



**MINISTRY: COMMUNICATIONS
REPUBLIC OF SOUTH AFRICA**

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Office of Deputy Minister Honourable: Ms Stella Tembisa Ndabeni-Abrahams, MP

Mr Godfree Maulana
Manager: ECS/ECNS Compliance
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Pimville Farm
164 Katherine Street
Sandton

Per e-mail: gmaulana@icasa.org.za

Dear Mr Maulana,

**RE: COMMENTS ON THE PROPOSED DRAFT AMENDMENT – UNIVERSAL SERVICE
LICENCE OBLIGATIONS**

1. INTRODUCTION

On 27 November 2013, the Independent Communications Authority of South Africa (“the Authority”) published Draft Amendments to the Universal Service and Access Obligations (“Draft Amendments”). Pursuant to its powers to monitor the ICT sector, the Authority seeks to amend the Universal Service and Access Obligations (“USAOs”) to ensure compliance by the licensees.

According to the table depicted in the Draft Amendments it is clear that the licensees listed therein have not complied with the USAOs, in part or in whole.

The Department welcomes the Draft Amendments and make the following submission.

2. GENERAL COMMENTS

It appears that the challenge of non-compliance is caused by the lack of understanding of what the obligations really mean. It is perhaps then vital that the Authority must specify and define “connectivity” to schools so as to avoid the current challenges where the licensees claim that they do not know what such means. This should assist the Authority in enforcement. It is then proposed that the Authority consider defining the word “connectivity” if at all possible and viable.

3. SPECIFIC COMMENTS

3.1 AD PART A: CLAUSE 1

The Department notes that each licensee must connect a maximum of 300 schools in the 2013/2014 financial year and that the number of schools which must be connected has been reduced as follows:

- a. 5000 to 1500 within 5 years
- b. 2500 to 750 within 5 years
- c. 1000 to 300 within 5 years

The reduction in the number of schools is accepted, however, it is not desirable that the number of years remain at 5 (five) years. It is proposed that the number of years within which the schools must be connected must be reduced to 2 (two) years.

The following are reasons are advanced for this proposal:

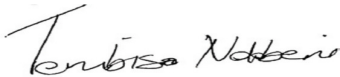
- the licensees have not adhered to their USAOs since attainment of their licenses (some over a period ten years);
- the Draft Amendments significantly reduce the number of schools;
- the Draft Amendments remove the obligations to provide 2 5000 000 simcards and 125 000 handsets, respectively; and

- considering that the ICT sector is a rapidly changing and growing the period of 2 (two) years appears to be desirable in that there is no certainty that connectivity of schools could mean the same thing as it means today.

4. CONCLUSION

The Draft Amendments are already reducing the load of obligations on the licensees and providing 5 (five) years to connect a lesser number schools will have a huge impact on the universal access strategic objectives of Government, in particular the Department and the Universal Services and Access Agency of South Africa.

Sincerely,



Stella Tembisa Ndabeni-Abrahams (MP)

Deputy Minister of Communications

Date: