the ICT-DF.
Communities	Opportunity for all communities regardless of their geographic location, social or economic standing to benefit from opportunities offered by ICTs. Opportunity to enhance social cohesion through affordable ICT applications and reduced costs to communicate. Opportunity for communities to benefit through the roll-out of new Digital or Community Access centres and Digital Hubs. Communities to benefit from effective regulation		

	of both the telecommunications and postal sub-sectors.		
Vulnerable Groups such as people with disability, children, youth and women	The policy also puts more focus and emphasis on ensuring that people with disabilities also fully participate in the Digital Society. Opportunity for online privacy protection for children. Redefinition of Universal Service and Access framework, aligned with the UN Convention on the Rights of Persons with disabilities to ensure effective use of ICT devices, services and technologies on an equal basis with others. Opportunity for people to benefit as the sector regulator will be required to include persons with disabilities when setting obligations on licensees.		

4. Describe the behaviour that must be changed, and the main mechanisms to achieve the necessary changes. These mechanisms may include modifications in decision-making systems; changes in procedures; educational work; sanctions; and/or incentives.

Government

Government needs to adopt the whole of government approach to digital transformation of the public service and ensure effective monitoring of the implementation strategies adopted. In this regard, it is proposed that Cabinet will establish an Inter-Ministerial Committee that will be responsible for driving the programme for change across the public service. In addition, this Committee will facilitate the coordination of activities across government to ensure that a whole of government approach is applied.

ICT Sector players (*Electronic Communications Network and Service licensees)*

ECNS licensees will be required to adhere to the new Open Access policy regime in order to enable sharing of networks, essential facilities and the use of spectrum with other licensees. This will necessitate the development of an effective network interconnection regime.

Licensees will compete more on the provision of services and share the deployment of infrastructure, due to the new Open Access policy regime. In order to give to give effect to this new policy regime, the regulator must develop Open Access regulations.

SMMEs

SMMEs will have the opportunity to improve productivity and competitiveness as a consequence of lower barriers to entry, low costs to communicate and ease of access to ICT products and services. This will be achieved through increased awareness campaigns, skills development and the establishment of ICT Community Digital Hubs for young innovators.

State Owned Companies (SOCs)

The oversight and accountability framework for all entities under the DTPS will be strengthened in line with government policy and legislation. In this regard, the MTPS has initiated a review of all state owned companies within its portfolio. The goals and objectives set in this White paper will assist this process of streamlining mandates and institutions within the portfolio.

Regulator

The White paper has identified the need for a coherent, coordinated and effective governance and regulation of the ICT sector across the digital value chain to ensure holistic implementation of the digital transformation agenda. This will be done through the establishment of an Economic Regulator.

Households, Communities and Consumers

Households will have an opportunity to benefit from the increased access to ICT services, lower cost to communicate and secure use of ICTs. This will lead to increased uptake and usage of ICTs. An increased in uptake and usage will be achieved through the implementation of universal service and access framework, introduction of supply-side interventions such as Open Access, rapid deployment, Spectrum and internet policies.

Vulnerable Groups such as people with disabilities, children, youth and women

Vulnerable groups have an opportunity to benefit from the digital transformation agenda. This will be achieved through ensuring that all public services are accessible and affordable to person with disabilities and other vulnerable groups. In addition, the needs of persons with disabilities will be considered by the Minister in determining the access gap and setting out universal service and access definitions and targets.

5. Identify the groups inside and outside of government whose behaviour will have to change to implement the proposal (add more lines if required).

Groups inside and outside government whose behaviour will have to change	behaviour that must be changed	Main mechanisms to achieve the necessary changes.
Groups inside government		
Government	Fragmented and silo approach in respect of ICT interventions to promote universal service and access, which leads to duplications of efforts and resources. Government not fully exploiting the use of ICTs to improve service delivery and improve efficiencies in the public service.	The DTPS will work together with different government departments, including local government and public entities to realise the potential of the ICT sector to promote growth and employment and reduce poverty. New institutional and coordinating mechanisms such as the Inter-Ministerial Committee will be established to facilitate the implementation of policy approaches and ensure decisive leadership of the integrated ICT policy

		framework. The National ICT Forum is established to create a platform of engagement across all spheres of government, to dialogue about the transformation of the South African society through ICTs.
State Owned Companies	SOCs are critical in achieving the objectives of developmental state. They must therefore ensure that there is visibility of government policy goals in the execution of their mandates. Lack of good corporate governance resulting in the ineffectiveness of SOCs.	The oversight and accountability framework for all entities under the DTPS will be strengthened in line with government policy and legislation. In this regard, the MTPS has initiated a review of all state owned companies within its portfolio.
Groups outside government		
ICT Sector players (Electronic Communications Network and Service licensees)	ECNS licensees who currently use spectrum on an exclusive basis will now be required to share the use of spectrum Ineffective competition at an infrastructure level amongst the Network Operators and limited access to essential facilities.	Allocation of high demand spectrum will be made on an open access basis. Introduction of an Open Access Networks will enable licensees to share infrastructure and essential facilities.
Private Postal Operators	Private operators to stop encroaching in the reserve postal market. Other private operators not registered or licensed to operate in the Postal sector.	Regulations and a fine of 5% of total revenue to be imposed on encroachers. Penalties will be imposed on those that are not complying, ensuring that they operate within the confinements of law.
SMMEs	There is low uptake and usage of ICTs by SMMEs. Not enough dynamic and innovative SMMEs are entering the ICT sector	The new ICT policy creates an enabling policy and regulatory environment to promote the development of SMMEs by reducing costs and geographic barriers, promote competition and diversity and, access to the use of scarce resources such as spectrum.
Households/Communities/Consumers	Low uptake and usage of ICTs by individuals and households.	The uptake and usage of ICTs will be achieved through the implementation of universal service and access framework, introduction of supply-side interventions such as Open

