Independent Communications Authority of South Africa

# STRATEGIC PLAN

for the fiscal years

2015-2019

# ANNUAL PERFORMANCE PLAN

for the fiscal year

2014-2015

## Official sign-off

It is hereby certified that this Strategic Plan:

- was developed by the management and Council of ICASA;
- takes into account all the relevant policies, legislation and other mandates for which ICASA is responsible; and
- accurately reflects the strategic, outcome-oriented goals and objectives which ICASA will endeavour to achieve over the period 2015 to 2019.

It is also hereby certified that this Annual Performance Plan:

- was developed by the management and Council of ICASA under the guidance of Council;
- was prepared in line with the current Strategic Plan of ICASA; and
- accurately reflects the performance targets which ICASA will endeavour to achieve, given the resources available in the budget for 2014-15.

Furthermore, the performance information has been simplified and it is measurable, accurate and reliable with definitive timelines.

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Chief Financial Officer

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Monitoring & Evaluation Specialist
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**Pakamile Pongwana** Signature: _____
Chief Executive Officer

Approved by:

**Dr Stephen Mncube** Signature: _____
Chairperson

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# Foreword by the Chairperson

The 2015-19 Strategic Plan of the Independent Communications Authority of South Africa (ICASA, the Authority) is guided by the Government's Medium Term Strategic Framework (MTSF) which outlines areas of priority with regard to socio-economic service delivery to all South Africans. Furthermore, this Strategic Plan is influenced by the direction of the National Development Plan (NDP), in relation to universal services and access to communications services; research development and innovation; broadcasting infrastructure and services; postal infrastructure and services, unbundling of the last mile, and infrastructure sharing.

The Authority's priority is to improve the lives of all South Africans in as far as telecommunications, broadcasting and postal services are concerned, and to position the Information and Communications Technology (ICT) sector as a key driver of the South African economy.

In order to realise this undertaking, the Authority has to review its Strategic Plan periodically to ensure that its regulatory programmes, budget allocations, skills base and human resources are properly aligned to contribute to the country's national development priorities.

Top of the list of regulatory priorities is the quest to lower the costs of communications in South Africa. This is particularly true from the investment, the consumer and end user's point of view. It is against this background that the Authority has embarked on another round of reducing the Call Termination Costs, building on the successes achieved during the first phase of this project from 2010 to 2013.

The level of the Quality of Service experienced by many mobile phone end users recently, calls for firm and decisive remedial, regulatory steps. The Authority intends to finalise the review of the End User and Subscriber Charter Regulations in the next few months to resolve network outages and failures. The revised regulations will enable the Authority to strengthen its complaints resolution framework and increase consumer public awareness activities to empower voice and data subscribers regarding their contractual terms and conditions with service providers.

The Authority makes these regulatory interventions on an ongoing basis, and is informed by and also gives input to policy development processes. The Authority has made submissions and representations to the current Information and Communications Technology policy review process.

ICASA remains true to its mandate to support the country's fledging constitutional democracy and the institutions tasked with this role. The Authority has recently published the Election Broadcasting Regulations to guide the broadcasting coverage of the May 2014 General Elections. To this end, the Authority is partnering the Independent Electoral Commission to ensure that the General Election receives a clean slate.

At the operational level, the Authority's interference clearing role came in very handy with the preparations for the State Funeral of the Former State President, Nelson Mandela, in December 2013. As in all other events of national importance, the Authority worked closely with security and emergency services to ensure that the event was incident-free.

ICASA also played an important role during the Square Kilometre Array (SKA) bidding process by conducting preliminary monitoring to determine the baseline levels for radio frequency usage in the then proposed site. The Authority will continue to support the SKA by installing additional monitoring equipment to ensure that the site remains a radio-quiet zone.

South Africa continues to be a source of international study visits and benchmarking exercises, both from sister regulatory agencies across the continent and internationally. The Brazilian communication regulator, Agencia Nacional de Telecomunicacoes (Anatel), is now ready to play its rightful role of

securing all communications activities come June 2014 at the occasion of the 2014 FIFA World Cup in Brazil. Acknowledgment for this readiness can be partly to be attributed to the lessons ICASA officials and experts shared with their Anatel counterparts who visited our shores two years ago.

In the Southern African Development Community, ICASA participates in all the activities of the Communications Regulators' Association of Southern Africa (CRASA) to ensure regulatory harmonisation with regulatory agencies neighbouring our borders.

In a bid to further improve our operational excellence, the Authority is set to finalise the organisational realignment process by implementing a new ICASA organisational structure. This process is being informed by a skills audit exercise to identify and address deficit areas in our human resources - all with the intent of being able to deliver on our undertakings as spelt out in this Strategic Plan 2015-19.

**Annexure C** lists the roles that the ICASA Council carries out and how it delineates its functions whilst ensuring that it acts as a collective. The planned regulatory and licensing projects for 2014-15 are incorporated into the individual performance contracts of the Councillors.

Finally, as Chairperson of the Authority, I would like to leave a legacy of a stronger and more effective communications regulator that is steeped and anchored in knowledge management. I would also like to see increased collaboration between ICASA and various institutions of learning, as well as institutes and think-tanks to equip and endow us with the wisdom of regulating the electronic communications sector.

**Dr Stephen Mncube**
Chairperson
Independent Communications Authority of South Africa

# Overview by the Chief Executive Officer

The five year Strategic Plan of the Authority is premised on legislation and provides a blueprint for the institution's response to the needs of the ICT sector. The plan articulates the vision of the Authority in dealing with the promotion of competition, protecting consumers to ensure universal service and access to all communication services at affordable rates. It promotes the efficient use of radio frequency spectrum and numbering resources and facilitates nationwide broadband penetration on the basis of the South Africa Broadband Policy 2013.

The Authority derives its mandate primarily from the following legislation as amended from time to time:

- The Constitution of the Republic of South Africa;
- The Broadcasting Act 4 of 1999 ;
- The Independent Broadcasting Authority Act 153 of 1993 (Act repealed but Regulations still in force);
- The Independent Communications Authority of South Africa Act 13 of 2000;
- The Electronic Communications Act, No 36 of 2005 (ECA);
- The Post and Telecommunication-Related Matters Act 44 of 1958;
- The Postal Services Act, 124 of 1998; and
- The Telecommunications Act 103 of 1996 (Act repealed but Regulations still in force under the ECA).

Some of the functions of the Authority include, amongst others, the following:

- To implement provisions of the ECA to achieve the Objects of the Act;
- To license broadcasters, signal distributors, providers of telecommunication services and postal services;
- To make regulations, impose license conditions and decide on complaints;
- To plan, assign, control, enforce and manage the radio frequency spectrum;
- To ensure international and regional co-operation in the ICT sector;
- To ensure the effective and efficient allocation of numbers; and
- To ensure interoperability of communication networks.

## Context and strategic direction

The market for electronic communications in South Africa has been fast expanding and is likely to continue at an exponential rate in the years ahead. Electronic communications is one of the fastest growing sectors of South Africa's economy, driven by rapid growth in mobile telephony, broadband connectivity and the advent of digital broadcasting. With a network that is 99.9% digital and includes the latest in fixed-line, wireless and satellite communication, and with 80% coverage of digital broadcasting, the country has the most developed electronic communications network in Africa.

Noteworthy developments in South Africa's ICT sector include the publication of the revised South Africa Broadband Policy 2013 and the finalisation of the Framework for Digital Migration including timelines for switch-on.

## Competition in the sector

The promotion of competition is seen as a crucial element in achieving the goals of Outcome 6 of Government's outcome-based approach. Broadband Fast Internet has become a key tool for social and economic development, and needs to be prioritised, even in the world's poorest nations. The price of broadband in South Africa has dropped, with more affordable and faster fixed-line services and mobile data products. In order to facilitate access to broadband at fair prices, the Authority is conducting a review of the input costs that drive the retail prices that consumers pay to access the internet. The study will focus on enabling competition in the wholesale levels of the Broadband Value Chain leading to reduced costs to consumers.

There is also a need for rapid transformation of the broadcasting sector with digital migration opening possibilities for more free-to-air, community and subscription broadcasting at national, provincial and community level.

## Developments informing the corporate strategy of ICASA

The Authority updates its five year Strategic Plan on an annual basis taking into consideration several inputs, such as a scan of important developments in the ICT sector, the migration from analogue to digital broadcasting and the increasing demand for broadband services and therefore radio frequency spectrum.

The following internal imperatives, linked to prerequisites for institutional sustainability, will drive the implementation of the strategy:

- **Focus on good governance and accountability:** The Authority has taken note of the recommendations outlined in the King III report on corporate governance and is ready to integrate these principles into its policies and practice. This commitment to institutional accountability requires explicit mention in the strategic and operational plans of the Authority; and
- **Focus on sustainability:** The requirement for fiscal austerity, outlined by the Minister of Finance in the 2014/15 National Budget, has had an impact on resources that are readily available for research. Financial targets set at strategic levels will have to be backed up with operational plans addressing prerequisites for institutional sustainability. These include staffing issues (quality, size and composition of staff complement), research issues (relevance, quality, effective production and dissemination) stakeholder relations (being recognised as a 'partner of choice'), optimal and cost-effective resourcing and conducive institutional policies and practices. It was also found that the Authority's internal financial model of providing for salary, institutional and project-specific costs created problems from the perspectives of planning, cash-flow management and reporting. A new financial model which will address the problems experienced during 2013-14 and make it easier to administer consistently across the organisation, will accordingly be implemented from 2014-15.

## Desired outcomes

In line with its vision and mandated objectives, the Authority has identified the following desired outcomes to guide its activities over the MTEF period 2015 to 2017. The strategic business objectives of the Authority are informed by its mandated objectives and institutional imperatives. These, in turn, relate strongly to the desired outcomes for the ICT Sector and to the vision of the Authority. They are:

- Providing the regulatory framework to support the Broadcasting Digital Migration process, including local content obligations;
- Facilitating the deployment of broadband infrastructure, particularly in under-served areas;
- Introducing regulatory levers to reduce the Cost to Communicate; and
- Licensing the necessary radio frequency spectrum to allow for expanding the scope and quality of fixed wireless and mobile broadband.

## Regulation making

In addition to the urgent need to review radio frequency spectrum regulations, it is imperative that the Authority, as the Regulator, is responsive to all aspects of transformation of the ICT sector. The Authority's regulatory programmes have planned the following regulatory initiatives:

**Licensing and Compliance**

- Regulations for equity ownership by Historically Disadvantaged Individuals (HDI)/groups;

**Engineering and Technology**

- Radio frequency spectrum Regulations to be reviewed;
- Regulations on Spectrum Fees (also for the purpose of more reasonable fees for radio frequency spectrum in the 40-80GHz range) to be reviewed; and
- New regulations for infrastructure sharing between electronic communication network service (ECNS) licensees;

**Markets and Competition**

- Price Transparency Regulations to ensure that consumers are able to determine how much they will pay for a voice call or accessing the internet before they start using a service;
- Local Content Regulations imposing local content quotas on broadcasters, suitable for the multi-channel environment of digital television; and
- A recommendation to the Minister of Communications on the future of Universal Service Obligations in the postal sector; and

**Consumer Affairs**

- Universal Service and Access Regulations.

## Universal Service and Access Obligations (USAO)

The Cabinet approved 'South Africa Connect', the South Africa Broadband Policy, Strategy and Plan on 4 December 2013. This was gazetted on 6 December 2013. The Authority views its responsibilities in achieving this objective as ensuring that broadband services are available to all citizens by:

- creating an enabling environment for broadband growth through promoting competition in the broadband market at the level of both infrastructure and services;
- promoting infrastructure-sharing with regard to both way leaves and between electronic communications networks; and
- developing a radio frequency spectrum strategy for fixed wireless and mobile broadband access.

## Risk management

The top five risks of the Authority are as follows:

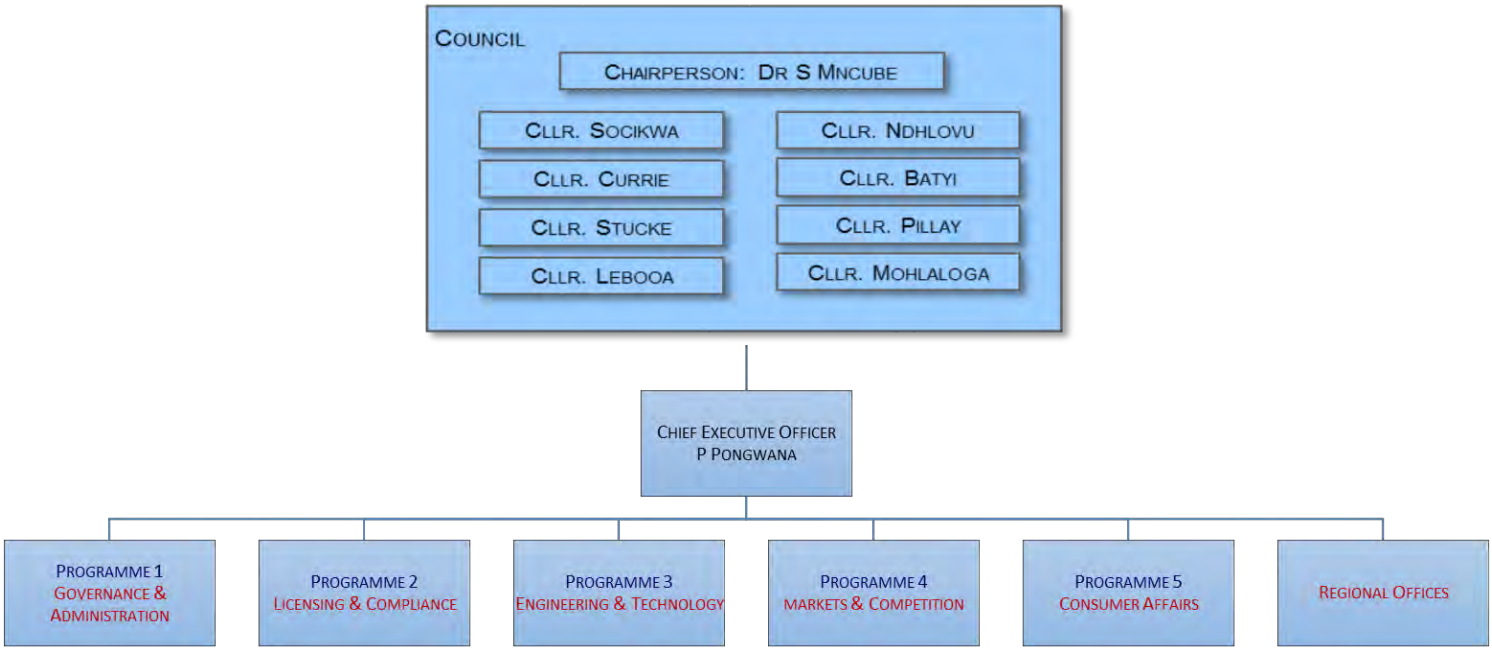
1. Legal challenges to regulatory processes;
2. Lack of defining and documenting operational core processes;
3. Lack of an asset replacement plan resulting in the Authority utilising redundant equipment leading to poor performance;
4. Reputational risk; and
5. Underfunding of the institution to adequately execute its mandates.

