



CONSUMER ADVISORY PANEL

Performance Information Report for Q3 FY 2021/22 (October – December 2021)

INTRODUCTION

The Consumer Advisory Panel (CAP) was established by the Independent Communications Authority of South Africa (ICASA) in terms of Section 4 read with Section 71 of the Electronic Communications Act, 2005 (Act No. 36 of 2005, as amended) and the Amended Regulations on the establishment of CAP, Government Gazette, No 40725 of 2017.

The CAP comprises of 11 members who are appointed through a public nomination and selection process. The current members of the panel are:

- Chairperson (Vacant)
- Ms Sibabalwe Mqhayi
- Mr Dylan Thomas
- Mr Fanie Swanepoel
- Ms Zanyiwe Asare
- Mr Jeremiah Sikhosana
- Ms Mariza Jürgens
- Ms Pretty Dibakoane
- Mr Rajesh Jock
- Mr Tirhani Ishmael Hlomane
- Ms Aifheli Makhwanya

Members of the Panel all represent a consumer segment or work in an environment that provides the member with relevant Electronic Communications, Broadcasting or Postal Services consumer insight which will enhance the Authority's consumer protection mandate.

Members will serve on CAP for a period of 2 years from 06 May 2020 to 05 May 2022. An induction session for the newly constituted CAP to acquaint the members with their duties was held on 27 May 2020 followed by the first quarterly meeting which took place on 28 May 2020. To ensure operational effectiveness and alignment with

its mandate, the Panel developed its Annual Work Plan (APP) for the period 2021/22 to guide its performance towards achievement of the Panel's mandate.

The Panel performs the following functions:

- 1). Advise the Authority in a report submitted annually on consumer issues resulting from Electronic Communications, Broadcasting and Postal Services usage, which includes:
 - a) Critical concerns of consumers;
 - b) Consumer protection research to be conducted by the Authority; and
 - c) Proposed annual priorities for the Authority.
- 2). Provide a consumer perspective through commentary on relevant regulations and regulatory projects when published for public comment;
- 3). Liaise with consumers on an annual basis to understand their perspectives on issues impacting the sector;
- 4). Promote the interest of consumers, with particular emphasis on persons with disabilities, senior citizens and people living in under-serviced areas when commentary is submitted or in the annual report;
- 5). Prepare an annual plan and budget for the Panel for approval by the Authority; and
- 6). Report quarterly and annually to the ICASA Council through the Panel's Chairperson on activities and findings for the year or as required.

The Annual Work Plan for the fiscal year 2021/22 takes into account the aforementioned mandate considerations, and consolidates all priority activities and projects for the period under the following strategic outputs:

- I. **Conducting dialogues, workshops, and advocacy initiatives** to engage with various stakeholders. Furthermore, by engaging with sector and community leaders, a wider community of interest can be represented.
- II. **Conducting surveys, benchmarking studies and trend analysis**, to distil the issues facing consumers in South Africa and determine the key areas of focus. Empowered with this information, CAP can make clear, data-backed suggestions on areas of focus for ICASA consumer research.
- III. **Commenting on relevant pieces of proposed regulation is published by ICASA, CAP will engage with it with a special focus on how the regulation would impact the consumer.** By interacting with legislative process, and providing direct commentary, the views and interests of the consumer will be properly highlighted and defended.
- IV. **Identifying effective collaboration with relevant bodies.** Exploring and identifying areas of collaboration with relevant bodies to advance the consumer protection and empowerment agenda.
- V. **Proper planning.** The enormity of the task, with the limited resources presented, means that CAP must plan effectively in order for it to operate efficiently and effectively. Without proper planning and goal orientation, none of the above would be possible.
- VI. **Adherence to reporting requirements.** CAP is also compelled to report to ICASA on progress to ensure transparency and accountability, and to ensure that targets are being met. By compiling reports on its activities and engagements, it will keep ICASA Council abreast of developments, and ensure that the information is collected timely. Hence track progress and ensure transparency and accountability.

STRATEGIC OVERVIEW

The CAP's work is aligned to the ICASA's strategic vision, mission, and values. In particular, the CAP contributes directly to the strategic-outcome goal; "Improve stakeholder and consumer experience".