		Access, rapid deployment, Spectrum and internet policies. The establishment of the ICT Development Fund will address both supply and demand side obstacles to achieving universal service and access.
Vulnerable Groups such as people with disabilities, children, youth and women	Research indicates that women use ICTs less and differently than men.[1] Persons with disabilities have difficulties in accessing communication services and using devices.	The new ICT policy facilitates the development of appropriate and relevant software, applications and content to promote digital inclusion for vulnerable groups.
Regulator	Lack of compliance with policy, legislative provisions and policy directions.	Legislation will delineate the responsibilities of the Minister and that of the regulator. It will stipulate how the regulator must discharge its responsibility in line with the policy framework set by government. The regulator will be compelled to timeously act on policy directions.

6. **Report on consultations on the proposal with the affected government agencies, business and other groupings. What do they see as the main benefits, costs and risks? Do they support or oppose the proposal? What amendments do they propose, and have these amendments been incorporated in your proposal?**

Affected stakeholders	**What do they see as main benefits, costs and risks**	**Do they support or oppose the proposal**	**What amendments do they propose**	**Have these amendments been incorporated in your proposal**
Availability of networks and coverage (Supply-side)				
ECNS and ECS licensees (Telkom, Vodacom, IS) Internet Service Providers (ISPA) State Owned Companies (SOCs)	Market structure and Competition (electronic communications sector) Benefits: increased competition which could reduce cost of communications (FibreCo) and more consumer choice	Most stakeholders support the need to promote competition and that it should be regulated on both facilities and service provision as	A hybrid approach to regulating competition should be adopted (Telkom, SACF, BBI, Eskom, ISPA, Transnet, WAPA, IS, Vodacom). Need to define open access (SACF, IS, Competition Commission, Vodacom, BBI)	Yes, Open Access has been defined and network layers to which it is applicable have been specified. Furthermore, Open Access models have also been defined.

[1] Research ICT Africa, Allison Gillwald, Understanding what is happening in the ICT sector, 2012.

(Broadband Infraco (BBI), Transnet, Eskom) ICT sector organisations (South African Communications Forum (SACF), Internet Service Providers Association (ISPA), Wireless Access Providers' Association (WAPA). Competition Commission	Costs: infrastructure duplication too costly	different markets requires different interventions. IITPSA: avoid defining in law to give the regulator the ability to respond quickly to changes if definition becomes obsolete.	and to state which layers it will be applied to. WAPA proposed technical definitions and standards are set in policy and that the policy should stress harmonisation of pricing, interconnect protocols, service levels etc. IS said the definition should give guidance on type of technologies covered on physical, network and service layers but be flexible enough to accommodate changing environment.	
Electronic Communications Network Services (ECNS) and Electronic Communications Service (ECS) licensees ISPs	**Rapid deployment** Benefits: fast track the deployment of broadband infrastructure Costs: Local government may need to source and employ relevant individuals in order to ensure compliance with rapid deployment policy - too administrative for local government (ISPA) Risks: Lack of compliance to the new policy by local authorities	SACF, Telkom, WAPA, Vodacom, IS, Competition Commission ITPSA & Neotel supported the proposal to develop rapid deployment policy. BBI – opposed it, saying it's unnecessary due to recent court judgements endorsing licensees right to roll-out electronic communications network services without prior approval of local municipalities or private landowners	Need to harmonise current legislation with bylaws of municipalities for rapid deployment of infrastructure (Telkom)	Yes, Rapid deployment policy has been developed and is aligned with municipal bylaws. Policy also makes provision for a coordination structure between multiple government departments and local authorities.

		ISPA – will be difficult to implement due to disparities in capacity of local government and the need to co-ordinate between multiple Govt. departments		
ECNS and ECS licensees ISPs	**Spectrum management** Benefits: shared use of spectrum, thereby increasing competition and access to the provision of mobile communications services Benefit: lower the costs of infrastructure deployment as licensees share scarce resources. Risks: reluctance by other operators to use a common platform of sharing the use of spectrum	Multi-choice et al, Telkom, ISPA, WAPA and IS agreed that high demand spectrum be set aside for open access. MTN, Vodacom and SACF objected to this. WAPA agreed that open access obligations be imposed on holders of high demand spectrum, while ISPA noted that could not treat all spectrum the same. +	Vodacom said obligations to high demand spectrum should not predetermine open access.	Yes, the spectrum policy introduces the shared use of high demand spectrum as opposed to exclusive access to this spectrum for few operators.
Accessibility				
Individual ECNS, ECN licensees; public entities and SOCs; ICT sector organisations such as the SACF, ISPA and National Association of Broadcasters (NAB); other industry bodies, individual companies, banks, banking	**In terms of the use of SAPO outlets as access points for the internet and other** communications services, the SACF highlighted the need to reconsider the definitions of universal service in the postal sector in line with the extension of responsibilities for SAPO. The Media Monitoring Africa (MMA) echoed the same sentiment,	The stakeholders consulted are in support of revising universal service and access in relation to the postal services within a converged environment.	Stakeholders proposed that USOs be extended to all operators and not just SAPO. They further endorsed the establishment of a fund for postal services, though there was limited details in terms of how this would be implemented were provided. USAASA stated that any such fund should be part of an ICT fund focused on universal service rather than	These proposals have been incorporated into the policy in that there is a provision for the establishment of an ICT Development Fund, based on the revised Universal Service and Obligations Framework.