The Authority intends making an impact by achieving the 2014-15 targets through having the correct resources in place and streamlining the Authority's operational business processes. The Authority will commence its transformation by adopting a 'CAN DO' attitude, and will follow through managed activities to achieve target deadlines and project timelines. Accountability and recognition will be incorporated into employee performance management contracts across the organisation.

**Pakamile Pongwana**
Chief Executive Officer
Independent Communications Authority of South Africa

# ICASA Functional Programmes structure

It should be noted that the current structure of the functional programmes is under review and it is anticipated that a revised organisational structure will be in place by June 2014, to ensure appropriate human resource alignment to effectively deliver on the Authority's mandate.



# Strategic overview

The Independent Communications Authority of South Africa (ICASA, the Authority) operates under Chapter Nine of the Constitution of the Republic of South Africa as well as the Independent Communications Authority of South Africa Act 13 of 2000, which provides for the continued existence of the Authority.

## 1. Our vision

To advance the building of a digital society.

## 2. Our mission

To ensure that all South Africans have access to a wide range of high-quality communication services at affordable prices.

## 3. Our values

The Authority adopts the following principles in the consideration of all regulatory activity:

| | |
|---|---|
| **People** | We value, respect and recognise our people; |
| **Necessity** | We are committed to evidence-based regulation ensuring that regulation is only introduced where there is a demonstrable need. We intend to ensure that regulatory compliance does not become a barrier to the development of a sustainable ICT sector by simplifying or reducing regulation, wherever possible or appropriate; |
| **Effectiveness** | We are committed to achieving our identified goals and to delivering on our mandate, taking into account the impact of such decisions; |
| **Proportionality** | We aim to impose obligations in an objective, transparent and proportionate manner, where intervention is necessary; |
| **Transparency** | We will strive to work within a consistent, fair and defined set of parameters and to ensure decisions are evidence-based and fully-reasoned, and that any decision-making process is open and accessible; |
| **Accountability** | We are formally accountable to the Parliament of South Africa and, through the appeals system, to the courts and remain conscious that we ultimately serve the end-users; and |
| **Consistency** | We will pursue our legal responsibility to ensure consistency in our actions. |

The Authority's work is used to assist Government in addressing some of its pertinent challenges such as the digital divide and universal access to electronic communications broadcasting and postal services, thereby making a difference to the lives of people in South Africa.

# 4. Legislative and other mandates

ICASA's mandate is spelt out in the Electronic Communications Act for the licensing and regulation of electronic communications and broadcasting services, and by the Postal Services Act for the regulation of the postal sector.

Enabling legislation also empowers ICASA to monitor licensee compliance with licence terms and conditions, develop regulations for the three sectors, plan and manage the radio frequency spectrum as well as protect consumers of these services.

## 4.1. Constitutional mandates

**The Constitution of the Republic of South Africa**

- The Constitution of the Republic of South Africa (RSA) places a duty on Parliament "*to establish an independent regulatory institution which is required to provide for the regulation of broadcasting in the public interest and to ensure fairness and a diversity of views broadly representing South African society*" (S192). Parliament has deemed it fit to add the regulation of electronic communications and postal services to this function;
- ICASA is a licensing body, a regulator and a quasi-judicial body because it licenses, regulates, adjudicates and issues sanctions (S34); and
- ICASA is also an organ of state, bound by the Bill of Rights (S8).

## 4.2. Legislative mandates

**The Broadcasting Act 4 of 1999**

- The Act amended the Independent Broadcasting Authority (IBA) Act 153 of 1993, which sought to clarify the powers of the Minister and the regulator; and
- The Act called for a new broadcasting policy that will contribute to democracy, development of society, gender equality, nation building, provision of education and strengthening the spiritual and moral fibre of society.

**The Independent Communications Authority of South Africa Act 13 of 2000**

- The primary object of this Act is to provide for the regulation and control of telecommunication matters in the public interest (S2). It seeks to promote the universal and affordable provision of telecommunication services; and
- The Act established ICASA and this regulator shall be independent and impartial (S3).

**The Electronic Communications Act, No 36 of 2005 (ECA)**

- The substantive regulatory function of ICASA pertains to broadcasting, postal services and the electronic communications service (ECS) sectors;
- ICASA plays a concurrent function with the Competition Commission on competition matters (Chapter 10); and
- ICASA strives to create an appropriate and predictable regulatory environment to achieve the stated objects of the ECA, section 2 (S2).

**The Competition Act 89 of 1998**

- The Competition Commission and Competition Tribunal plays a complementary role or co-jurisdiction role with ICASA on competition matters within the electronic communications environment (S82 (1)); and
- The Competition Commission holds an *ex post* jurisdiction over competition-related matters; and
- ICASA holds an *ex ante* and *ex post* jurisdiction over competition-related matters.

**The Promotion of Administration Justice Act, No 3 of 2000 (PAJA)**

- PAJA binds ICASA in its deciding functions and the Complaints and Compliance Committee (CCC) in the exercise of their administrative and judicial functions.

**The Postal Services Act, No 124 of 1998**

- The Postal Services Act requires the Authority to license and monitor the South African Post Office (SAPO) in relation to the achievement of customer care standards and the provision of universal service obligations, including the roll-out of street addresses and the provision of retail postal services in under-serviced areas.

## 4.3. Policy mandates

### 4.3.1. Universal Service and Access Obligations

The then Minister of Communications released the National Broadband Policy on 13 July 2010, with the vision *"to ensure universal access to Broadband by 2019 by ensuring that South Africans are able to access Broadband either individually, or as a household, subscribe to a broadband service, or are able to access broadband services directly or indirectly at a private or public access point"* (Government Gazette No. 33377, page 10). Subsequently the Minister of Communications released an updated broadband policy, the South Africa Broadband Policy, on 6 December 2013 (Government Gazette No. 37119). This places even greater demands on the Authority to promote broadband access, including a data transmission rate (speed) of 5 Mbit/s by 2016.

The Authority's responsibilities in achieving this objective are to ensure that broadband is made available to all citizens by:

- creating an enabling environment for broadband growth through promoting competition in the broadband market at the level of infrastructure and services;
- promoting infrastructure-sharing between ECNS licensees; and
- developing a radio frequency spectrum strategy for fixed wireless and mobile broadband access.

The Authority intends to achieve these outcomes through stakeholder engagement and regulatory measures where necessary, to cover the following areas:

- Promote competition in broadband markets. Local Loop Unbundling (LLU) is part of this process to open access to fixed networks;
- Enforce the interconnection (IC) and facilities leasing (FL) regulations rigorously;
- Promote infrastructure sharing between electronic communications network operators as well as promote greater co-operation between municipalities and ECNS licensees with regard to way leaves to extend the network of networks to its fullest possible extent;
- Develop a ten year allocation and assignment strategy for radio frequency spectrum suitable for fixed wireless and mobile broadband and make it available during the ten year period;
- Explore the possibility of introducing radio frequency spectrum leasing regulations to maximise the efficient use of the spectrum for broadband;
- Build a common understanding as to the scope and scale of the broadband network of networks in South Africa through research and network audits during the ten year period; and
- Engage with stakeholders and the National Electricity Regulator of South Africa (NERSA) with regard to facilitating the availability of electricity to power the broadband network of networks as it expands throughout the country.

### 4.3.2. The Department of Communications (DoC) policy framework

The Authority is responsible for regulating electronic communications, broadcasting and postal services in the public interest, to ensure affordable services of a high quality for all South Africans. In addition to developing regulations, the Authority also issues licences to electronic communications and broadcasting service providers, enforces compliance with rules and regulations, protects consumers from unfair business practices and poor quality services, hears and decides on disputes and complaints brought against licensees and controls and manages the effective use of the radio frequency spectrum.

The DoC policy framework is embedded within and aligned to broader government priorities and policy, as promulgated, for example, in the MTSF, the New Growth Plan and, most recently, the finalisation of government's twelve (12) Key Outcomes. The Authority believes its strategic objectives will contribute directly to the DoC Outcomes as identified in the Minister's Performance Agreement, relating specifically to **Outcome 6,** namely **an efficient, competitive and responsive economic infrastructure network.**

**Output 1: Improve competition and regulation** - The DoC has been mandated to review the current industry structure to ensure that the principle of separating policy, operations and regulations is constantly driven through:

- developing and enacting the ECA Amendment Bill into law;
- developing and enacting the ICASA Amendment Bill into law;
- developing an integrated ICT framework; and
- the review of legislation that has a bearing on ICT.

**Output 5: Communication and Information technology** - In order to reduce the cost of communication, increase our broadband penetration and to reduce the digital divide in both urban and rural contexts, the following is expected:

- Issuing of a policy directive for the unbundling of the local loop;
- That the cost of voice calls, that is, mobile, wholesale (Interconnection/Mobile Termination Rates) and fixed-line public access, be reduced by 30% by 2014; and
- Broadband enhancements:
  - Improve broadband speed from 128kbps to 256kbps, through the broadband policy intervention;
  - Increase broadband penetration from 2% to 10% by 2014; and
  - 60% population coverage through DTT infrastructure roll-out (dependent on SENTECH).

## 5. Situational analysis

South Africa is poised on a knife-edge: is the digital divide between citizens, as well as South Africa and the rest of the world going to worsen and impact our international competitiveness and ability to create employment in the broader economy, or can we act and implement decisive steps to foster greater access to and adoption of ICT services for all those living in South Africa?

In the Global Information Technology Report[1] for 2013, South Africa is ranked 70th out of 144 countries in the Networked Readiness Index, defined as the *"propensity [ability and likelihood] for countries to exploit the opportunities offered by information and communications technology"*. This is far below

[1] Compiled on annual basis by the World Economic Forum

South Africa's contribution to the world economy, where South Africa's economy is the 28th largest in the world according to the World Bank[2]

So what can be done to improve South Africa's positioning to become a country with world-class ICT infrastructure and an economy that leverages this strength to create wealth? The government has set the building blocks in place to overcome the existing digital divide and improve South Africa's infrastructure with the finalisation of the South Africa Broadband Policy - South Africa Connect.

The Authority's Strategic Plan and its activities during the 2015-19 period is to facilitate the achievement of the South Africa Broadband Policy and Vision 2020 of 'Broadband for All' by passing regulations that will support the ever-increasing consumer demand for low cost, high-speed access to broadband services.

The details of how the Authority intends to improve South Africa's standing in the rest of world are outlined in this plan under the five Strategic Output Orientated Goals:

1. Promote competition;
2. Promote the digital agenda;
3. Ensure the efficient use of spectrum resources;
4. Protect consumers; and
5. Modernise ICASA.

The Authority continues with its five Strategic Outcome Orientated Goals (SOOG) and nine Strategic Objectives (SO) however, the new plan has fewer strategic outputs for the budget year 2014-15; 21 key outputs reduced from 34. Section 6 of this plan details the Authority's strategic goals and goals statements, whilst the details of the strategic objectives and objective statements are outlined in section 7. The medium-term key outcomes, outputs and activities that support the strategic goals and objectives are summarised in the Annual Performance Plan (APP) in annexure B.

There are certain key deliverables worth noting as being key to successfully removing the Digital Divide between South Africans as well as improving South Africa's international competitiveness. These are the regulations that:

- license the sweet-spot spectrum for mobile broadband services, the so-called high demand radio frequency spectrum bands of 800MHz and 2.6GHz. The licensing of these bands will come with obligations to provide broadband services in under-serviced areas as well as key state institutions such as schools, hospitals and police stations;
- assist all broadcasters and Sentech to move from analogue to digital broadcasting and therefore make more radio frequency spectrum available for broadband services, whilst also creating an opportunity for more than 100 television channels to be able to broadcast. This increase in the availability of television channels will create both a demand for locally produced content as well as create an opportunity for more South Africans to participate in producing broadcasting content, particularly at a regional level;
- lower the Cost to Communicate by removing barriers to competition and create transparent retail pricing. This programme includes the regulation of wholesale voice call termination rates as well as the potential for regulation of input prices, such as prices for the sharing of ICT infrastructure and access to the 'last mile' of connectivity to consumers; and

[2] 2012 figures, World Bank

- ensure that the South African Post Office is structured to provide improved Quality of Service and Access to Services in the digital era through the sharing of infrastructure and the provision of internet services in under-served areas.

The Authority's MTEF budget submission is aimed at addressing the challenges posed by the Digital Divide and the converging technologies in the communications sector, reducing the cost of doing business, enhancing the productive capacity of the economy, creating employment, investing in human capital development and improving the capacity and effectiveness of the state to deliver services to its citizens.

This proposed way forward of supporting government imperatives, especially Outcome 6, is outlined in this Strategic and Annual Performance Plan. Whilst the Authority's strategic goals remain based on the key Government priorities, it is unlikely to achieve all of the strategic objectives in the future, if its funding allocation is not increased. The Authority needs to attract more funding in order to grow responsibly, meet all its objectives by acquiring the requisite human capital and assure financial viability and promote good governance and risk management within the institution. It is noted that the same risks as previous years still exist unless adequate financial and technical resources are made available to achieve the full mandate of ICASA.

The ICT sector is dynamic and requires continuous improvement and assessment of targets the Authority has set up to meet the demand of the industry. Key challenges are being faced by all stakeholders in the South African ICT ecosystem. These are systemic factors that are not within the span of control of any one actor, whether public, private or community.

The television broadcasting digital migration process is a pathway to an explosion of vibrant consumer-oriented and citizen-centred TV content that will energise the TV industry. It is also the pathway to the digital dividend that will free up large tracts of radio frequency spectrum for wireless and mobile broadband and help address the tsunami of the exponential increase in data usage driven by the uptake of smart phones and mobile devices in South Africa. However, if the digital migration process fails to bring new content and new TV stations and channels into the market, consumers will not acquire set-top-boxes and migrate themselves to the new digital platforms. The assignment of radio frequency spectrum for broadband will then be hampered, as it will be difficult to switch off the analogue TV systems by June 2015.

Similarly, a decision about the future of Telkom's 143,000km fibre-optic network is urgently required so that the pathway to high-quality, fixed broadband is secured. This may require a complex initiative to separate Telkom into a wholesale and retail structure that would enable the network to be available to data and internet competitors on a non-discriminatory wholesale basis, thus enabling rapid innovation in quality and speed to take place using fixed connectivity.

### Wider economic challenges

The macro-economic challenges of a structurally-high unemployment rate and a weak exchange rate may, in the long-term, harm the feasibility of communications prices to be low and the necessary communications network investment to be sustained. However, these may be mitigated through the development of local industries producing the necessary capital equipment for network investment (an objective of the South Africa Broadband Policy), where both employment opportunities will increase as well as reduce the cost of key inputs with the deployment of ICT infrastructure.

The introduction of local content quotas on broadcasters will also bring stability and development to the local music and television production industry, creating further job opportunities. Increasing access

to broadband at lower prices will improve the productivity of the wider economy, with a potential 1.38% increase in Gross Domestic Product for every 10% increase in penetration.[3]

## 5.1. Performance environment

In reviewing the performance of the Authority for the last budget year, it was evident that the number and complexity of its predetermined objectives continued to exceed the organisation's financial and human resource capabilities. The Authority has assessed its past performance in not achieving all of the targets set, the budget allocation received and the demand of the industry together with government imperatives. The predetermined objectives of the Authority have therefore been revisited and, as a result, the number of achievable key outputs and targets has been reduced for the 2014-15 budget year.

The Authority's medium term business plan contains the detailed operational information and budgetary provisions to support its performance targets. The organisation remains committed to its vision and value system and will ensure that performance measures to demonstrate excellence, institutional accountability and ongoing transformation remain in place. Achieving this plan requires increased levels of financial support to establish the proposed realigned organisational core to carry out the operational and regulatory work of ICASA more effectively.

### Recent achievements

The Authority has delivered on a number of priorities that featured in the previous Strategic Plan:

**Licensing and Compliance Programme**

- Licensed three (3) individual commercial sound broadcasting services in the primary markets of Gauteng and Cape Town;
- Licensed five (5) individual commercial subscription broadcasting service licences;

**Engineering and Technology Programme**

- Published in the Government Gazette, the National Radio Frequency Plan 2013, giving the frequency allocations to services from 8kHz up to 3000GHz;
- Publication of the Frequency Migration Plan 2013;
- Published on the Authority's website, reports of quality of service measurements on cellular mobile networks for four major metropolitan areas;
- The implementation of a new radio frequency spectrum licence fee regime;
- Granted, over the past 9 months, more than 1600 spectrum licences for a variety of electronic communication services and several broadcasting services;
- Granted, over the past 9 months, more than 1900 type approval authorisations for new radio-frequency and fixed-line equipment;

**Markets and Competition Programme**

- Released the final regulations on mobile termination rates, gazetted on 4 February 2014;
- Publication of the Political Elections Broadcasting Regulations, effective from the 17 February 2014;
- Completion of a cost-benefit study on the existing analogue-based local content obligations;

[3] "Impact of broadband on the economy" International Telecommunications Union, 2012.

**Consumer Affairs Programme**

- Publication of the draft End-User and Subscriber Service Charter Regulations on the 22 January 2014 for public comment; and
- Publication of draft Code on People with Disabilities on the 28 March 2014 for public comment.

The Authority used the recently published South Africa Broadband Policy as its guiding platform for identifying the 2015-19 strategic deliverables, with the goal of achieving universal access to broadband by 2020.

Key to improving the performance of the ICT sector in South Africa is continuing to provide the ICT sector with certain basic services, such as:

- the assignment of telephone numbers;
- the assignment of radio frequency spectrum on request; and
- the granting of type approval certificates so that new technologies may be brought into the marketplace as quickly as possible.

The Authority has specific targets for these mandatory services and the table below outlines the Authority's progress in this regard:

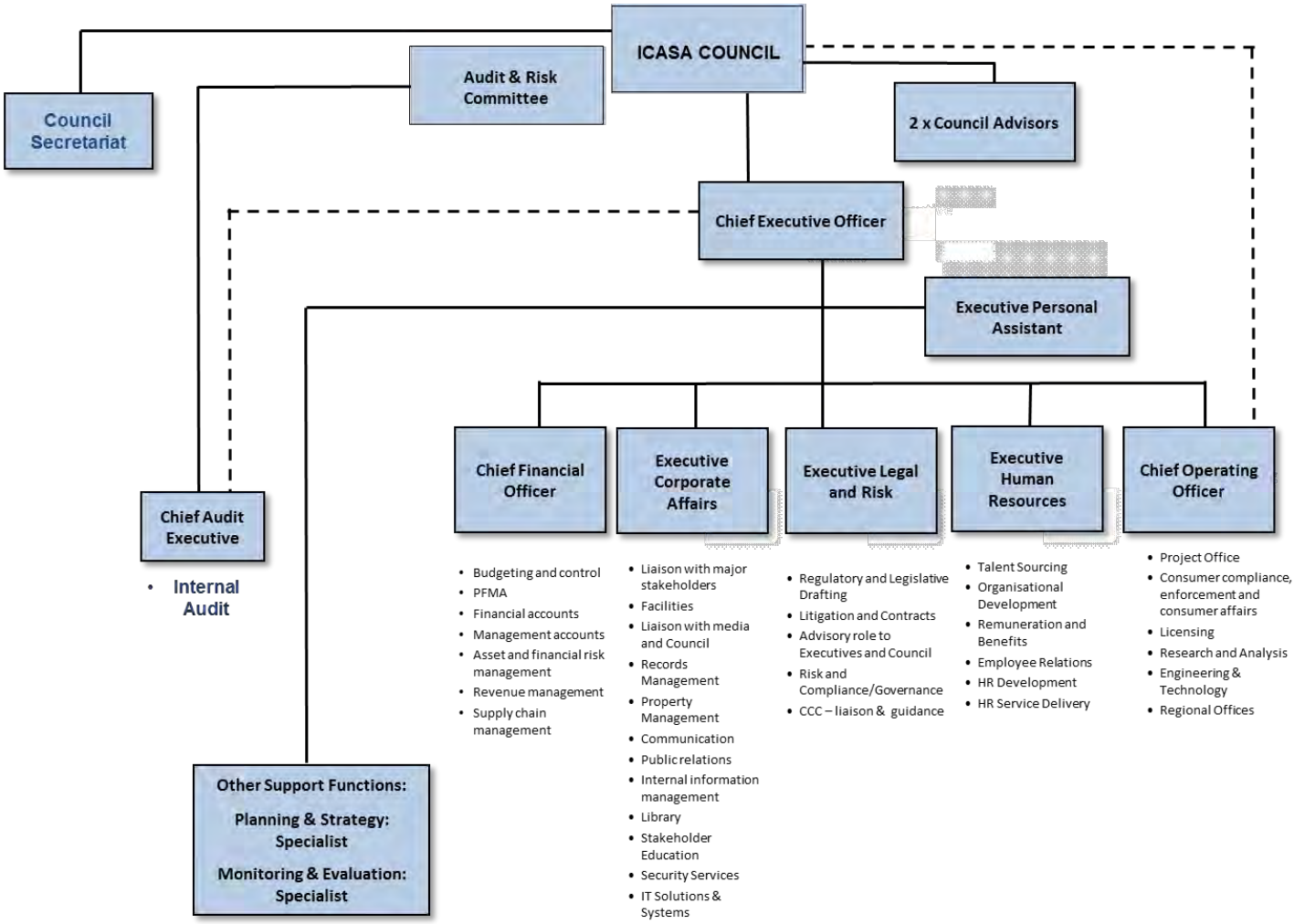
| Service | Target | Achieved |
|---|---|---|
| Assignment of telephone numbers | 90% of requests approved within 21 days | 100% |
| Assignment of radio frequency spectrum | 100% of applications processed within 60 days | 98% |
| Granting of type approval authorisations | 100% of applications processed within 30 days | 99% |

Performance on strategic, regulation-making deliverables has been less successful as the results reflect a picture of over-ambitious plans matched with inadequate resources and control environment to ensure delivery.

## 5.2. Organisational environment

ICASA's organisational realignment project is intended to ensure that the Authority is appropriately structured to deliver on its mandate. A service provider has been appointed to assist the Authority and the project is well underway, with a completion date in June 2014.

The approved executive structure is based on research and benchmarks done which includes regulatory organisations locally, regionally and internationally. The structure endeavours to address this Strategic Plan and its intended objectives so that the Authority can efficiently deliver on its mandate.



The ICASA Council is responsible for overseeing the formulation and implementation of the Authority's strategy, national policy and compliance with its mandate as set down in the ICASA Act and other relevant legislation.

The CEO is the executive officer accountable to the Authority for managing the organisation subject to the Council's direction and control. The CEO is thus responsible for ensuring that the organisation carries out the activities and initiatives required to perform to its mandate and implement agreed policies, strategies and related activities.

## 5.3. Strategic planning process

The Authority has updated its five year Strategic Plan. This annual update is done by taking into consideration several inputs: a scan of important developments in the internal and external environment; an updated analysis of perceived strengths, weaknesses, opportunities and threats; and engagement with internal and external stakeholders. Changes in the strategy are influenced by the availability of funding, recommendations from institutional reviews and changes in leadership.

The following developments have impacted on the development of the Authority's strategy, goals and performance objectives for 2014-15 and beyond:

- The National Development Plan has been adopted by government, outlining objectives in each specific sector. It has been reinforced by the publication of the South Africa Broadband Policy in December 2013;
- Medium-Term Strategic Framework (MTSF) allocations were made to enable the Authority to participate in the integrated implementation of the plan, especially when advancing the philosophy of a digital society; and
- In addressing Government's strategy for service delivery, the Authority has taken note of Outcome 6, which emphasises increasing broadband penetration and the digital terrestrial television infrastructure roll-out. The Authority has placed the provision of broadband services at the front and centre of its work plan and is committed to ensuring a successful migration to digital terrestrial television.

Monitoring the implementation of the strategy provides regular feedback on the progress of strategic and operational plans. Evaluating the achievement or non-achievement of predetermined objectives, targets and deliverables provides management, decision makers and other stakeholders with regular performance measurements. This information informs the Authority's progress and performance in its Annual Report and, in turn, is used in the next planning cycle.

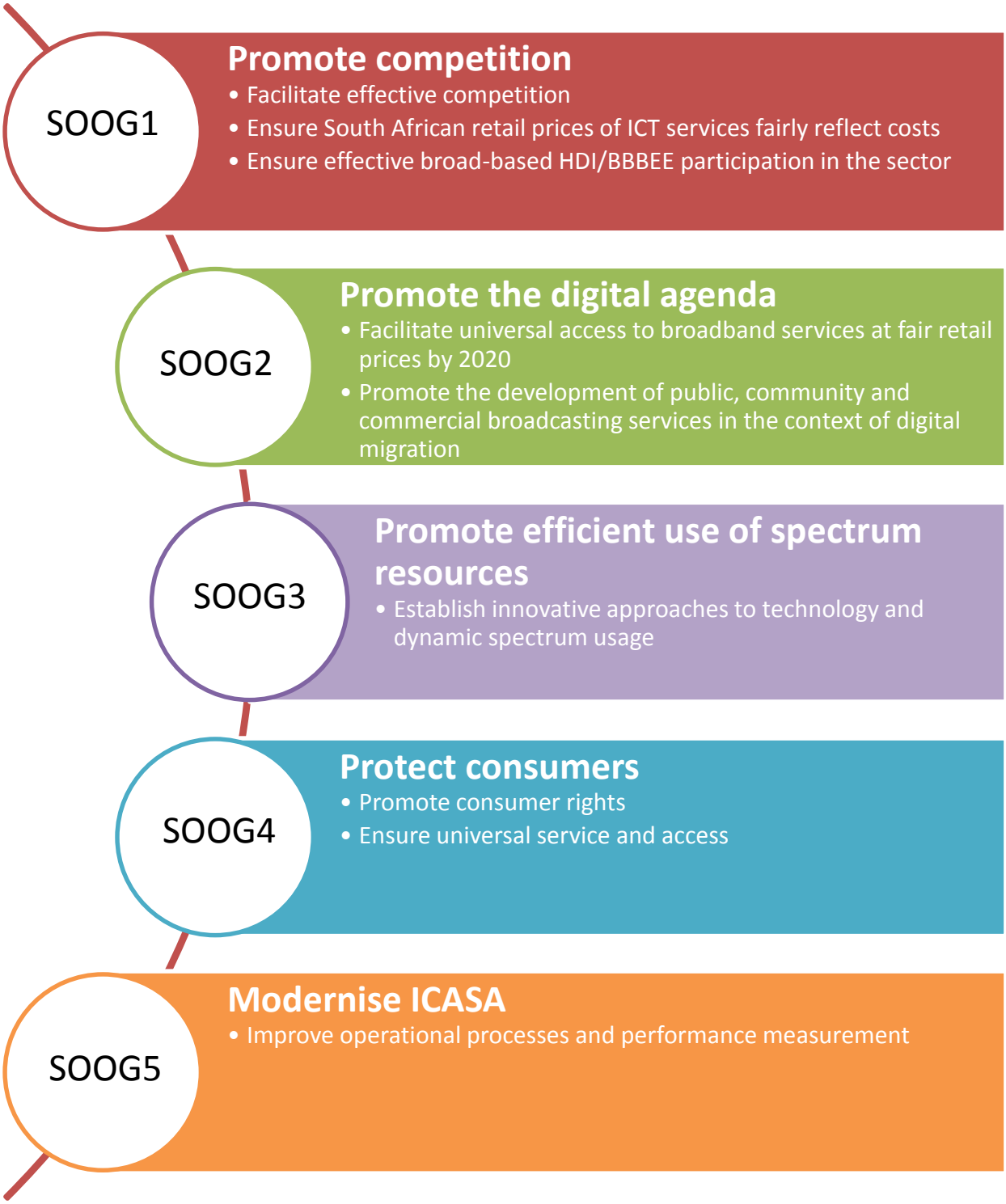
There are prescripts stipulating that the Accounting Officer must establish procedures for quarterly reporting to facilitate effective performance-monitoring, evaluation and corrective action. The Authority has a formal reporting framework with emphasis on quarterly progress-reporting against the strategic targets and quarterly deliverables committed to in the APP. Furthermore, monitoring is also done for programme project plans as well as operational plans which unpack targets into action steps and quarterly deliverables. This ensures a proactive approach to the monitoring and evaluation process thus ensuring adherence to targets and mitigation of challenges affecting performance. The Authority's in-year performance reports inform the Annual Report which provides an overall indication of the Authority's progress towards achieving the strategic objectives, outputs and targets set out in this Strategic Plan.