1. Vision of ICASA

Our Vision is *"An inclusive digital society"*.

2. Mission

Our Mission is to *"ensure that all South Africans have access to a wide range of high-quality communication services at affordable prices"*.

3. Shared Values

Our Values are driven by the following factors:

3.1 Innovation

We find different and better ways of applying best solutions to meet stakeholder needs by demonstrating willingness and ability to generate viable new solutions.

3.2 Collaboration

We eradicate silos by developing a conscious mind-set that aligns our work with organisational vision and strategy.

3.3. Accountability

We execute our daily work in a proactive manner.

3.4. Results-Driven

We achieve high-quality results that are consistent with organizational standards. We do goal-specific performance assessments and identify areas of improvement.

3.5. Stakeholder-Centric

We carry out our duties with the stakeholder in mind.

Stakeholders are central to what we do and we welcome their feedback for a consistent and effective partnership.

INTERNAL PERFORMANCE / ORGANISATIONAL ENVIRONMENT

The following issues are highlights of CAP's performance during the 3rd Quarter period under review:

- **Stakeholder Engagement and Consumer Advocacy in the Northwest Province 24-29 October 2021.** CAP undertook a Stakeholder Engagement and Consumer Advocacy in the Northwest Province. The visit covered a radius of approximately 950 kilometres across all main economic hubs and some of the deep rural areas of the North West Province along the borderlines of Northern Cape and Free State Provinces from Potchefstroom, Klerksdorp, Christiana, Hartswater, Taung, Vryburg, Mafikeng, and Zeerust to Rustenburg on the platinum belt of Royal Bafokeng, Sun City and Marikana. The route covered four major National Routes namely; the N12, N18, N14 and N4.

For further details, see attached Portfolio of Evidence Report No 1.

- **Identification of relevant bodies for collaboration.** As part of the Consumer Advisory Panel (CAP) Annual Work Plan, there is a requirement for the Panel to explore and recommend to Council possible relevant bodies that the regulator can effectively collaborate with in a bid to improve outcomes of advancing the consumer protection and empowerment agenda. The CAP proposes that ICASA consider collaboration the Direct Marketing Association of South Africa (DMASA) and the Information Regulator with the objective of addressing the issue of consumer harassment by telemarketing services and the accelerated use of automation causing silent calls and messages which are an annoyance to consumers.

Pursuant to Council's previous request on possible modalities of such collaboration, CAP has proposed some possible mechanisms for engagement in these collaborations.

For further details, see attached Portfolio of Evidence Report No 2.

- **Consumer trends identified:** CAP identified several trends which require careful attention for their consumer protection implication, and they include the following: the move towards introduction of central bank digital currencies (CBDCs). A central bank digital currency (CBDC) is the virtual format of a country or region's base currency. With cash facing an uncertain future as the world embraces digital payments and cryptocurrencies, and stablecoins become more popular, central banks around the world are starting to adopt this technology. Still, CBDCs face issues about accessibility, privacy, and the model to use in their adoption. The other interesting trend is SA Telco Targeting Persons with Disabilities as a segment
Vodacom launched a campaign as a part of its Disability Awareness Month Campaign, where they provided 5 GB of Free data for 3 months (November 2021, December 2021 and January 2022) for those who are currently registered with Vodacom and have a qualifying disability.

The implications of these trends on the regulator include (a) driving the promotion of website accessibility for Persons with Disability with online shopping which has grown exponentially in the wake of the COVID-19 pandemic (b) the promotion of cyber security awareness/ and or digital literacy as one of the measures to deal with protection against avoidable cyber security threats for ordinary consumers (c) the expansion of access to postal address for all South Africans; and (d) a closer scrutiny of the anti-competitive effect of the

implied additional costs when switching Internet Service Providers for fibre service.

For further details, see attached Portfolio of Evidence Report No 3.

- **Critical Consumer Concerns:** Based on the CAP's work over the past two quarters, the following are critical consumer concerns brought to the attention of Council: the importance of the issue of accessibility of Websites /Online Content for Persons with Disabilities; The need to expand access to postal address system to all South Africans to participate in e-commerce; the institutional crisis and viability crisis at the Post Office negatively affecting disadvantaged and rural postal outlets, particularly during the COVID-19 pandemic; the increase in cybercrime is a concern for consumers; and Consumer Unhappiness about ISP Switching Cost under Fibre Service.