associations, organisations representing personas with disabilities and individuals	indicating that revised definitions of universal service should include internet and communications services, incorporating new technologies and new services. The IITPSA indicated the need to look at the opportunities that arise from redefining the SAPO outlets as community service centres to meet communications-related needs of their catchment areas. Telkom stated that it would be best to talk about broad categories of further services rather than specifics, to avoid amendments to the Postal Services Act in future.		established separately. It stated that ways to subsidise universal postal services should be further researched and that a funds was one of several possibilities that should be part of such research. Should there be subsidies given, the policy and law should require that these are determined based on a market gap assessment.	
Affordability for people to use and access services.				
ISPA MTN WAPA SACF	Interventions proposed in the policy such as Open Access, Rapid Deployment would lower the cost to communicate, making communication services affordable and accessible to citizens	Yes	There were different views on the e-Rate. ISPA stated that it does not support the retention of the e-rate in its current form, stating that the discount cannot be claimed from an upstream provider and therefore it discourages all but vertically integrated operators from serving schools. MTN indicated that there is a lot of abuse by schools and this must be resolved. WAPA stated that it did not see any need to extend it to other beneficiaries. Most objected to an increase in the current rate, though SACF stated this could be linked to increased usage to promote usage. WAPA, IS and MTN stated	Yes

			that contributions should be recognised in some way by the USAF, but SACF stated that the fund should focus on infrastructure which would ultimately remove the need for the e-rate Only WAPA and MTN agreed cautiously with zero-rating educational material – with MTN proposing that this be via an agreed portal with restrictions on content. SACF – consider zero-rating tax on e-services to reduce customs duties on imported items, network components and integrated circuits and thereby ultimately reduce the cost to communicate	
Competition Commission SACF USAASA	Benefit: ICT-DF as a new proposed funding mechanism would supplement private funding. IN addition, it would also support programmes aimed at stimulating demand for ICT services Risks – Guarding against this funding mechanism replacing private sector funding and becoming burden-some to the fiscus.	Yes	Competition Commission – a welcome addition but should not replace incentives for private funding but supplement this. A set of rules would be required setting boundaries for state investment. SACF – but need greater coordination between existing funds USAASA – to focus on universal access broadly.	Yes
Awareness by users of what is available and the benefits thereof.				
SACF ESKOM	Benefit: Interventions pertaining to cybersecurity would build trust and confidence in the use of ICTs. In addition, this will ensure that South Africa's cyber space is secured Costs: Developing	Yes	Minister responsible for cybersecurity supported by Department of State Security should take the lead. There must be more consultation with industry, more mutual cooperation and trust There is a need to up skill on	Yes

Institute of Information Technology Professionals South Africa (IITPSA) MTN Telkom Vodacom	capacity and skills for business to deal with cyber threats. In addition Police and Justice departments would need to be equipped to deal with online crimes. Risks: Lack of alignment and coordination amongst government Departments and agencies, could render these interventions ineffective.		Cybersecurity on cyber evidence gathering and preservation. Establish Cybersecurity Hubs across all government departments and national key points Implementing the Cyber Security Hub and the Cyber Response Committee are logical ways to provide the specialist skills that the Internet environment requires. It is important that the police and justice departments are equipped with the skills to detect and prosecute "cybercrime", through training, education and liaison with international peers. MTN – submits that the necessary action should be taken to strengthen cyber security related policies, frameworks and laws. Telkom – focus must not just be on rules but explaining why and the risks of not complying to non-technical audiences Vodacom – must ensure alignment between different departments involved.	
SOS Epilepsy South Africa SACF, SOS	Benefit: Local content in local languages will increase uptake and usage of ICTs for development purposes, including benefiting people with disabilities. Costs: Developing content in different local languages requires resources, including ensuring quality of subtitling, audio description and sign	Yes	All three tiers to have a public value test considering educational contribution, diversity in language use, promoting cultural diversity (including SA content and independent production). Expose all to a range of SA languages	Yes