## 5.4. Institutional arrangements

The Authority strives to be an efficient and highly-productive regulator that maximises benefit to stakeholders, staff and management due to its effective systems and processes as well as its, resources and its organisational culture. The Authority will also:

- promote internal and external service quality standards;
- continue the ICASA-wide, capacity-building programme focusing on staff and promote the coaching skills initiative for managers;
- develop plans for staff development, career growth and succession for senior staff members;
- implement a new financial model to ensure that core salaries are fully covered by the Parliamentary grant, hence reducing pressures on cash flow and providing security of permanent employment to highly-skilled staff;
- obtain support from the DoC and National Treasury to address funding shortfalls for infrastructural support;
- increase the proportion of under-represented groups in the middle management echelons of the Authority; and
- promote a culture of valuing diversity in all its forms within the ICASA community.

## 6. Strategic outcome oriented goals of ICASA



ICASA's strategic outcomes oriented goals identify the areas of institutional performance that are critical to the achievement of its mandate. They have been set to stretch and challenge the Authority but are considered realistic and achievable during the planning period. The goal statements are written as a statement of intent that focuses on the impact and outcomes that the Authority wishes to achieve.

The associated strategic objectives are the areas of focus for the outputs, annual targets and quarterly deliverables in the Annual Performance Plan to achieve the predetermined goals. Strategic objectives are linked to the Government's outcomes-based approach.

| SOOG 1 | Promote competition |
|---|---|
| Goal statement | ICASA will promote fair prices for retail communications products by removing barriers to the introduction of new entrants and the ability for smaller players to effectively compete against existing service providers, taking cognisance of the imperatives of HDI participation in the sector. |
| SO1.1 | Facilitate effective competition. |
| SO1.2 | Ensure South African retail prices of ICT services fairly reflect costs. |
| SO1.3 | Ensure effective broad-based HDI/BBBEE participation in the sector. |

Crucial to achieving this goal is overcoming the information asymmetry between ICASA and its licensees. This asymmetry exists where the Authority does not currently receive information from its licensees that outlines the costs licensees incur and the relationship between these costs and the retail prices that consumers pay.

To overcome this challenge, the Authority has initiated the construction of cost models of the specific services that may require regulation. The focus for the 2014-15 budget year is the cost of terminating a voice call on both a mobile and fixed network.

| SOOG 2 | Promote the digital agenda |
|---|---|
| Goal statement | ICASA will develop a plan for licensing radio frequency spectrum to support access by all citizens to affordable broadband services by 2020. |
| SO2.1 | Facilitate universal access to broadband services at fair retail prices by 2020. |
| SO2.2 | Promote the development of public, community and commercial broadcasting services in the context of digital migration. |

The achievement of universal access to broadband services by 2020 faces a few significant challenges, noticeably the need for increased amounts of radio frequency spectrum in the 700MHz, 800MHz and 2.6MHz bands. The Authority intends to issue an Invitation to Apply for the available radio frequency spectrum to facilitate the roll-out of wireless network infrastructure, with an emphasis on obligations to increase internet connectivity at schools, clinics, government services, safety and security institutions and access by ECS licensees to existing and future infrastructure at a reasonable cost.

The Authority also intends to enable network deployment by engaging with municipalities to speed up access to high sites and the granting of rights of way as well as provide a transparent framework for infrastructure sharing.

| SOOG 3 | Promote efficient use of spectrum resources |
|---|---|
| Goal statement | ICASA will develop radio frequency spectrum frameworks that support the efficient use of the spectrum for a variety of services, including broadband. |
| SO3.1 | Establish innovative approaches to technology and dynamic radio frequency spectrum usage. |

The Authority is mandated to ensure the efficient management of the radio frequency spectrum resource. Rapid technological change in the ICT sector has led to the development of many new and experimental techniques in the use of the radio frequency spectrum to provide traditional connectivity

services, such as voice and data. These technologies may recommend new regulatory approaches to the licensing of the radio frequency spectrum.

Through this goal, the Authority will be able to introduce new licensing rules that best suit the technological capabilities of the ICT sector.

To achieve this goal the barrier to technological innovation and introduction of secondary markets can be overcome through continuing to collaborate with research institutions to ensure delivery on agreed research topics and themes in support of ICASA priorities.

| SOOG 4 | Protect Consumers |
|---|---|
| Goal statement | The goal of ICASA is to protect the interests of all consumers by establishing and maintaining minimum Quality of Service standards that all licensees must abide by. |
| SO4.1 | Promote consumer rights. |
| SO4.2. | Ensure universal service and access. |

This goal is dependent on the ability of licensees being able to invest in sufficient infrastructure with sufficient radio frequency spectrum being made available. The Authority intends to establish minimum quality of service standards which the Authority and licensees can work together with to ensure that consumers are able to use their devices wherever they want, whenever they want on a consistent and continuous basis.

| SOOG 5 | Modernise ICASA |
|---|---|
| Goal statement | ICASA will be an efficient and highly-productive regulator that maximises benefit to stakeholders, staff and management due to its effective systems, processes, as well as its resources and organisational culture. |
| SO5.1 | Improve operational processes and performance measurement. |

The current organisational structure is not optimally aligned to the delivery of the Authority's mandate and strategy.

This together with the lack of Core Operational Processes - lack of defined, core, end-to-end operational processes as well as the lack of talent management - recruitment and retention of scarce skills to enable the Authority to deliver consistently on its mandate. The Authority is looking to overcome these issues and change manage its culture now that its organisational realignment has been approved and the implementation process is underway.

The Authority is also aware of its Reputational Risk – lack of goodwill, bad reputation and a poor image of ICASA. To combat this issue a comprehensive stakeholder communications strategy will be developed.

The Authority remains hamstrung in its ability to achieve its mandate by the consistent lack of funding made available through the government funding mechanisms. The Authority has requested that the Department of Communications consider a self-funding model to overcome this dependency on state resources.

# 7. Strategic objectives of ICASA

ICASA's strategic objectives state what the Authority intends doing to achieve each of its five SOOGs together with the baseline level of performance recorded in the prior year. Each strategic objectives considers the key risks that need to be managed to achieve the objective.

## 7.1. Strategic objective 1

| SO 1.1 | Facilitate effective competition |
|---|---|
| Objective statement | In order to remove barriers to competition, the Authority will promote diversity and choice of broadcasting services through licensing additional free-to-air (FTA) television broadcasting services on a national and regional basis by March 2015. |
| Baseline | None. |

**Risk management**

Risk: Failure to license additional free-to-air television broadcasting service by March 2015.

Mitigation: Strict adherence to proper processes and procedures in terms of the Act and existing regulations.

| SO 1.1 | Facilitate effective competition |
|---|---|
| Objective statement | The objective is to foster new entrants and level the playing field between licensees by promoting infrastructure and service-based competition through the conducting of market reviews to justify cost-determinations in the provision of identified services. |
| Baseline | Call Termination Rates were reduced to R0.40 by 1 April 2013. The new call termination regulations are effective from 1 April 2014 for six (6) months until an appropriate cost model has been completed for new applicable rates. |

**Risk management**

Risk: The inability to accurately determine the costs of providing those services that are barriers to effective infrastructure and service-based competition.

Mitigation: This risk can be mitigated by the construction of cost models for a variety of electronic communications services so that, where necessary, effective price controls may be put in place.

| SO 1.2 | Ensure South African retail prices of ICT services fairly reflect costs |
|---|---|
| Objective statement | The objective is to ensure that end-users pay fair retail prices, which are comparable to those prices charged in relevant countries, for all electronic communications and postal services by 2017. |
| Baseline | The Authority limited the price increase for basic mail services to 5.2% for the 2014-15 financial year. |

**Risk management**

Risk: Legal challenges from operators on processes and reasonableness.

Mitigation: Provide a project plan and continually engage with stakeholders throughout the process of the market review.

Risk: Legal challenges to imposition of necessary remedies.

Mitigation: Develop a transparent process for conducting reviews of existing regulations so as to provide regulatory certainty.

| SO 1.3 | Ensure effective HDI/BBBEE participation in the licensed sector |
|---|---|
| Objective statement | In order to ensure effective HDI/BBBEE participation in the sector and align the BBBEE equity ownership of individual broadcasting, ECS and ECNS with relevant legislation and the ICT Charter, the Authority will conduct annual individual licensee's equity ownership audits, including HDI/BBBEE equity participation, publish regulations by March 2015, and then issue amended Individual ECS, ECNS and broadcasting licences that reflect the approved HDI/BBBEE by March 2017. |
| Baseline | HDI/BBBEE equity ownership data collated through Compliance Procedure Manual Regulation. |

**Risk management**

Risk: Delays due to litigation by the licensees who may not be in agreement with the HDI quota to be set out in the regulations.

Mitigation: ICASA to hold extensive national consultation with licensees and interested stakeholders. Publish Findings Document following the extensive consultation prior to the publishing final Regulations.

## 7.2. Strategic objective 2

| SO 2.1 | Facilitate universal access to broadband services at fair retail prices by 2020 |
|---|---|
| Objective statement | The objective is to support the National 2020 broadband strategy by licensing available 2.6GHz and 800MHz radio frequency spectrum and developing and implementing a plan to licence all IMT spectrum through the ITA process. |
| Baseline | National Radio Frequency Plan of 2013, Radio Frequency Migration Plan of 2013, Terrestrial Broadcasting Frequency Plan of 2013 and Radio Frequency Spectrum Regulations. |

**Risk management**

Risk: The inability to provide radio frequency spectrum for electronic communications networks to address the rapid increase in demand for radio frequency spectrum for new and extended broadband services.

Mitigation: The Authority will mitigate this risk through increased dialogue with the Minister through engagement on the proposed ITA.

Risk: Inability to regulate the infrastructure sharing regime or non-existence of infrastructure regulations to address high roll-out costs for licensees and high communication costs in rural areas.

Mitigation: The Authority can mitigate this risk through developing infrastructure sharing regulations.

| SO 2.2 | Promote the development of public, community and commercial broadcasting services in the context of digital migration |
|---|---|
| Objective statement | The objective is to ensure that South African citizens have access to a range of sound and television broadcasting services that support a plurality of views and cater for all language and cultural groups which will be achieved through the development of a new regulatory framework to support broadcasting services in the digital era, to be completed by 2016. |
| Baseline | Findings document outlining framework for the introduction of a new regulatory framework for broadcasting services in the digital era and the cost-benefit analysis and strategy report. |

**Risk management**

Risk: Litigation by the industry if they are not satisfied with the process or if they become unsuccessful or disqualified.

Mitigation: Adherence to proper processes and procedures in terms of the ECA and existing regulations.

Risk: Technical change and introduction of multiple platforms for distribution of content.

Mitigation: Monitor the impact of technical change and develop technology-neutral regulations.

## 7.3. Strategic objective 3

| SO 3.1 | Establish innovative approaches to technology and dynamic spectrum usage |
|---|---|
| Objective statement | The objective for the Authority is to collaborate with research institutions to develop a regulatory framework for the use of 'white spaces' in radio frequency spectrum and cognitive radios, to promote the more efficient and effective use of spectrum resources. |
| Baseline | Technical reports currently available and to be available from collaboration with research institutions by March 2014. |

**Risk management**

Risk: Inability to keep up with new technological innovation and trends so as to introduce spectrum-based opportunities for new and extended broadband services

Mitigation: The Authority can mitigate this risk through continuing to collaborate with research institutions to ensure delivery on agreed research topics and themes in support of ICASA priorities. In the previous Strategic Plan, the 2013-14 strategic objective

SO3.2: **Support the rapid uptake of new ICT technologies** is now an operational activity for 2014-15. The Authority will continue to promote and support the introduction of new ICT technologies by putting in place and reviewing type approval frameworks that remove barriers to entry and facilitate speedy introduction of new ICT technologies.

## 7.4. Strategic objective 4

| SO 4.1 | Promote consumer rights |
|---|---|
| Objective statement | The objective is to ensure transparency of tariffs and service offerings for consumers within the ICT sector. |
| Baseline | None. |

**Risk management**

Risk: Continued high prices and unaffordability of services to consumers.

Mitigation: Develop and implement a framework that ensures end-users are not charged for calls to toll-free numbers and price transparency to protect consumers.

| SO 4.2 | Ensure universal service and access |
|---|---|
| Objective statement | The objective is to develop a new licensing framework for the provision of basic mail services. |
| Baseline | Internal research on universal service. |

**Risk management**

Risk: The inability to develop or adequately develop a new licensing framework for the provision of basic mail services.

Mitigation: The Authority will institute detailed and on-going information collection initiatives to support evidence-based regulation.

| SO 4.2 | Ensure universal service and access |
|---|---|
| Objective statement | The objective is to monitor and promote the provision by licensees of universal service and access to ensure that consumers, wherever they are, should have access to quality communication services at affordable prices. |
| Baseline | The Authority succeeded in monitoring universal service and access to communication services in under-serviced areas in the Eastern Cape, Kwa-Zulu Natal and Limpopo. |

**Risk management**

Risk: Licensees not complying with universal service and access obligations.

Mitigation: Monitoring of licensees to ensure compliance and where non-compliance is identified, engagement and consultation with such licensees to address this.

## 7.5. Strategic objective 5

| SO 5.1 | Improve operational processes and performance measurement |
|---|---|
| Objective statement | The objective is to be an efficient and productive regulator through effective systems, operational processes and performance-managed resources. |
| Baseline | Current organisational structure and culture. |

**Risk management**

Risk: The lack of capacity to execute the delivery of the Authority's restructuring plan.

Lack of internal support and commitment to efficiently drive the organisational realignment implementation process.

Mitigation: Retention of key staff members and appointment of resources with the required skills. The appointment of human resource business partners who will execute the change management process.

# 8. Functional Programmes of ICASA

The Authority's operating budget is allocated across a single corporate support services programme, which includes all the functional support service business units plus the four core regulatory programmes.

## 8.1.Programme 1: Governance and Administration

The purpose of Programme 1 is to provide corporate and management services to the Authority through ensuring sound governance practices within the organisation, provision of effective and efficient project monitoring and evaluation services, efficient and quality legal service by drafting, vetting, reviewing and management of contracts/agreements and regulations. The programme will also ensure that the Authority has in place an effective and efficient financial system, as well as sound financial policies and procedures framework for management. It should also provide strong regulatory compliance and ensure an effective risk-management framework, as well as promote effective stakeholder relations with all ICT stakeholders (domestic and international) including the DoC.

Programme 1 currently provides these operational support services through the following business units:

### 8.1.1. Legal and Complaints & Compliance Committee (CCC)

This function ensures that all legal instruments, (including but not limited to) legislation, regulations, agreements, contracts, opinions, advice and memoranda, are legally sound and beyond reproach when published or promulgated, entered into and concluded into legally-binding documents.

The Legal business unit's mandate is to provide effective and efficient legal services to safeguard the Authority's interests.