For further details, see attached Portfolio of Evidence Report No 4.

- **Consumer Research Areas:** CAP team finalised the compilation of a concept document on concept document for research to evaluate the impact of the E-Rate legislation. The E-Rate Regulations provide discounts for telecommunications, Internet access, and internal connections to eligible schools and libraries. The ongoing proliferation of innovative digital learning technologies and the need to connect students, teachers and consumers to jobs, life-long learning, and information have no doubt led to a steady dramatic rise in demand for bandwidth in schools and libraries, particularly with the recent impact of Covid-19. There is no doubt that learnings from the review of the impact of E-Rate would help with steps to modernize and E-Rate keep pace with the need for increased Internet access for the CAP stakeholders. The

impact of recently introduced zero-rated website for learning should also be taken into consideration as impacts directly on the implementation of E-rate and compliance by licensees.

For further details, see attached Portfolio of Evidence Report No 5.

- **Development of CAP Annual Work Plan FY2022/23:** CAP team finalised the development of the FY2022/23 CAP Annual Work Plan. In terms of the current CAP Work Plan FY2021/22A, the Panel is required, during the 3rd Quarter, to develop and finalise an Annual Work Plan for the FY2022/23 period, using its accumulated experience and knowledge from previously implementing CAP projects over the past years. Process Followed:

- The Panel undertook a strategic reflection session during 6-7 October 2021, facilitated with the assistance of an ICASA Strategy Department resource, Mr David Molapo;
- The understanding of the Panel mandate was reflected on, to ensure that members were all on the same page and would therefore proceed from the same base;
- Brainstorming of perceived focus areas by members was conducted and synthesized into common themes which became the three main outcomes: Consumer Interests Protected; Generation of Actionable Consumer Intelligence; and Effective Governance.
- A three-person lead team was requested to compile write-ups of projects and activities to be conducted under the three identified outcomes. Two drafts were circulated for additional comment and input by all Panel Members.
- To ensure alignment with overall ICASA Strategic documents, the ICASA Strategic Plan 2020-25 (66 pages) and Annual Performance Plans were consulted.

Highlights of Proposed FY2022/23 Annual Work Plan

- Outcomes (Impact Goals) of the Annual Work Plan: The proposed Annual Work Plan proposes three (3) Outcomes; namely, Rights of Consumers Protected, Actionable Consumer Intelligence; and Effective Governance.
- Outcome 1: Consumer Rights Protected: The Rights of Consumers Protected aligns with a similar indicated outcome in the ICASA Strategy Plan 2020-25 and Annual Performance Plans. This outcome is in turn supported by five pillars: (a) Stakeholder Engagement and Consumer Advocacy (b) Identification of Collaborations with Relevant Bodies (c) Identification of Research Areas for Consumer Protection (d) Commenting on Relevant Consumer Regulations to positively influence developments in the consumer protection environment (e) Bringing attention to Critical Consumer Concerns.
- Outcome 2: Generation of Actionable Consumer Intelligence: This is generation/collation of evidence and knowledge sharing of models, innovations, and strategies on consumer protection and promotion of safe environment for CAP stakeholders. Therefore, CAP will conduct assessments on consumer trends, 4IR implications on regulations, benchmarking, and study tours to learn from other cultures and jurisdictions.
- Outcome 3: Effective Governance: will include our compliance with our mandatory quarterly reporting, the advisory report, and the compilation of CAP Annual Work Plan.

Budget Implications

The total budget is estimated at **R2 606 000.00**, which is an increase of not more than 7% compared to the previous year.