Epilepsy SA	language, so as to accommodate people with disabilities. Risks: Possibilities of excluding people with disabilities due to the costs of addressing their needs (e.g., subtitling, sign language, etc.).		All propose that the Regulator should encourage licensees to work together with organisations representing persons with disabilities on quality of sub-titling, audio description and sign language	
Ability to use information and data to enhance quality of life				
Individual ECNS, ECN licensees; public entities and SOCs; ICT sector organisations such as the SACF, ISPA and NAB; other industry bodies, individual companies, banks, banking associations, organisations representing personas with disabilities and individual	MTN said basic ICT training should be a compulsory part of the high school curriculum. It also proposes that Continuous Professional Development for ICT professionals be required and monitored by bodies such as the Engineering Council of SA. The SACF said that there is need for a separate ICT Institute responsible for training established together with Department of Higher Education and Training (DHET). Ikamva National e-Skills Institute should focus on oversight, monitoring and research. South African Women in ICT (SAWICT) said that the training of women must be prioritised and that	There was a broad agreement on the need to accelerate programmes that addressed the development of ICT skills and e-literacy skills in the country, and that these should be implemented together with DHET and DBE. Some stated that the DTPS should not take a primary responsibility for this as it should be a focus of education departments. IITPSA said that the DTPS should play an advisory role on this and not be the key implementer.	SACF said the establishment of an Institute together with the private sector and ensuring that apprenticeships are introduced will assist in ensuring that training is better matched to industry needs. MDRI said that IKAMVA has already established mechanisms to identify and address gaps. Telkom said that a South African ICT Competency Framework must be established in partnership with government, academia and business. Vodacom said that students must be encouraged to do vocational training to ensure relevance of their studies. It said that there should be reviews of curriculum to ensure alignment with industry needs. The SACF said that Seta stipends are too low and rules on participation should be relaxed to accommodate this. Naspers said that scholarship programmes with business would assist in retaining skills in South Africa and that specific ICT related learnership programmes should be rolled out. It said initiatives introduced in the medical profession should be	Some proposals have been incorporated in the policy in that with respect to Inesi, the institution should a) To focus on its current five components, viz. Research, e-astuteness multi-stakeholder collaboration, monitoring and evaluation. b) Must proactively research and develop programmes which focus specifically on e-skills for cloud computing, big data and Internet of Things. In addition, the policy proposes the establishment of the National e-Skills Council, in line with international benchmarking that will, inter alia. a) Monitor the national e-skills gap. b) Co-ordinate and facilitate opportunities for e-skills within the various current

	gender disaggregated research on ICT skills in SA be conducted. This it said will inform strategies. It also proposed that IKAMVA's scope be revisited to ensure it caters for women and rural women predominantly. Vodacom said there is a need for a holistic and coherent national skills policy to address e-skills training across all sectors of society. MDRI said there must be coordination between all stakeholders. NAB stressed the importance of NEMISA as a broadcast training institute in particular given need for new digital skills in content development. It noted that it now reports to DTPS and not DOC. Says a MoU should be signed. Said there needs to be coordination with the MICT Seta and with industry to ensure that training matches need. Need for focus on e-skills training at all levels (including primary,		considered. Telkom said there should be greater cooperation and coordination between business, academia and the public sector. It said that programmes introduced in other countries should be adapted to promote this.	skills plans and strategies, including the current National Skills Development Strategy, the Skills Accord and the DHET's Green Paper for Post School Education and Training. c) Advance synergies and promote alignment in the planning between the different organs responsible for skills in the ICT sector, including the MICT Seta, and other SETAs, TVET's, industry, universities, colleges, and schools;

	secondary and tertiary levels).			

7. Describe possible disputes arising out of the proposal, and the system for settling and appealing them. How onerous will it likely be for members of the public to lodge a complaint and how burdensome and expeditious is the proposed dispute-settlement procedure?

At the outset, a multi-stakeholder and whole of government approach was adopted, ensuring that the review process is a highly consultative and inclusive. The process started with a National ICT Colloquium, hosted in 2012. This colloquium was attended by key players in the ICT sector, and it unanimously approved that a National ICT Policy review process be instituted.

In addition, Cabinet also endorsed a review of all existing ICT related policies (Telecommunications, Broadcasting and Postal Services) in 2012. The then Minister of Communications appointed a Policy Review Panel in that year following a call for public nominations. The Panel includes 22 people reflecting a range of different stakeholders and expertise. The entire review process broadly followed the approach identified in guidelines on the implementation of regulatory impact assessments issued by the Presidency in 2012 ("the Guidelines").[2] They state that the basic rationale for regulatory impact assessments is to assist "*policy-makers and decision-makers in the design, implementation and monitoring of improvements for regulatory systems*". The Guidelines identify four key steps in the assessment process:

- Set clear objectives;
- Understand the problem that needs to be address;
- Look at all options to identify the best ways to achieve the objectives; and
- Ensure that benefits of the policy/regulation exceed the costs (taking account of both direct and indirect impacts).

ICT Policy Framing Paper

The ICT Policy Review Panel, supported by a Project Management Office, kicked-off its mammoth task with the development of an ICT Policy Review Framing Paper. The Framing Paper gazetted in April 2013 sought input on what the *objectives and goals* of policy should be. These principles remain largely the same as those set in 1994, though the means to realise these have changed. A total of ***22 written inputs*** were received from the public and thoroughly analysed by the Panel.

National Integrated ICT Policy Green paper

A Green Paper was released in January 2014, reflecting on achievements against the original vision, and asked what have been the major impediments to implementation and what *core issues/problems* need to be addressed in future policy, taking into account the new environment. In excess of ***70 written submissions*** were received in response to the Green Paper. In addition, the Minister held a national consultative workshop, and eight provincial workshops – involving all Provinces. Over ***2000 people and organisations*** participated in these.

[2] The Presidency, "Guidelines for the Implementation of the Regulatory Impact Analysis/Assessment (RIA) Process in South Africa", 2012

There has also been further engagement with public entities and institutions and sector representative organisations as well as four Inter-Departmental Working Group meetings to actively interact with members across Government. The establishment of the Inter-Departmental Working Group ensured that the whole of government becomes part of the process and issues of alignment and coordination are effectively addressed. Inputs made by members of the working group were considered throughout the review process.

National Integrated ICT Policy Discussion paper

A Discussion Paper was published for public comments in November 2014. It captured the policy issues, problems and future challenges identified by stakeholders in responses to the Framing Paper and Green Paper. A range of options to address these were put forward for public input. These were based on approaches suggested through the consultation process and in research conducted by the DTPS. Stakeholders were invited to make submissions on which approach they believe will best achieve the objectives above. At times, no specific policy options were proposed. In these instances, targeted questions were posed. A total of ***45 written submissions*** were received from the public. Again, all inputs were thoroughly analysed to inform the next processes.

Apart from the Inter-Departmental Working Group workshops held with government Departments, Round table discussions with the telecommunications and broadcasting players were convened in September 2014. The objective of these round-tables was to deal directly with issues specific to the operators, giving them a platform to provide some guidance on how policy can address emerging technology issues.

In March 2015, the ICT Policy Review Panel released its final recommendations report and handed it over to the Minister. This report formed the basis within which the National Integrated ICT Policy White paper was developed.

In summary, the review process was a highly consultative process, providing a platform for stakeholders from all walks of life to make their voices heard. They included organisation representing people with disabilities, non-governmental organisations, operators, government departments, and state owned companies, communities, licensees, SMMEs and the general business community. The objective was to ensure that potential conflict and disputes are avoided at all costs. The representative nature of the ICT Policy Review Panel itself, was meant to address issues of inclusivity. Amongst the policy issues with potential for disputes, are (i) changes in spectrum allocation, (ii) rapid deployment policy, (iii) open access policy, (iv) use of the South African Post office for delivery of certain government services and, (v) regulation of Private Postal Operators. Mechanism proposed in this policy to address potential disputes include the following:

- Inter-Ministerial Committee – This will a political structure, comprised of Ministers. It will provide ddecisive leadership with regards to the digital transformation programme for the country. In addition, it will ensure that effective implementation strategies are adopted and monitored for the benefit of government, industry and society.
- Establishment of an ICT Regulation Tribunal – This structure will ensure eeffective regulation of telecommunications, internet and postal sectors. In addition, it will be used to settle any disputes arising. It will also ensure that licensees and the suggested Economic Regulator amicable agree on disputes and as such avoids escalating matters to the general court process. This process will save licensees millions of Rands, considering that current court disputes mechanisms takes a number of years before they are resolved. It will deal with ICT and Postal related disputes.
- Rapid Deployment Steering Committee established within SIP 15, but requires coordination structure - Simply, streamline and coordinate and accelerate the infrastructure deployment process to enable the sustainable and environmental sound deployment of critical broadband infrastructure. This structure coordinate all matters pertaining to rapid

deployment of ICT infrastructure and will bring together government, through SIP 15, Municipalities and Electronic Communications Network Service Licensees when necessary. .

- ICT Industry Coordination Mechanism – A Coordinating Structure that will bring together government, industry, civil society, Academia and other interested parties. It will advise government; and facilitate synergies and ensure bottlenecks that are experienced by the ICT industry are mitigated. Moreover, it will ensure that the ICT and Postal sector's contribution to the economy is upscale, in line with other developing economies in the world.

Besides the above proposed dispute mechanism,, the following should be noted:

- *The National Integrated ICT Policy White paper presents high level policy statements for the sector. However, the policy implementation would be the development of legislation and regulation.*
- *Both the legislative and regulatory processes would involve public consultations in the form of government gazettes and public hearings. This will ensure all potential conflict and disputes are avoided/minimised.*

2 Impact assessment

1. Describe the costs and benefits of implementing the proposal to the groups identified in point 6 above, using the following chart. Add more lines if required.

Group	Implementation costs	Cost of changing behaviour	Costs/benefits from achieving desired outcome	Comments
Government: *Coordinating Mechanisms*	Costs of establishing the following institutional mechanisms: • Digital Transformation Committee (Inter-Ministerial Committee)	Administrative/operational costs – costs of meetings, workshops, time, possible commissioning of research. It is estimated that the Coordinating Mechanism will meet every 3 months (4 times per annum). The total costs per meeting is estimated at R40, 0000.The total estimated costs per annum is R200,000 and will cover conference package, S&Ts for secretariat officials in case meetings are hosted outside government premises. However, the plan is to hosts these meetings on government facilities (DTPS boardrooms or Presidency), thus cutting costs. Lastly, funds will prioritised from existing DTPS budgets.	Decisive leadership with regards to the digital transformation programme for the country Effective monitoring of strategies adopted	

Group	Implementation costs	Cost of changing behaviour	Costs/benefits from achieving desired outcome	Comments
	Rapid Deployment Steering Committee;	Rapid Deployment Steering Committee will be a sub-committee of SIP 15 and existing government operational budgets will be utilised. It is estimated that the Committee will be formed by a maximum of 40 individuals. The Committee will meet 6 times per annum. The estimated Conference package per individual is estimated at R300 (R300 X 40X 6), equating to R72, 000. Again, government facilities will be utilised for these meeting, thus minimising costs.	Simply, streamline and coordinate and accelerate the infrastructure deployment process to enable the sustainable and environmental sound deployment of critical broadband infrastructure. \	

Group	Implementation costs	Cost of changing behaviour	Costs/benefits from achieving desired outcome	Comments
	National e-Skills Council;	The same estimated costs for the Rapid Deployment Committee, will apply to the National e-Skills. However, the Council will meet 4 times per annum. Its estimated costs would be (R300 X 25 individuals X 4), equates to R30, 000 per annum.	Effective coordination of existing e-Skills capacity and resources to maximise impact, reduce duplication of efforts and act as a focal point of measurable e-Skills competencies. Holistic implementation of the digital transformation policy framework	
	ICT Industry Growth Coordinating Mechanism ICT RDI Investment and Planning Advisory Council	The Industry Growth Coordinating Mechanism will bring together government, industry, Academia, organisations representing civil society and vulnerable groups. It will be a slightly bigger group, estimated at 45 representatives per session. Once again, government facilities will be utilised for these meetings. It is anticipated that meetings will be hosted 4 times a month, with sub-groups meeting in between. The costs will be borne by the DTPs, with resources prioritised within existing budgets. Estimated costs as follows: R400 per person	Centrally coordinated ICT Industry Growth programme as well as ICT RDI.	