#### Objectives/Performance outcomes

The performance outcomes of this function include:

- the provision of technical and administrative support to the CCC in its adjudicatory functions;
- proactively monitoring parliamentary legislative processes that may impact on the statutory mandate of ICASA;
- drafting comments, inputs, proposals and written submissions on amendment bills and bills published by the DoC and other government departments;
- drafting, vetting and scrutinising subordinate legislation, namely, regulations and government notices published in the Government Gazette;
- drafting, vetting and scrutinising all agreements and memoranda entered into and concluded between the Authority and other national and international regulatory agencies or bodies; and
- managing all litigation instituted against and for the Authority that is before the High Court, Supreme Court of Appeal and the Constitutional Court.

#### Resource considerations

The establishment of an administratively-independent CCC requires the appointment of staff who will fully execute the functions and responsibilities of the CCC.

### 8.1.2. Human Resources

The Human Resources business unit is a strategic business solutions enabler through the effective deployment of human capital, with the responsibility to ensure that the organisation is able to achieve its vision, mission and strategic goals through the optimum utilisation of its human resources.

### Objectives/Performance outcomes

It is the Human Resources Management's responsibility to ensure that the Authority has the ability to plan for its required resources, recruit the best talent in the right positions and at the right time, continuously develop that talent to maintain the required levels of competence, create a conducive working environment that enables employee engagement in a high performance culture. To achieve this, the business unit's objectives are as follows:

- Organisational design to ensure that the development of the execution structures are aligned to the mandate of ICASA, pertaining to the levels of reporting, content of work and competency levels;
- Talent sourcing on the business priorities of the annual human resources plan to ensure adequate capacity;
- Talent development to address competency gaps, to ensure the correct depth of competence for the required outputs at all levels of the organisation;
- Build effective leadership capability;
- Talent retention strategies to put in place programmes of action inclusive of career paths, succession planning, reward and recognition practices to prevent loss of critical skill and ensure that there's business continuity pertaining to talent;
- Ensure sound labour relations between the Authority and its employees, through clearly articulated HR policies; and
- Provide value-add and consistent HR service delivery to all employees.

The Human Resources strategy includes the restructuring of how the current five ICASA programmes function, internal reporting lines to ensure improved delivery to stakeholders, as well as high-quality regulation-making.

### Resource considerations

The expertise of an internal organisational design and development specialist was required to assist the Authority with the entire organisational realignment process, as well as ensure future maintenance of the organisational design and structure.

## 8.1.3. Communications & International Relations

The mandate of the Communications and International Relations function is to provide corporate communications support to the Authority and to co-ordinate the Authority's international relations program and activities.

### Objectives/Performance outcomes

- Promote access to and a free-flow of information about the Authority's regulatory activities to the general public, consumers, licensees and operators, the media and other stakeholders;
- Position the Authority, its Councillors and officials favourably in the public space;
- Promote a free flow of information within the organisation, and improve employee morale and contribute to the creation of a favourable corporate culture; and
- Co-ordinate the Authority's international relations program and promote co-operation with other regulators and agencies across the African continent and world-wide.

### Resource considerations

The Authority needs to manage its relationships with a wide range of private and corporate entities that it has licensed to provide electronic communications, broadcasting and postal services.

The Authority has identified a need to improve its international relations, beyond the development of a calendar of meetings, into a strategic framework that cuts across multilateral and bilateral

engagements. The Authority's International Relations framework needs to outline not just its participation in various forums, but it also needs to define the agenda it requires to pursue and defend itself in multilateral and bilateral organisations in which it participates and is represented.

To this end, the Authority needs to increase its co-operation and interaction with the DoC in pursuit of the country's foreign policy agenda in relation to the electronic communications, broadcasting and postal sectors. To realise this objective, additional financial and budgetary resource allocations are necessary.

Secondly, relationships between regulatory agencies at the Southern African Development Community, African continental and worldwide levels need to be escalated and intensified as part of the broadening of the skills base and increasing the capacity of national regulatory agencies.

Study visits and bench-marking exercises need to be strengthened through sustainable exchange programs, mentoring and internships among regulatory agencies. In order to implement such a program, fundraising from international funding agencies is necessary, as many national regulatory agencies are funded from the national fiscus and their own annual budget would not be adequate for this purpose.

### 8.1.4. Administration Support Services

The Administration and Support Services business unit provides support to the Authority's regulatory programmes and other stakeholders.

#### Objectives/Performance outcomes

- Ensure the Authority's records management uses effective knowledge-management systems;
- Re-engagement of the Department of Public Works in respect of development of the Authority's accommodation strategy;
- Constantly improve the provision of professional administration support services; and
- Ensure adequate security and occupational health and safety measures are in place throughout all the Authority's office locations.

### 8.1.5. Information Technology Services

The mandate of Information Technology (IT) Services business unit is to provide technology infrastructure, continuous access and security, technical support and maintenance of internal systems. In addition, the development and sourcing of business applications and solutions will enable the programmes to perform at their highest potential in order to achieve the Authority's strategic goals and objectives.

#### Objectives/Performance outcomes

- Introduce latest technical architecture and key systems to reduce potential failures and security risks and leverage information technology performance benefits;
- The implementation of a new spectrum management system to improve efficiency in the licensing and allocation of radio frequency spectrum; and
- The implementation of a Human Resources information management system to better manage the internal resources including onboarding, skills development and performance management.

#### Resource considerations

It is the intention of the IT business unit to motivate for an appointment to fill the role of system administrator for the new spectrum management system. The incumbent will also fill the role of first line support of the new system to all staff and place less reliance on external service providers. IT continues to motivate for an appointment of an Integration Analyst to ensure the integrity of data

between the Authority's various data systems, namely JDE financials, the customer relation management and the new spectrum management systems.

### 8.1.6. Finance

The mandate of the Finance business unit is to implement financial standards and policies, financial controls and to manage financial resources and procurement in line with the Public Finance and Management Act (PFMA) and other relevant legislation.

#### Objectives/Performance outcomes

- Improve financial systems;
- Improve financial processes, procedures, policies and compliance;
- Improve financial reporting;
- Improve revenue collection;
- Improve participation of HDI in the Authority's procurement processes; and
- Obtain support from the DoC and National Treasury to address funding shortfalls for infrastructural support.

### 8.1.7. Compliance, Risk and Audit

The Compliance, Risk and Audit business unit provides an effective and efficient internal assurance function in collaboration with both internal and external assurance providers to all stakeholders of the Authority.

The mandate of Compliance, Risk and Audit is to promote good governance through ensuring that all strategic and operational risks identified by management are effectively monitored and mitigated to enable the Authority to achieve its strategic objectives.

#### Objectives/Performance outcomes

- Co-ordinate an enterprise-wide, risk-management strategy through implementation of a risk and compliance management strategy, policy and plan;
- Co-ordinate business continuity and disaster recovery plans; and
- Co-ordinate fraud prevention, detection and investigative strategies through a fraud prevention plan.

## 8.2.Programme 2: Licensing and Compliance

The purpose of Programme 2 currently is to promote competition through licensing of additional commercial broadcasting services, ensure effective HDI/BBBEE participation in the sector, as well as monitor and ensure compliance with legislation, regulations and licence terms and conditions by licensees and exempted services.

The mandate of Licensing and Compliance is to provide human capacity and resources in relation to:

- granting, authorisation, renewal, amendment, transfer and revocation of broadcasting services, ECS, ECNS and postal services, as well as authorising licence exemptions; and
- monitoring and ensuring compliance with legislation, regulations and licence terms and conditions by licensees and exempted services.

#### Objectives/Performance outcomes

- Publish Regulations on HDI/BBBEE; and
- Licensing of additional free-to-air television broadcasting service on a National and Regional basis.

### Operational objectives

**Licensing**

On 3 February 2014, the Authority finalised the licensing process of individual commercial sound broadcasting services in the secondary markets of the Eastern Cape and Free State Provinces. On 31 March 2014 the Authority finalised the licensing process of individual commercial sound broadcasting services in the primary markets of Gauteng, Cape Town and Durban, as well as individual commercial subscription television and sound broadcasting services.

**Compliance**

The 2014-18 Strategic Plan contained the strategic objective to **Ensure Compliance with Legislation and Regulation** through the key outputs: compliance with legal prescripts; publishing of universal service and access obligations framework document; and universal service and access regulations. These activities have become operational objectives in this Strategic Plan.

### Resource considerations

Licensing and Compliance is led by a senior management team of one General Manager and two Senior Managers, who are each responsible for one of the two business units:

**Licensing**

This business unit focuses on granting, authorisation, renewal, amendment, transfer and revocation of broadcasting, electronic communications services, electronic communications network services and postal services, as well as authorising licence exemptions; and

**Compliance**

This business unit focuses on monitoring, complaints and ensuring compliance with legislation, regulations and licence terms and conditions by licensees and exempted services.

The Compliance business unit does not have sufficient numbers of permanent staff to carry out the functions of monitoring and ensuring compliance, as well as the handling of complaints. The business unit therefore utilises the services of temporary staff members.

## 8.3.Programme 3: Engineering and Technology

In order to support the Authority's objectives to ensure South Africa Broadband coverage and the establishment of innovative approaches to technology usage, the Engineering and Technology programme intends to put in place programs that will increase the number of entities having access to radio frequency spectrum to facilitate increased access to broadband services by all citizens. The Engineering and Technology programme will also ensure that all available radio frequency spectrum bands that are in demand are not left unassigned or unused for a long time.

During the 2013-14 budget year, the main focus areas were the development of a plan for the licensing of all IMT spectrum, aligning the frequency migration strategy/plan with the radio frequency migration regulations 2013 and the development of a framework for combined licensing of radio frequency spectrum in the 800MHz and 2.6GHz bands and GE06 frequency re-planning, in line with the International Telecommunications Union (ITU) World radio-communication conferences (WRC) resolutions.

The focus in 2014-15 will be the development and implementation of a plan for licensing of all IMT spectrum, including the frequency migration plans for all the bands identified in the radio frequency migration regulations to undergo feasibility studies. One or more national radio frequency spectrum licences making use of the spectrum will be granted to keen investors. The infrastructure-sharing regulations will be developed to promote broadband and reduce the cost of infrastructure to licensees. A spectrum management framework of the opportunistic use of the spectrum will also be developed as

an outcome of the collaboration with research institutions. The acquisition and implementation of a state-of-the-art spectrum management system will also be finalised.

There is a need to set up a business unit dealing with technology research, standards and radio frequency planning in the programme during 2014-15.

### Objectives/Performance outcomes

- Develop and implement a plan for the licensing of all IMT radio frequency spectrum to facilitate access to broadband services by all citizens by 2020;
- Implement the radio frequency migration plan;
- One or more national radio frequency spectrum licences making use of 2.6GHz and 800MHz granted to keen investors;
- Develop the infrastructure-sharing regulations to support development of broadband and reduce cost of infrastructure of operators;
- Introduce the framework for using spectrum-efficient technologies such as 'spectrum white spaces' and for cognitive radio to promote efficient use of the spectrum resource;
- Continue collaborations with research institutions in endeavours to discover efficient ways to manage the spectrum resource and participate in relevant international, national and regional technical forums to influence standardisation and harmonisation;
- Implement a state-of-the-art, end-to-end spectrum management system to improve the capacity to efficiently manage the radio frequency spectrum and also to improve the turnaround times of processing radio frequency spectrum licence applications;
- Continue monitoring Quality of Service (QoS) of networks to support a better consumer service experience;
- Issue radio frequency spectrum and type approval licences within agreed turnaround times to facilitate the provision of ECS, ECNS and broadcasting services; and
- Radio frequency spectrum monitoring, at various locations across the country, to contribute to future trends and developments in radio frequency spectrum planning to ensure efficient use of the spectrum.

### Resource considerations

The programme comprises the Frequency Spectrum and Spectrum Monitoring and Control business units, whose responsibilities include:

- the granting of radio frequency and station licences, certificates and equipment type approval authorisations;
- the management and planning of access to the radio frequency spectrum;
- the preparation of the national radio frequency plan;
- the investigation of radio communications interferences;
- the assessment, adoption and management of technical standards relating to customer equipment and other devices; and
- the provision of relevant technical support to stakeholders.

### Frequency Spectrum

The business unit consists of the following sub-units:

- Spectrum Management – focuses on the assignments of radio frequency spectrum;
- Frequency Spectrum Licensing – focuses on the processing of radio frequency spectrum applications;
- Equipment Type Approval – focuses on processing of type approval application; and
- Broadcasting Spectrum – focuses on the assignments of broadcasting radio frequency spectrum.

### Spectrum Monitoring and Control

The business unit is tasked with identifying and managing radio frequency spectrum monitoring objectives to ensure spectrum efficiency, compliance and devising long-term strategies for interference control. Other functions include compliance with rules and regulations, quality of service monitoring for improving customer satisfaction and determining frequency use and occupancy.

## 8.4.Programme 4: Markets and Competition

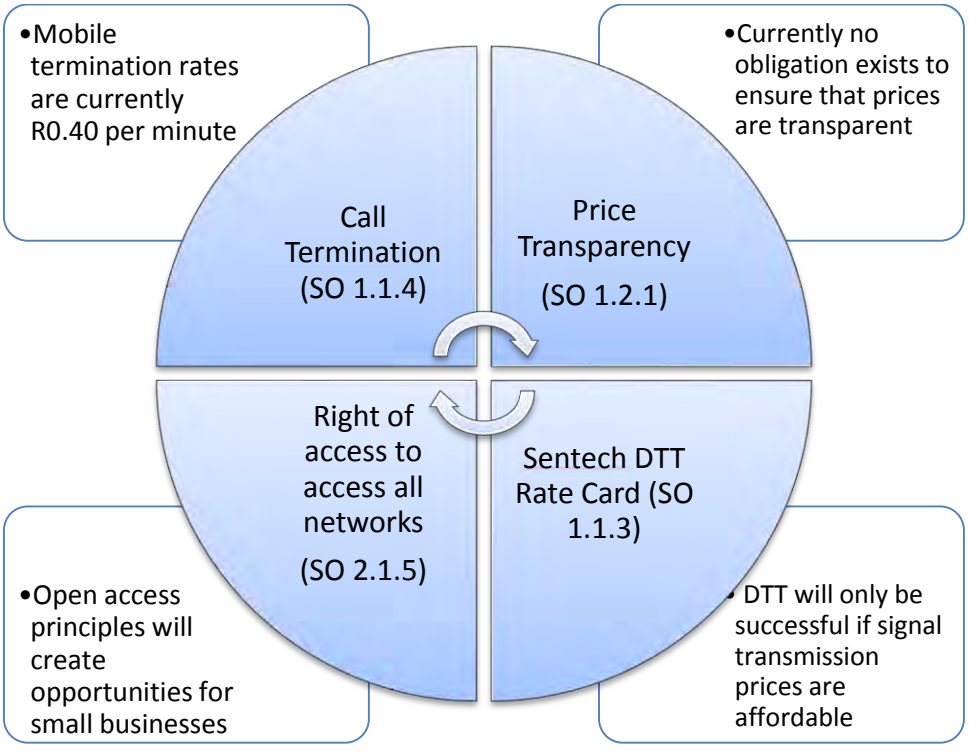
The purpose of Programme 4 is two-fold:

- To promote competition, innovation, investment and universal access in respect of services and facilities provided in the electronic communications, broadcasting and postal sectors, whilst taking into account cultural diversity, especially regarding broadcasting content; and
- To ensure compliance with regulations that have a pro-competitive impact on the conduct of ECNS/ECS licensees, including the numbering plan and interconnection facilities leasing regulations.