Annual Work Plan Budget FY2022/23		Per Annual WorkPlan Budget 2021-22	
Consumer Engagements	630 000,00	Consumer Engagements	600 000,00
Collaborations with relevant bodies identified	50 000,00	Collaborations with relevant bodies identified	15 000,00
Research	100 000,00	Research	100 000,00
Commentaries	100 000,00	Commentaries	100 000,00
Critical concerns	50 000,00	Critical concerns	50 000,00
Effectiveness of Complaints Mechanism	-	Effectiveness of Complaints Mechanism	100 000,00
conducted on consumer trends	520 000,00	conducted on consumer trends	150 000,00
# of Work Plans	250 000,00	# of Work Plans	250 000,00
# of Reports (inc. Advisory Report)	150 000,00	# of Reports (inc. Advisory Report)	150 000,00
Fees	756 000,00	Fees	918 000,00
Total	2 606 000,00	Total	2 433 000,00
Percentage change	7%		

For further details, see attached Portfolio of Evidence Report No 6.

EXECUTIVE SUMMARY

Performance Indicators for Third Quarter 2021/22

As per Annual Work Plan 2021/22, the CAP had scheduled the achievement of identified outputs to be executed for second quarter as follows (see orange colour highlight):

Table 1: Performance Indicators for FY2021/22

Outcome Indicator #	Outcome Description	Annual Target	Quarterly Target Timeframe			
			Q1	Q2	Q3	Q4
3.1.1.1	# of stakeholder engagements and consumer advocacy	3	1	1	1	
3.1.2.1	# of Collaborations with relevant bodies identified	3		1	1	1
3.1.3.1	# of consumer protection research areas identified	2		1	1	
3.1.4.1	# of commentaries	2				2
3.1.5.1	# of consumer critical concerns	2		1	1	
3.1.6.1.	# of proposals on effectiveness of ICASA's complaints & enforcement mechanism	1				1
3.2.1.1	# of assessments conducted on consumer trends, 4IR implications and benchmarking	2		1	1	
3.3.1.1	# of Work Plans	1			1	
3.2.1.1	# of Reports	5	1	1	1	2

Performance Information Report 2nd Quarter 2021/22

Performance for the 2nd Quarter is summarised as follows:

- Of the nine **(9)** Annual Work Plan performance indicators, only seven **(7)** Indicators were due for achievement in the Q3: namely, Stakeholder Engagement; Identification of Collaborations with Relevant Bodies; Identification of consumer protection research areas; Compilation of consumer critical concerns; Conducting assessments on consumer trends, 4IR implications and benchmarking; Compilation of FY2022/23 Annual Work Plan and Reporting.

Table 2: Performance Scorecard for Q2 FY 2021/22

Outcome Indicator #	Outcome Description	Annual Target	Quarterly Performance			
			Target Q3	Actual Q3	Performance Level	Variance
3.1.1.1	# of stakeholder engagements and consumer advocacy	3	1	1	Achieved	None
3.1.2.1	# of Collaborations with relevant bodies identified	3	1	1	Achieved	None
3.1.3.1	# of consumer protection research areas identified	2	1	1	Achieved	None
3.1.4.1	# of commentaries	2	-	-	N/A	N/A
3.1.5.1	# of consumer critical concerns	2	1	1	Achieved	None
3.1.6.1.	# of proposals on effectiveness of ICASA's complaints & enforcement	1	-	-	N/A	N/A
3.2.1.1	# of assessments conducted on consumer trends	2	1	1	Achieved	None
3.3.1.1	# of Work Plans	1	1	1	Achieved	None
3.2.1.1	# of Reports	5	1	1	Achieved	None

LEGEND:

NA: Not applicable

NC: Not in compliance



Compliance Achieved



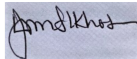
Compliance is possible but not fully achieved.



Compliance is impossible or extremely difficult and not planned.

Sign-Off

It is hereby certified that 2nd Quarter 2021/22 Performance Information Report accurately reflects the work and activities of the Consumer Advisory Panel during the quarter under review.



Mr Jeremiah Sikhosana

CAP Member

07 September 2021

Date

Annexures (Portfolio of Evidence):

- **Report No:1** Stakeholder Engagement and Consumer Advocacy, Northwest Province.
- **Report No:2** Recommendation on Relevant Bodies for Collaboration.
- **Report No:3** An Assessment Conducted on Consumer Trends and Implications.
- **Report No:4** Critical Consumer Concerns
- **Report No:5** Identification of Consumer Protection Research Areas: E-Rate Review.
- **Report No:6** Development of CAP Annual Work Plan FY2022/23

End.

Signature Certificate

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Page 1 of 1



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