Group	Implementation costs	Cost of changing behaviour	Costs/benefits from achieving desired outcome	Comments
		X 45 X 4), equals to R72, 000. Government facilities will be utilised for these meetings.		
Reformed Institutions	• Economic Regulator (consolidated functions of ICASA & .zaDNA)	Costs of operationalisation and rationalisation of the existing entities as they evolve into the new institutions. Costs relating to evolving most of ICASA's functions in order to establish an Economic Regulator. ICASA's 2016/17[3] total expenditure is estimated at R460 million. It is estimated that 75% (R345 million) of these funds are used to regulate the telecommunications and postal sector and, as such will be transferred (including relevant Human Resources) to the proposed Economic Regulator. The balance, R115 million (25%) will remain with ICASA for the regulation of content/broadcasting related matters. A once off estimated amount of R9 million, could be required to facilitate issues pertaining to change management and realignment of the new regulators. In case the Establishment of the	Effective regulation of telecommunications, internet and postal sectors. Consolidated regulatory body, ensuring holistic governance and administration and regulation across the internet value chain. Change management costs (hire experts). The long-rum costs will be reduced as functions are streamlined)	

[3] ICASA 2015-2019 Strategic Plan presentation, 04 July 2014: Dr Stephen Ncube (Chairperson) and Mr Phakamile Pongwana (CEO)

Group	Implementation costs	Cost of changing behaviour	Costs/benefits from achieving desired outcome	Comments
		Economic Regulator is delayed and only operationalised in 2018/19, taking into consideration the effects if inflation (at 6%) the costs would increase by R20,7 million, to R365,7 million. If only operationalised in 2019/20 it would be R387, 642, 000.		
	• ICT Development Fund (USAASA & USAF)	USAASA's estimated budget for 2017/18 is R76 million[4] and, it is used as baseline for estimating the costs of establishing and operationalising the ICT-DF. Though USAASA will be evolved, the budget might have to increase considering that additional capacity (2 Chief Directors) would be required to coordinate and managing the sourcing of Funding from potential Donors and other Grants. These sources of funding would supplement money currently generated through the USAF. Therefore the total estimated costs for setting-up and managing the ICT DF R76 000 000 + R2492898 (additional estimated budget for 2 executive managers) = R78 492 898. If the establishment is delayed to 2018/19 the estimated costs, including 6% inflation,	A sustainable funding mechanism for both infrastructure and demand stimulation projects and programmes which will be funded through private sector levies, donor funding and state funding (administrative costs), to achieve universal service and access.	

[4] Universal Service Access Agency of South Africa, Strategic Plan, Financial Year 2016- 2020

Group	Implementation costs	Cost of changing behaviour	Costs/benefits from achieving desired outcome	Comments
		would escalate by R4 709 574 to R84 202 472.		
New Institution	• ICT Regulation Tribunal	Cost of establishing and operationalisation of the new institution. Having benchmarked with Competition Tribunal the estimated costs for operationalising the ICT Regulation Tribunal for 2017/18 would be R42 million[5], if delayed to 2018/19 costs would escalate by R2 527 200 (6% inflation) , to R44 647 200, if operationalised in 2019/20, the costs would further escalate by R2 678 832 (6% inflation), to R47 326 032.	Lessen the burden and costs of arbitration by ordinary courts Independent arbitration of decisions of the regulator Effective adjudication of market conducts	
State Owned Companies	Costs of re-prioritising budget and resources and aligning with new mandate and the objective of the new ICT Policy	Cost of organisational restructuring to align human resources with new mandates Costs of developing a new strategy aligned to the new mandates and policy provisions.	Streamlined mandates of SOCs Coherent, coordinated and proactive alignment of key programmes with overarching government objectives and priorities.	

[5] Competition Tribunal Annual Performance Plan for the Fiscal Year 2014-2015, dated 10 March 2014

Group	Implementation costs	Cost of changing behaviour	Costs/benefits from achieving desired outcome	Comments
ICT Sector players (Electronic Communications Network and Service licensees)	Costs of compliance with the new policy, legislations and regulations	Costs of change management, including business models	Effective competition Shared infrastructure, essential facilities, scarce resources and avoidance of duplications.	
Private Postal Operators	Costs of compliance with the new policy, legislations and regulations. The operators would be liable for a fine of 5% of their total revenue if they encroach on the reserved segment of the market. For a company that makes a revenue of R5 000 000 per annum, this would equate to a total fine of R250 000.	Costs of change management, including business models	Effective regulation of private operators, including ETOEs.	
SMMEs	Costs of accessing information, devices and software applications. These costs are highly dependent on the size of the enterprises. In a small business with 5 employees, costs could be estimated as follows: Sourcing of 5 PCs for the employees at, for example, at R13 500 X 5 employees = R67 500, sourcing a printer for the office R3000, for an HP office Jet Pro 6830. All these estimated costs were sourced from DionWired promotional pamphlets.	Costs of change management. This would include training of employees on technology, creating awareness on the benefits of technology for the company and putting in place effective monitoring and measurement systems to ensure ICTs are effectively utilised	Improved productivity and competitiveness as a result of low costs to communicate, low barriers to entry and ease of access ICT products and services.	