The Markets and Competition programme has integrated its work under a Cost to Communicate program aiming to reduce the cost of communication in South Africa by:

- ensuring transparency of prices so that consumers are fully informed as to how much it costs to use communications services; and
- introducing regulations that remove any barriers to competition in the input markets to retail services thereby creating a level playing field for fair competition and the ensuing reduction in the Cost to Communicate.

The main components of the Cost to Communicate program are outlined below, including their strategic objective reference in the APP:



Markets and Competition is also conducting a number of other projects including:

- A review of the South African Post Office exclusivity in providing basic mail services in line with universal service objectives (SO 4.2.1);
- The development of new broadcasting local content regulations to ensure that South African content is broadcast and made available on all broadcasting services (SO 2.2.1);
- A review of the subscription broadcasting market to identify the potential for ineffective competition (SO 1.1.2).

## Objectives/Performance outcomes

The expected outcomes of this programme will allow consumers to have greater knowledge of exactly how much they pay for ICT services (voice and data) on a monthly basis, to have access to an increased amount of locally-produced broadcasting material, as well as greater choice and diversity on from whom to purchase such services.

The programme is multi-pronged and is expected to complete components of each project over the next three budget years, with the deadlines specified in the APP attached in annexure B.

Although this work has been coordinated into a time-bound programme, the need to continually focus on the Cost to Communicate may necessitate changes to the plan from time to time as new services or challenges faced by the sector are uncovered.

For that reason, this programme will work closely with sector stakeholders to identify those cost barriers that are outside of their control, such as the prices that landowners (both public and private) charge for the use of space in existing land and buildings in the deployment of infrastructure.

## Resource considerations

Markets and Competition consists of four business units, namely:

1. **Policy Development and Research** - this business unit focuses on regulatory policy matters that affect broadcasting services, including local content, access to sports rights, etc.;
2. **Markets and Competition Analysis -** this business unit manages the interconnection and facilities leasing regime as well as conducts market reviews to ensure effective competition in identified segments of the ICT sector;
3. **Economic and Financial Analysis and Numbering Administration -** this business unit manages the national numbering resource, any development of pro-competitive remedies imposed by the Authority that affect telecommunication and postal services and monitors trends in retail prices; and
4. **Postal Policy and Research -** this business unit focuses on regulatory policy matters that affect postal services, including quality of service, universal service and market structure.

Markets and Competition is led by a senior management team of one General Manager and four Senior Managers, who are each responsible for one of the above business units.

Markets and Competition covers a broad range of strategic objectives, requiring expertise in economics, cost accounting and numbering, postal and broadcasting policy and supported by technical expertise on the design and functioning of electronic communications networks.

In the longer term, the programme intends to develop subject matter experts in each identified area. However, in the short-term, the programme is forced to reduce the numbers of deliverables as well as seek funds for using external service providers.

The need to develop sufficient, highly-skilled, internal human capital is an ongoing risk to the programme's ability to complete specified deliverables.

### Operational objectives

The operational objective of Markets and Competition is to become a repository of knowledge on the performance of the ICT sector through conducting research into the social and economic aspects of the impact of ICT services on society. This work is separated into different areas of work specified below:

### Effective management of the numbering resource

This area of work involves the ongoing allocation and management of telephone numbers. It allows the Authority to identify new trends in the services being offered to South Africans and to identify the possible need for regulatory intervention to support access to electronic communication services, such as regulations to ensure that calls to '0800' numbers are universally toll-free and creating a numbering framework that supports the massive growth in machine-to-machine communications;

### Management of the interconnection and facilities leasing regime

This operational activity involves the review of commercial agreements between licensees to ensure that all licensees are treated on a non-discriminatory basis. This operational work is a key ingredient in removing barriers to competition in the input markets to retail services;

### Annual report on the status of the ICT sector (online ICT data trends collection tool)

This operational activity is ongoing and generates research to advise on the future direction of the Authority's strategy by reporting on the usage, investment and employment trends of the ICT sector that the Authority regulates; and

### Comparative analysis framework of retail tariffs

This operational activity aims to compare and contrast different retail offerings to consumers to ensure that tariffs offered to consumers are transparent.

## 8.5.Programme 5: Consumer Affairs

The current Consumer Affairs programme aims to ensure continued protection of consumers through empowerment and knowledge of their rights pertaining to ICT services, as well as accessibility and the needs of persons with disabilities. Furthermore, Consumer Affairs strives to ensure universal service and access to ICT services by communities in rural and under-serviced areas in the country.

The mandate of Consumer Affairs is to protect consumers, including persons with disabilities and ensure that the operators in the ICT industry provide quality services that are accessible, available, and reliable. The protection of consumers is carried out by the following initiatives:

- Consumer education and awareness;
- Complaints-handling and resolution;
- Monitoring Quality of Service (QoS);
- Survey Quality of Experience (QoE);
- Review and develop consumer protection regulations; and
- Promotion of universal service and access.

### Objectives/Performance outcomes

- Promote consumer rights; and
- Promote universal service and access.

### Resource considerations

The Authority needs adequate financial and human resources to fund the implementation of consumer protection programmes. There is a need for adequate resources to enable the Authority to make a greater impact on communities with its consumer protection initiatives.

## 8.6.Regional Offices

The mandate of the Authority's regional offices is to eliminate or reduce radio frequency spectrum interference experienced by authorised users (ECA section 30(3) and (4)) and to inspect possession of radio apparatus (ECA section 32(1)).

In conjunction with the core programmes, the regional offices' mission in 2014-15 is to enforce compliance with legislation and regulations to enable unimpeded communications throughout South Africa.

### Objectives/Performance outcomes

- Execute enforcement including the seizure of radio apparatus of operators who have not renewed radio spectrum licences;
- Execute investigations of operators who have not complied with licence conditions as stated in ECS and ECNS licences;
- Execute the Authority's mandate in safety and security operations at national events/situations as co-ordinated by the National Joint Operational Centre (NATJOC) on behalf of the Justice Crime Prevention & Security (JCPS) Cluster of Government;
- Execute investigations at high sites to ensure that radio apparatus installed complies with licence and type approval conditions; and
- Resolve or mitigate instances of harmful radio frequency interference cases reported to the Authority.

# Annual Performance Plan

Whereas the Strategic Plan identifies strategically important outcome orientated goals and objectives against which the Authority's medium-term results can be measured and evaluated. The Annual Performance Plan (APP) identifies the performance indicators and targets that the Authority seeks to achieve in the upcoming budget year.

The Authority's strategic outcome orientated goals and objectives are to be achieved through key outcomes and outputs, resulting from the planned targets and activities over the next five (5) years. This is the product of a thorough business planning process within the Authority, which takes into account both internal and external environments and their impact on the mandate of ICASA. The process determines what is deliverable at an operational level and highlights the strategic elements to evaluate and update the Authority's Strategic Plan. The five (5) year Strategic Plan, annexure A, is supported by the Authority's APP, annexure B, with strategic targets over the MTEF period.

The 2014-15 APP details the specific performance targets that the Authority will aim to achieve in the budget year and the next two years of the MTEF in pursuit of strategic outcome oriented goals and objectives set out in its Strategic Plan. It presents the Authority's programme performance indicators together with targets for the medium-term and also forms the basis for an organisational, performance-management tool that is used to determine performance information through periodic monitoring and evaluation of planned deliverables. This APP also unpacks the 2014-15 budget year strategic targets and activities into quarterly action steps and deliverables.

# 9. Financial commentary

The Authority derives its revenue mainly from grants received from DoC in the form of quarterly tranches, whilst it collects licence fees on behalf of National Treasury and pays them over to the DoC. The Authority's expenditure budget is R300 229 330 to December 2013, of which R240 494 417 (80%) has been spent. The full year expenditure forecast for the 2013-14 budget year is expected to be R48 700 630 (11.7%), less than the full year budget of R416 900 517. The projected underspending comprises the following:

- Savings of over R19 million will be mainly on operational expenditure (Opex) and are due to the moratorium on filling vacant positions, as the organisation is undergoing a realignment exercise. Furthermore, austere measures were adopted earlier during 2013 aimed at containing costs on certain line items;
- Some key projects were delayed with the eventual execution resulting in underspending, which will be rolled over into the 2014-15 and amounts to over R15 million; and
- Ring-fenced projects with special funding, which were not finalised, will result in R18 million underspending and will also be rolled over into the 2014-15. These projects are infrastructural in nature and range from the new tool for radio frequency spectrum planning and management to the monitoring of both postal and broadcasting services activities.

## 9.1. Current expenditure

The Authority spent its allocations over the previous three years and it is expected that the current year's allocation will also be spent especially on the operational side, achieving expenditure of 96% in 2010-11, 95% in 2011-12 and 99% in 2012-13 against the Opex budget. It must be noted that delays referred to earlier in procuring infrastructural equipment stems from the Authority not receiving positive responses from local suppliers through the bidding processes. This has led to the Authority seeking quotations from overseas suppliers after exhausting procurement avenues locally.

## 9.2. Economic classification trends

**Compensation of employees:** In the past three years the Authority managed to keep these costs below 60% of the normal baseline allocation excluding ring-fenced funding: 2010-11 - 58%; 2011-12 - 59% and 2012-13 - 57%. It must be noted that the target by 2020 is set to be 40% of the baseline allocation, however, this could still be achieved sooner through a self-funding model whereby tariffs will be based on input costs of each licensed activity. It must be noted that over the MTEF period the trends are above 60% which is due to the Authority achieving its full staff complement and it is also anticipated that, through the realignment process, additional head count is highly probable to ensure full delivery on its mandate.

**Goods and services:** With efforts and endeavors at containing costs, the Authority managed to reduce these costs significantly; this category of costs as a percentage of the baseline allocation for the past three years was as follows: 2010-11 - 39%; 2011-12 - 38% and 36% in 2012-13. Over the MTEF period the spending trend hovers steadily around 36%.

## 9.3. Funding requirements

In order for the Authority to meet its statutory obligations, the financial resource allocation outlook for the medium term, in accordance with the MTEF allocation is as follows:

### ICASA Economic Classification Report

| R 000 | Actual 2009/10 | Actual 2010/11 | Actual 2011/12 | Actual 2012/13 | Forecast 2013/14 | MTEF 2014/15 | MTEF 2015/16 | MTEF 2016/17 |
|---|---|---|---|---|---|---|---|---|
| **Grants from DoC (excl. deferred income)** | **269,607** | **290,923** | **313,378** | **342,385** | **365,661** | **376,221** | **393,619** | **414,481** |
| **i) Compensation of employees** | 159,040 | 169,116 | 185,432 | 193,648 | 198,800 | 246,296 | 253,685 | 261,295 |
| **ii) Goods and services** | 110,673 | 114,700 | 117,683 | 123,164 | 102,500 | 129,896 | 141,006 | 148,056 |
| **iii) Normal projects** | 15,215 | 24,517 | 10,751 | 12,762 | 29,269 | 36,344 | 35,000 | 35,000 |
| **iv) Total ring-fenced projects:** | | | | ***17,588*** | ***34,131*** | ***15,000*** | ***0*** | ***0*** |
| - Ring-fenced: Opex costs | 0 | 0 | 0 | *4,266* | *5,431* | *0* | *0* | *0* |
| - Ring-fenced:Capex costs | 0 | 0 | 0 | *13,322* | *28,700* | *15,000* | *0* | *0* |
| **v) Total normal capital assets** | 22,783 | 22,437 | 9,560 | 1,182 | 3,500 | 18,287 | 11,800 | 15,000 |
| **Total expenditure** | **307,711** | **330,770** | **323,426** | **348,344** | **368,200** | **445,823** | **441,491** | **459,352** |
| **Surplus/(Deficit) excluding interest received** | **(38,104)** | **(39,847)** | **(10,048)** | **(5,959)** | **(2,539)** | **(69,602)** | **(47,872)** | **(44,871)** |
| add: Interest received and other income | 15,607 | 5,955 | 5,165 | 6,237 | 12,500 | 10,000 | 8,000 | 7,500 |
| add back: Depreciation | (3,227) | 15,260 | 9,008 | 12,612 | 17,000 | 15,157 | 18,000 | 18,500 |
| **Total Surplus/(Deficit) excluding depreciation** | **(25,724)** | **(18,632)** | **4,124** | **12,889** | **26,961** | **(44,445)** | **(21,872)** | **(18,871)** |
| **Cash reserves including deferred grants** | **55,426** | **34,177** | **37,357** | **120,562** | **126,062** | **81,617** | **59,745** | **40,874** |
| **Deferred grants (unspent funds for special projects)** | | | | **63,412** | **66,348** | **21,903** | **31** | **-** |

Footnote
The 2012/13FY cash reserves included the deferred grants relating to ring-fenced projects of R63.4mil;
The 2013/14FY forecast cash reserves includes the deferred grants of R25mil ;

**Stats: % of revenue**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| i) Compensation of employees | 59.0% | 58.1% | 59.2% | 56.6% | 54.4% | 65.5% | 64.4% | 63.0% |
| ii) Goods and services | 41.0% | 39.4% | 37.6% | 36.0% | 28.0% | 34.5% | 35.8% | 35.7% |
| iii) Normal projects | 5.6% | 8.4% | 3.4% | 3.7% | 8.0% | 9.7% | 8.9% | 8.4% |
| iv) Total ring-fenced projects: | 0.0% | 0.0% | 0.0% | 5.1% | 9.3% | 4.0% | 0.0% | 0.0% |
| v) Capital assets | 8.5% | 7.7% | 3.1% | 0.3% | 1.0% | 4.9% | 3.0% | 0.0% |

**Stats: Yr on Yr%**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| i) Compensation of employees | 19.3% | 6.3% | 9.6% | 4.4% | 2.7% | 23.9% | 3.0% | 3.0% |
| ii) Goods and services | 12.0% | 3.6% | 2.6% | 4.7% | -16.8% | 26.7% | 8.6% | 5.0% |
| iii) Normal projects | -35.2% | 61.1% | -56.1% | 18.7% | 129.3% | 24.2% | -3.7% | 0.0% |
| iv) Total ring-fenced projects: | 0% | 0% | 0% | 0% | 94.1% | -56.1% | -100.0% | 0.0% |
| v) Capital assets | 12.6% | -1.5% | -57.4% | -87.6% | 196.1% | 422.5% | -35.5% | 27.1% |
| Total Expenditure | 11.5% | 7.5% | -2.2% | 7.7% | 5.7% | 21.1% | -1.0% | 4.0% |

The Authority reviews its budget allocation annually and ensures that funding is allocated directly to those core areas that support government objectives and initiatives. This allocation for the MTEF is as follows:

| OPEX per programme | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | Actual | Actual | Actual | Actual | Forecast | MTEF | | |
| R 000 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
| **Total OPEX >>** | **255,827** | **283,334** | **303,116** | **316,812** | **301,300** | **376,192** | **394,691** | **409,352** |
| **Programme : Licensing and Compliance** | 16,070 | 16,099 | 18,802 | 21,380 | 21,175 | 26,438 | 27,738 | 28,768 |
| **Programme : Engineering and Technology** | 27,892 | 28,151 | 31,406 | 32,089 | 32,066 | 40,036 | 42,005 | 43,565 |
| **Programme : Markets & Competition** | 14,684 | 14,130 | 15,412 | 16,814 | 16,733 | 20,892 | 21,919 | 22,733 |
| **Programme : Consumer Affairs** | 10,710 | 7,863 | 8,832 | 12,896 | 12,766 | 15,940 | 16,723 | 17,345 |
| **Programme: Regions** | 35,167 | 38,286 | 42,477 | 38,857 | 41,570 | 51,902 | 54,455 | 56,477 |
| **Programme : Governance and Administration:-** | 151,304 | 178,805 | 186,186 | 194,776 | 176,991 | 220,984 | 231,851 | 240,464 |
| *Sub-prog: Legal & CCC* | *14,859* | *12,572* | *10,778* | 11,754 | 10,302 | *12,863* | *13,495* | *13,996* |
| *Sub-prog: Human Resources* | *14,968* | *18,054* | *22,365* | 21,120 | 13,032 | *16,272* | *17,072* | *17,706* |
| *Sub-prog: Communication & Int'l Affairs* | *13,791* | *11,100* | *8,119* | 10,404 | 9,641 | *12,037* | *12,629* | *13,098* |
| *Sub-prog: Administration* | *47,905* | *57,081* | *57,420* | 60,117 | 57,377 | *71,639* | *75,162* | *77,954* |
| *Sub-prog: Information Technology* | *12,259* | *12,322* | *12,818* | 14,718 | 14,555 | *18,172* | *19,066* | *19,774* |
| *Sub-prog: Finance* | *20,591* | *39,484* | *43,533* | 46,490 | 41,541 | *51,867* | *54,417* | *56,439* |
| *Sub-prog: Internal Audit* | *4,168* | *4,868* | *5,473* | 4,151 | 4,135 | *5,163* | *5,417* | *5,618* |
| *Sub-prog: Risk and Compliance* | *688* | *3,311* | *2,951* | 3,141 | 3,253 | *4,061* | *4,261* | *4,419* |
| *Sub-prog: Council* | *17,120* | *16,350* | *15,921* | 15,352 | 15,536 | *19,397* | *20,351* | *21,107* |
| *Sub-prog: CEO* | *4,954* | *3,662* | *4,134* | 4,939 | 4,925 | *6,149* | *6,451* | *6,691* |
| *Sub-prog:Secretariat* | *0* | *0* | *2,676* | 2,591 | 2,694 | *3,364* | *3,530* | *3,661* |

## 9.4. Normal projects and ring-fenced additional funding allocated

The Authority succeeded in bidding for additional funding to support its operations. The nature of the bids was both Infrastructure (Capital projects) and Non-Infrastructure (Opex projects). The tables below provide a breakdown of the total allocations over the MTEF period;

**Normal projects per programme**

| Division<br>R 000 | Actual<br>2009/10 | Actual<br>2010/11 | Actual<br>2011/12 | Actual<br>2012/13 | Forecast<br>2013/14 | MTEF<br>2014/15 | MTEF<br>2015/16 | MTEF<br>2016/17 |
|---|---|---|---|---|---|---|---|---|
| **Total normal projects >>** | **15,215** | **24,517** | **10,751** | **12,762** | **29,269** | **36,344** | **35,000** | **35,000** |
| **Programme : Licensing and Compliance** | 4,119 | 3,441 | 3,660 | 970 | 9,721 | 11,138 | 10,000 | 10,000 |
| **Programme : Engineering and Technology** | 3,562 | 5,172 | 1,763 | 5,366 | 3,228 | 6,250 | 5,300 | 6,800 |
| **Programme: Markets & Competition** | 4,311 | 1,809 | 2,328 | 4,180 | 3,791 | 7,000 | 5,899 | 5,500 |
| **Programme : Consumer Affairs** | 3,110 | 5,022 | 2,028 | 491 | 10,493 | 7,854 | 6,500 | 6,000 |
| **Programme: Regions** | 113 | 1,787 | 47 | (1) | 0 | 2,144 | 1,470 | 0 |
| **Programme : Governance and Administration:-** | 0 | 7,285 | 925 | 1,757 | 2,037 | 1,958 | 5,831 | 6,700 |
| *Sub-prog: Human Resources* | *0* | *2,876* | *441* | 588 | 1,287 | *1,208* | *2,366* | *2,300* |
| *Sub-prog: Admin* | *0* | *741* | *73* | 4 | 0 | *0* | *0* | *0* |
| *Sub-prog: Communication & Int'l Affairs* | *0* | *196* | *0* | 0 | 0 | *0* | *0* | *0* |
| *Sub-prog: Information Technology* | *0* | *2,056* | *353* | 819 | 250 | *0* | *2,300* | *2,500* |
| *Sub-prog: Finance* | *0* | *1,416* | *58* | 346 | 500 | *750* | *1,165* | *1,900* |

**Ring-fenced projects per programme**

| Division<br>R 000 | Actual<br>2009/10 | Actual<br>2010/11 | Actual<br>2011/12 | Actual<br>2012/13 | Forecast<br>2013/14 | MTEF<br>2014/15 | MTEF<br>2015/16 | MTEF<br>2016/17 |
|---|---|---|---|---|---|---|---|---|
| **Total ring-fenced projects >>** | **0** | **0** | **0** | **17,588** | **34,131** | **15,000** | **0** | **0** |
| **Programme : Licensing and Compliance** | | | | 0 | 13,719 | 0 | 0 | 0 |
| **Programme : Engineering and Technology** | | | | 0 | 15,000 | 15,000 | 0 | 0 |
| **Programme : Consumer Affairs** | | | | 3,348 | 0 | 0 | 0 | 0 |
| **Programme : Regions** | | | | 9,612 | 0 | 0 | 0 | 0 |
| **Programme : Governance and Administration:-** | | | | 4,627 | 5,412 | 0 | 0 | 0 |
| *Sub-prog: Legal & CCC* | | | | 125 | 0 | *0* | *0* | *0* |
| *Sub-prog: Admin* | | | | 4,089 | 2,000 | *0* | *0* | *0* |
| Sub-prog: Information Technology | | | | *413* | *3,412* | *0* | *0* | *0* |

The procurement of these capital items will enable the Authority to fulfil its mandate in respect of some of the areas where it has been unable to deliver effective and efficient performance.

| Custodian | Output Number | Key Outcome | Key Output | Performance Measure/Indicator | Baseline 2013/2014 | Target 2014/2015 | Target 2015/2016 | Target 2016/2017 | Target 2017/2018 | Target 2018/2019 |
|---|---|---|---|---|---|---|---|---|---|---|
| SOOG 1 | | STRATEGIC OUTCOME ORIENTATED GOAL | Promote competition | | | | | | | |
| | 1.1. | STRATEGIC OBJECTIVE | Facilitate effective competition | | | | | | | |
| Licensing & Compliance | 1.1.1 | Sustainable and competitive broadcasting sector in the digital era. | Licensing of additional **free-to-air television broadcasting** service on a National and Regional basis. | Additional free-to-air television broadcasting service licences to successful applicants. | None. | Awarding of free-to-air broadcasting service licences to the successful applicants. | Monitoring of compliance with Licencing terms and conditions (T&Cs) and assure collection of license fees. | Monitoring of compliance with Licencing terms and conditions (T&Cs) and assure collection of license fees. | Monitoring of compliance with Licencing terms and conditions (T&Cs) and assure collection of license fees. | Monitoring of compliance with Licencing terms and conditions (T&Cs) and assure collection of license fees. |
| Markets & Competition - PDRD | 1.1.2 | | Gazetted final Regulations on the definition of and **access to premium content.** | Final report to ICASA Council on the necessity for pro-competitive regulation in the provision of subscription broadcasting television services. | None. | Report on the necessity for pro-competitive regulation in the provision of subscription broadcasting television services. | Gazetted final Regulations on the definition of and access to premium content. | No strategic activity. | No strategic activity. | No strategic activity. |
| Markets & Competition - Analysis | 1.1.3 | Improved levels of competition in the ICT sector. | Gazetted final Regulations specifying the costs to be charged by Sentech for **Digital Signal Transmission for television services.** | Position Paper on factors that determine the cost of digital terrestrial signal transmission in South Africa. | Findings Document on Wholesale Broadcasting Signal Transmission Services. | Position Paper on factors that determine the cost of digital terrestrial signal transmission in South Africa. | Gazetted final Regulations specifying the costs to be charged by Sentech for Digital Signal Transmission for television services. | No strategic activity. | No strategic activity. | No strategic activity. |
| | 1.1.4 | | Gazetted final Regulations on the **Wholesale Voice Call Termination** market. | Gazetted final Wholesale Voice Call Termination Regulations. | High Court Judgement of 31 March 2014 requiring revised cost model specifications for Wholesale Voice Call Termination services. | Gazetted final Wholesale Voice Call Termination Regulations. | No strategic activity. | No strategic activity. | No strategic activity. | No strategic activity. |
| | 1.2. | STRATEGIC OBJECTIVE | Ensure South African retail prices of ICT services fairly reflect costs | | | | | | | |
| Markets & Competition - Analysis | 1.2.1 | Affordable prices for voice and data telecommunication services. (compared to neighbouring countries when comparing telecommunications expenditure to GDP) | Position Paper on r**etail tariff transparency**. | Position Paper on retail tariff transparency approved by ICASA Council. | Standard terms and conditions of licensing Regulations. | Position Paper on transparency of retail tariff transparency and accuracy of consumer metering and billing records for voice and data services. | Gazetted amendments to the final revised standard terms and conditions regarding lodgement of tariffs. | No strategic activity. | No strategic activity. | No strategic activity. |
| | 1.3. | STRATEGIC OBJECTIVE | Ensure effective broad-based HDI/BBBEE participation in the sector | | | | | | | |
| Licensing & Compliance | 1.3.1 | HDI/BBBEE ownership requirements in the ICT sector prescribed. | **HDI/BBBEE Regulations** for broadcasting services, Electronic Communications Service (ECS) licenses and Electronic Communications Network Service (ECNS) licenses | HDI/BBBEE Regulations published in the Government Gazette. | HDI/BBBEE ownership audit. | Publish HDI/BBBEE Regulations for broadcasting services, ECS licenses and ECNS licenses in the Government Gazette. | No strategic activity. (transitional period) | No strategic activity. (transitional period) | No strategic activity. (transitional period) | No strategic activity. |

| Custodian | Output Number | Key Outcome | Key Output | Performance Measure/Indicator | Baseline 2013/2014 | Target 2014/2015 | Target 2015/2016 | Target 2016/2017 | Target 2017/2018 | Target 2018/2019 |
|---|---|---|---|---|---|---|---|---|---|---|
| **SOOG 2** | | **STRATEGIC OUTCOME ORIENTATED GOAL** | **Promote the digital agenda** | | | | | | | |
| | **2.1.** | **STRATEGIC OBJECTIVE** | **Facilitate universal access to broadband services at fair retail prices by 2020** | | | | | | | |
| Engineering & Technology | **2.1.1** | All citizens to have access to affordable Broadband services by 2020. | (1) **Roadmap** for licensing of all of International Mobile Telephony (IMT) spectrum; and | Available spectrum for Invitations to Apply (ITAs), published in Government Gazette in line with the Roadmap for IMT spectrum. | Service provider appointed to assist with the Radio Frequency Migration Strategy (phase 1) and draft Roadmap for all IMT spectrum. | Gazetted radio frequency migration plan, with radio frequency spectrum assignment plans - in line with the approved Roadmap for all IMT spectrum. | No strategic activity. | No strategic activity. | No strategic activity. | No strategic activity. |
| Engineering & Technology | **2.1.2** | | (2) **Radio Frequency Migration plan** for bands identified for feasibility studies in terms of Radio Frequency Migration Regulations 2013. | Approved spectrum migration plans for bands identified for feasibility studies in terms of the 2013 Radio Frequency Migration Regulations. | Service provider appointed to assist with the feasibility studies in terms of Radio Frequency Migration Regulations 2013. | Gazetted radio frequency migration plan, with radio frequency spectrum assignment plans for bands identified for feasibility studies in terms of radio frequency migration regulation. | No strategic activity. | No strategic activity. | No strategic activity. | No strategic activity. |
| Engineering & Technology | **2.1.3** | | One or more **national spectrum licences** making use of International Mobile Telephony (IMT) spectrum. | One or more spectrum licences that have been keenly taken up by investors. | Appointed service provider to assist with the determination of fair value of 2.6GHz and 800/700MHz spectrum. | Final ITA for spectrum licenses gazetted and the received application for licensing of 2.6GHz and 800/700MHz spectrum analysed. | Spectrum licences issued for other band IMT spectrum available at the time for new ECNS licensees - in line with the spectrum plan. | Spectrum licences issued for other band IMT spectrum available at the time for new ECNS licensees - in line with the spectrum plan. | Spectrum licences issued for other band IMT spectrum available at the time for new ECNS licensees - in line with the spectrum plan. | Spectrum licences issued for other band IMT spectrum available at the time for new ECNS licensees - in line with the spectrum plan. |
| Engineering & Technology | **2.1.4** | Support development of Broadband to reduce input costs for operators. | Draft **infrastructure sharing** Regulations. | Draft infrastructure sharing Regulations published in Government Gazette for public consultation. | Facilities leasing Regulations. | Draft infrastructure sharing Regulations approved by ICASA Council and published in Government Gazette for public consultation. | Implementation of rapid deployment guidelines for infrastructure sharing Regulations. | No strategic activity. | No strategic activity. | No strategic activity |
| Markets & Competition - Analysis | **2.1.5** | | **Regulatory Impact Assessment** (RIA) on open access regulation for copper, fibre and wireless access networks. | Draft **internal** report on the costs and benefits of open access regulation. | Industry workshop on the way forward regarding Local Loop Unbundling (LLU) in South Africa. | Draft internal report on the costs and benefits of open access regulation of copper, fibre and wireless access networks. | Implementation of recommendations as per the RIA report on open access network regulation. | No strategic activity. | No strategic activity. | No strategic activity. |
| | **2.2.** | **STRATEGIC OBJECTIVE** | **Promote the development of public, community and commercial broadcasting services in the context of digital migration** | | | | | | | |
| Markets & Competition - PDRD | **2.2.1** | Availability of choice and diversity in Broadcasting services. | **Broadcasting Regulatory Framework** to support the digital era. | Gazetted Findings document on the broadcasting of local content. | Report and recommendations on Local Content for Broadcasting Regulations completed in 2013-14. | Gazetted Findings document on Local Content for Broadcasting. | Gazetted final Regulations on Local Content for Broadcasting. | No strategic activity. | No strategic activity. | No strategic activity. |