Group	Implementation costs	Cost of changing behaviour	Costs/benefits from achieving desired outcome	Comments
	Additional costs involves training of employees on the use of computers. Costs of regulatory compliance. If it is an SMME operating in the Postal Market, it will also be liable for a fine of 5% of total revenue if it encroach in a market exclusively set aside for SAPO.			
Households/Communities/Consumers	Costs of accessing information and end user devices.	Change of attitudes/mind set Costs of embracing technology	Increased access to ICT services and products Low costs to communicate Secure and reliable access and use of ICT services.	
Vulnerable Groups such as people with disabilities, children, youth and women	Costs of accessing information and specialised end user devices. These include: • portable voice-based computer for the blind; • Talking Watches However, prices of these devices are prohibitive, hence the Policy's recommendation for the local production of high quality ICT devices	Change of attitudes/mind set Costs of embracing technology	Increased access to ICT services and products Low costs to communicate Secure and reliable access and use of ICT services	

2. **Describe the changes required in budgets and staffing in government in order to implement the proposal. Identify where additional resources would be required for implementation. It is assumed that existing staff are fully employed and cannot simply absorb extra work without relinquishing other tasks.**

- **Inter-Ministerial Committee, ICT RDI Investment and Planning Advisory Council and Industry Growth Mechanism**
    - Administrative/operational costs
    - Costs of hosting meetings, workshops, time,
    - Possible commissioning of research;
    - Costs of re-prioritising existing budgets
    - Building on existing capacity to institutionalise this coordinating platform;
    - Competent Secretariat Office;
- **National Coordination Centre responsible for GIS Mapping- (located within the DTPS**
    - Costs of setting up latest ICT Systems and technology for the GIS Mapping;
    - Building on existing capacity to institutionalise this coordinating platform;
    - Competent Secretariat Office.
- **Rapid Deployment Steering Committee established within SIP 15, but requires coordination structure)**
    - Costs of institutionalising the Committee, however, it envisaged that the Secretariat for the National Coordinating Centre will also be responsible for efficient working of the Rapid Deployment Steering Committee
- **Establishment of the Economic Regulator (Evolving some aspects of ICASA functions and .ZaDNA functions)**
    - Costs of identifying the components and divisions, including staff in the current ICASA, which must be transferred to the new Economic Regulator;
    - Costs of rationalisation or consolidation of existing and new entity;
    - Costs of change management.
- **Evolving USAASA/USAF into ICT-DF – Transfer of existing staff of USAASA to the new ICT –DF. However, additional resources could be sourced**
    - Costs of identifying the components and divisions, including staff in the current USAASA/USAF, which must be transferred to the new entity;
    - Costs of rationalisation, consolidation and transitioning of existing functions and staff into the new entity.
    - Costs of change management.

- **ICT Regulation Tribunal**
    - Cost of establishing and operationalisation of the new institution. Having benchmarked with Competition Tribunal the costs of setting up the ICT regulation Tribunal are estimated at R36 million (includes staffing).

3. **Describe how the proposal minimises implementation and compliance costs.**
    - Implementation Costs (Travelling costs and accommodation – using government offices for meetings to reduce costs),
    - *Compliance Costs — creating awareness on the new policy and applicable fines* in case of contraventions. The collection of fines would be made as convenient as possible, in line with National Treasury Regulations and the South Africa Revenue Services.

- Evolving existing institutions minuses implementation costs in so far as staffing, requirements of building, acquisition of assets is concerned
- In terms of Institutional Mechanisms established to coordinate and facilitate government efforts, existing resources within the DTPS will be re-prioritised and realigned provide Secretariat and professional support.
- In terms of the establishment of the ICT Regulation Tribunal it is envisaged that compliance costs on the part of licensed operators and other stakeholders would be minimised. This is due to the fact that they would not need to go the route of a normal court process to seek recourse. In addition, it will improve and accelerate dispute resolutions.

4. Describe the main risks to the achievement of the desired ends of the legislation and/or to national aims that could arise from adoption of the proposal. Add more lines if required.

- Possible regulatory capture by industry – *(refer to Managing Risks section below)*
- Lack of institutionalisation of the proposed coordinating mechanisms
- Resistance and lack of compliance by industry
- Alignment of future legislations with the Policy provisions of the White Paper

3 Managing risk

1. Describe the measures taken to manage the identified risks. Add more rows if necessary.

Identified risk	Mitigation measures
Possible regulatory capture by industry**: The Regulatory occurs** when a **regulatory** agency, created to act in the public interest, instead advances the commercial concerns of special interest groups that dominate the industry or sector it is charged with regulating. This needs to be avoided at all costs.	• Ensuring transparency in decision making, e.g., mandatory posting of governance structure decisions on the regulator's website; • Appropriate and relevant good corporate governance frameworks in place. • Ensuring that decision are reviewed by the proposed ICT Regulation Tribunal
Lack of institutionalisation of the proposed coordinating mechanisms	• Ensure competent and capable Secretariat support is in place to provide professional support.
Resistance and lack of compliance by industry players	• Continual engagement with industry players to ensure that the policy is implemented in such as a way that it as far as possible minimises the costs (for compliance) and mitigate the risks associated with the new ICT policy • Ensure effective enforcement of regulation to deter non-compliance Establishment of the ICT Regulation Tribunal
Lack of or delays in the finalisation of legislations/Act to enable implementation of the Policy	• Accelerate processes of developing necessary ICT legislations and regulations

Alignment of future legislations with the Policy provisions of the White Paper	• Establishment and operationalisation of the Digital Transformation Committee (Inter-Ministerial Committee)

2. Describe the mechanisms included in the proposal for monitoring implementation, evaluating the outcomes, and modifying the implementation process if required. Estimate the minimum amount of time it would take from the start of the implementation process to identify a major problem and remedy it.

- The need for monitoring and evaluation of policy implementation is considered a priority for government, as stipulated in DPME guidelines. The National Integarted ICT White paper is complemented by a Roadmap, which indicates timelines for the implementation of set targets (Annexure attached).
- The DTPS will work in collaboration with Statistics South Africa to develop ICT Indicators in collaboration with Statistics South in order to monitor progress towards achieving universal service and access goals. Moreover, an ICT Satellite account has been operationalised.
- The DTPS is currently, strengthening its Monitoring and Evaluation component to monitor implementation of the new ICT policy.
- The Regulator, working together with DTPS will continuously undertake periodic evaluation of the impact of the new ICT policy (3-5 years intervals);
- The Regulator is to publish Sector Review and Performance Report on the ICT sector on an annual basis.

4 Summary

1. Summarise the impact of the proposal on the main national priorities.

Priority	Impact
Social cohesion	• Convergence of digital networks, services, applications, content in all South African languages and affordable devices will promote national building and strengthen social cohesion; • Development of a National Address System supports the objective of the National Development Plan that refers to national building and social cohesion with the objective of fostering a feeling of belonging with accountability and responsible behaviour; • Philatelic and Stamp initiatives support social cohesion by ensuring that different cultures are respected and equal citizenship for all is guaranteed. It also encourages national identity and serves as an educational tool; • Policy also promotes the development of local content in local languages;
Security	• Public trust in digital services is essential for both government and business services. The policy makes provision to ensure citizens and businesses are protected when using technologies online.
Economic growth and investment	• Spectrum policy enables efficient use of scarce resources to maximise economic and social benefits; • Open Access policy facilitates sharing of infrastructure and essential facilities to promote economic growth, development and competitiveness in the

	sector; • Work in partnership with the dti to promote local manufacturing of end user devices in line with the IPAP and Black Industrialist Programme;
Economic inclusion (employment creation and equity)	• National Addressing system ensures that citizens can participate in the economy and can also receive socio-economic services; • The roll-out of Digital technology hubs will serve as incubation zones for ICT entrepreneurs.
Environmental sustainability	• Rapid deployment policy enables coordinated and efficient approach to infrastructure deployment, thereby reducing unnecessary infrastructure duplication which has a negative effect on the environment; • Single trench policy which eliminates multiple digging and trenching, which may lead to environmental degradation; • ICTs are used to promote Green solutions, such as e-waste and greenhouse emissions.

2. Identify the social and economic groups that would benefit most and that would bear the most cost. Add more rows if required.

Main beneficiaries	**Main cost bearers**
• Government	• Government
• State Owned Companies	• State Owned Companies
• ICT Sector Players (Licensees)	• ICT Sector Players (Licensees)
• SMMEs	
• Households/Consumers/Communities	
• Vulnerable Groups such as people with disabilities, children, youth and women	
• Regulator	• Regulator

3. **In conclusion, summarise what should be done to reduce the costs, maximise the benefits, and mitigate the risks associated with the legislation. Note supplementary measures (such as educational campaigns or provision of financing) as well as amendments to the draft itself, if appropriate. Add more lines if required.**

- Evolving existing institutions minuses implementation costs in so far as staffing, requirements of building, acquisition of assets is concerned
- In terms of Institutional Mechanisms established to coordinate and facilitate government efforts, existing resources within the DTPS will be re-prioritised and realigned provide Secretariat and professional support.
- In terms of the establishment of the ICT Regulation Tribunal it is envisaged that compliance costs on the part of licensed operators and other stakeholders would be minimised. This is due to the

fact that they would not need to go the route of a normal court process to seek recourse. In addition, it will improve and accelerate dispute resolutions.

4. **Please identify areas where additional research would improve understanding of the costs, benefits and/or risks of the legislation.**
    - Regulator to conduct an in-depth review of the Postal Sector Market Structure and competition undertaken;
    - Regulator to conduct an inquiry into the impact of the ENUM technology protocol;
5. **For the purpose of building a SEIAS body of knowledge please complete the following:**

5.1 Was the SEIAS done by the department or by the service provider?

- **Department of Telecommunication and Postal Services**

5.2 If done by the department please provide the following:

Name of the Official: Charles Mabuza
Designation: Director
Unit: ICT Strategy
Contact Details: 012 420 7744
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Name of the Official: Gavin Morkel
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Unit: ICT Policy and Strategy Development
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5.3 How long did it take the department to complete this template? 3 Weeks