| Custodian | Output Number | Key Outcome | Key Output | Performance Measure/Indicator | Baseline 2013/2014 | Target 2014/2015 | Target 2015/2016 | Target 2016/2017 | Target 2017/2018 | Target 2018/2019 |
|---|---|---|---|---|---|---|---|---|---|---|
| **SOOG 3** | | **STRATEGIC OUTCOME ORIENTATED GOAL** | **Promote efficient use of spectrum resources** | | | | | | | |
| | **3.1.** | **STRATEGIC OBJECTIVE** | **Establish innovative approaches to technology and dynamic spectrum usage** | | | | | | | |
| Engineering & Technology | **3.1.1** | Radio Frequency spectrum and favourable regulatory frameworks for a variety of services including broadband. | Framework for the use of **'white space'** and a Position Paper on implications of cognitive radio technologies published. | Position paper on opportunistic spectrum management approved and results published in Government Gazette. | Model on opportunistic spectrum management and International Mobile Telephony (IMT) occupancy measurements and recommendations presented to ICASA Council in March 2014. | Position Paper on opportunistic spectrum management approved and results gazetted. | Management of research collaboration on selected themes on opportunistic spectrum management prioritised to include innovative trends and knowledge on Policy and Regulations. | Management of research collaboration on selected themes on opportunistic spectrum management prioritised to include innovative trends and knowledge on Policy and Regulations. | Management of research collaboration on selected themes on opportunistic spectrum management prioritised to include innovative trends and knowledge on Policy and Regulations. | Modernised Regulatory Policy and Regimes. |

| Custodian | Output Number | Key Outcome | Key Output | Performance Measure/Indicator | Baseline 2013/2014 | Target 2014/2015 | Target 2015/2016 | Target 2016/2017 | Target 2017/2018 | Target 2018/2019 |
|---|---|---|---|---|---|---|---|---|---|---|
| SOOG 4 | | STRATEGIC OUTCOME ORIENTATED GOAL | Protect Consumers | | | | | | | |
| | 4.1. | STRATEGIC OBJECTIVE | Promote consumer rights | | | | | | | |
| Markets & Competition - Numbering | 4.1.1 | Regulatory regime to support consumer rights. | **Toll-free framework** whereby consumers pay no fees for calls to 0800 numbers | Gazetted toll-free framework. | Draft toll-free framework. | Gazetted final toll-free framework. | No strategic activity. | No strategic activity. | No strategic activity. | No strategic activity. |
| | 4.2. | STRATEGIC OBJECTIVE | Ensure universal service and access | | | | | | | |
| Markets & Competition - Postal | 4.2.1 | Bridging the Digital Divide. | Recommendation to the Minister on a new model for **access and expansion of existing postal services** to all South Africans. | Draft recommendations report on universal service to postal services. | Internal report on the definition of Universal Service Obligation (USO) for postal services. | Draft recommendations report on universal service to postal services, including the roll-out of street addresses, postal infrastructure sharing and expansion of postal services submitted to ICASA Council for approval. | Recommendation report to the Minister on a new model for access and expansion of existing postal services. | No strategic activity. | No strategic activity. | No strategic activity. |
| Consumer Affairs | 4.2.2 | | Publication of **Universal Service and Access Regulations**. | Gazetted Universal Service and Access Regulations. | None. | Gazetted final Universal Service and Access Regulations. | Implement and monitor Universal Service and Access Regulations. | Implement and monitor Universal Service and Access Regulations. | Implement and monitor Universal Service and Access Regulations. | Implement and monitor Universal Service and Access Regulations. |

| Custodian | Output Number | Key Outcome | Key Output | Performance Measure/Indicator | Baseline 2013/2014 | Target 2014/2015 | Target 2015/2016 | Target 2016/2017 | Target 2017/2018 | Target 2018/2019 |
|---|---|---|---|---|---|---|---|---|---|---|
| **SOOG 5** | | **STRATEGIC OUTCOME ORIENTATED GOAL** | **Modernise ICASA** | | | | | | | |
| | **5.1.** | **STRATEGIC OBJECTIVE** | **Improve operational processes and performance measurement** | | | | | | | |
| Engineering & Technology | **SO5.1.1** | Improved efficiency and effectiveness of spectrum licensing, type approval and spectrum monitoring. | Effective and efficient **Spectrum management**, licensing, certification and monitoring processes; (more effective and efficient than that currently used, replacing obsolete methods and systems - leading to fewer rejections of applications and less risk of errors, e.g. harmful interference). | Speed and accuracy of spectrum management, licensing and certification on new system, measure efficiency and effectiveness against old system and whether licensing and if certification turn-around times have been significantly reduced. Measure of ICASA's reputation has improved through the use of more modern methods of spectrum management. | Current outdated spectrum management system, using some erroneous licensing and spectrum management data. | Implementation of a dedicated spectrum management and spectrum licensing and type approval certification system. Interfaced to JDE financial system and staff trained in how to use the system. | Spectrum Management system integrated with customer relationship management (CRM) systems. | Procurement of web-based modules for spectrum management system. | Routinely implement upgrades of software of the spectrum management system. | Routinely implement upgrades of software of the spectrum management system. |
| Human Resources | **5.1.2** | Enable ICASA to achieve its objectives through effective partnerships and an efficient HR service delivery. | Complete review and implementation of the **new organisational structure**: Profiling and job evaluation of all ICASA positions. | Change management plan. Migration of employees from the old structure into the new, approved structure. Providing training to all managers on job description writing skills. Review all current job descriptions and develop new job descriptions. | Study reports on old structure, and organisational re-alignment. Organisational re-alignment project plan. Identified outdated job descriptions. No Job Evaluation Committee. | Approved organisational structure and change management plan, with 100% implementation of the revised organisational structure. | No strategic activity. | No strategic activity. | No strategic objective | No strategic objective |
| Communications & IR | **5.1.3** | Modernise communication processes and systems. | Effective **Communications Strategy** of ICASA Annual Performance Plan. | Develop and implement effective Media Plans for all corporate and regulatory activities and projects. | Media Plans for ICASA Annual Performance Plan. | Develop and implement effective Media Plans for ICASA Annual Performance Plan. | Develop and implement effective Media Plans for ICASA. | Develop and implement effective Media Plans for ICASA. | Develop and implement effective Media Plans for ICASA. | Develop and implement effective Media Plans for ICASA. |
| | **5.1.4** | | Effective **International Relations calendar** for representation at International ICT engagements. | Ensure ICASA representation and submission to all relevant international forums. | Facilitated ICASA's representation and submissions to international forums. | ICASA represented at and submissions delivered to all relevant international forums. | ICASA represented at and submissions delivered to all relevant international forums. | ICASA represented at and submissions delivered to all relevant international forums. | ICASA represented at and submissions delivered to all relevant international forums. | ICASA represented at and submissions delivered to all relevant international forums. |
| Finance | **5.1.5** | Improved revenue assurance. | Clear financial requirements on all licence fees Regulations that will ensure seamless **collection of revenue**. | 95% collection of revenue on regulatory due dates from all licensees. | No audit finding on collection of revenue. | Complete and accurate collection of revenue. | Complete and accurate collection of revenue. | Complete and accurate collection of revenue. | Complete and accurate collection of revenue. | Complete and accurate collection of revenue. |

| Custodian | Output Number | Key Outcome | Key Output | Performance Measure/Indicator | Baseline 2013/2014 | Target 2014/2015 | Deliverable Quarter 1 2014/15 | Deliverable Quarter 2 2014/15 | Deliverable Quarter 3 2014/15 | Deliverable Quarter 4 2014/15 | Target 2015/2016 | Target 2016/2017 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SOOG 1 | | STRATEGIC OUTCOME ORIENTATED GOAL | **Promote competition** | | | | | | | | | |
| | 1.1. | STRATEGIC OBJECTIVE | **Facilitate effective competition** | | | | | | | | | |
| Licensing & Compliance | 1.1.1 | Sustainable and competitive broadcasting sector in the digital era. | Licensing of additional **free-to-air television broadcasting** service on a National and Regional basis. | Additional free-to-air television broadcasting service licences to successful applicants. | None. | Awarding of free-to-air broadcasting service licences to the successful applicants. | Publishing of ITA for free-to-air television broadcasting service licences in the Government Gazette. | Receipt of applications for free-to-air television broadcasting service licences. | Analysis report on confidentiality and free-to-air television broadcasting service licence applications received gazetted. | Conducting of hearings and publication of reasons for decisions on free-to-air television broadcasting service licences. | Monitoring of compliance with Licencing terms and conditions (T&Cs) and assure collection of license fees. | Monitoring of compliance with Licencing terms and conditions (T&Cs) and assure collection of license fees. |
| Markets & Competition - PDRD | 1.1.2 | | Gazetted final Regulations on the definition of and **access to premium content.** | Final report to ICASA Council on the necessity for pro-competitive regulation in the provision of subscription broadcasting television services. | None. | Report on the necessity for pro-competitive regulation in the provision of subscription broadcasting television services. | No strategic activity. | International benchmarking report on the regulation of premium content. | Research report on the market structure for subscription broadcasting services. | Recommendation report to ICASA Council on the effectiveness of competition in the provision of subscription broadcasting services, recommending Regulations to remove barriers to effective competition. | Gazetted final Regulations on the definition of and access to premium content. | No strategic activity. |
| Markets & Competition - Analysis | 1.1.3 | Improved levels of competition in the ICT sector. | Gazetted final Regulations specifying the costs to be charged by Sentech for **Digital Signal Transmission for television services.** | Position Paper on factors that determine the cost of digital terrestrial signal transmission in South Africa. | Findings Document on Wholesale Broadcasting Signal Transmission Services. | Position Paper on factors that determine the cost of digital terrestrial signal transmission in South Africa. | No strategic activity. | No strategic activity. | Draft internal Position Paper on factors that determine the cost of digital terrestrial signal transmission in South Africa. | Publish internal Position Paper on factors that determine the cost of digital terrestrial signal transmission in South Africa. | Gazetted final Regulations specifying the costs to be charged by Sentech for Digital Signal Transmission for television services. | No strategic activity. |
| | 1.1.4 | | Gazetted final Regulations on the **Wholesale Voice Call Termination** market. | Gazetted final Wholesale Voice Call Termination Regulations. | High Court Judgement of 31 March 2014 requiring revised cost model specifications for Wholesale Voice Call Termination services. | Gazetted final Wholesale Voice Call Termination Regulations. | No strategic activity. | Publication of cost model specifications for Wholesale Voice Call Termination services. | Publication of Final Wholesale Voice Call Termination Regulations in the Government Gazette. | No strategic activity. | No strategic activity. | No strategic activity. |
| | 1.2. | STRATEGIC OBJECTIVE | **Ensure South African retail prices of ICT services fairly reflect costs** | | | | | | | | | |
| Markets & Competition - Analysis | 1.2.1 | Affordable prices for voice and data telecommunication services. (compared to neighbouring countries when comparing telecommunications expenditure to GDP) | Position Paper on **retail tariff transparency**. | Position Paper on retail tariff transparency approved by ICASA Council. | Standard terms and conditions of licensing Regulations. | Position Paper on transparency of retail tariff transparency and accuracy of consumer metering and billing records for voice and data services. | No strategic activity. | Gazetted questionnaire requiring licensees to break-down revenue trends by tariff package and promotion. | Internal report published on analysis of questionnaire submissions. Engagement with licensees on outcome of RFI analysis. Publication of draft Standard Terms and Conditions for licensing Regulations. | Position Paper on retail tariff transparency approved by ICASA Council. | Gazetted amendments to the final revised standard terms and conditions regarding lodgement of tariffs. | No strategic activity. |
| | 1.3. | STRATEGIC OBJECTIVE | **Ensure effective broad-based HDI/BBBEE participation in the sector** | | | | | | | | | |
| Licensing & Compliance | 1.3.1 | HDI/BBBEE ownership requirements in the ICT sector prescribed. | **HDI/BBBEE Regulations** for broadcasting services, Electronic Communications Service (ECS) licenses and Electronic Communications Network Service (ECNS) licenses. | HDI/BBBEE Regulations published in the Government Gazette. | HDI/BBBEE ownership audit. | Publish HDI/BBBEE Regulations for broadcasting services, ECS licenses and ECNS licenses in the Government Gazette. | Develop draft Regulations on HDI/BBBEE for broadcasting services, ECS licenses and ECNS licenses. | Draft Regulations on HDI/BBBEE for broadcasting services, ECS licenses and ECNS licenses published for public comment. | Public hearings conducted on the draft HDI/BBBEE Regulations for broadcasting services, ECS licenses and ECNS licenses. | Publish final HDI/BBBEE Regulations for broadcasting services, ECS licenses and ECNS licenses. | No strategic activity. (transitional period) | No strategic activity. (transitional period) |

| Custodian | Output Number | Key Outcome | Key Output | Performance Measure/Indicator | Baseline 2013/2014 | Target 2014/2015 | Deliverable Quarter 1 2014/15 | Deliverable Quarter 2 2014/15 | Deliverable Quarter 3 2014/15 | Deliverable Quarter 4 2014/15 | Target 2015/2016 | Target 2016/2017 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SOOG 2 | | STRATEGIC OUTCOME ORIENTATED GOAL | Promote the digital agenda | | | | | | | | | |
| | 2.1. | STRATEGIC OBJECTIVE | Facilitate universal access to broadband services at fair retail prices by 2020 | | | | | | | | | |
| Engineering & Technology | 2.1.1 | All citizens to have access to affordable Broadband services by 2020. | (1) **Roadmap** for licensing of all of International Mobile Telephony (IMT) spectrum; and | Available spectrum for Invitations to Apply (ITAs), published in Government Gazette in line with the Roadmap for IMT spectrum. | Service provider appointed to assist with the Radio Frequency Migration Strategy (phase 1) and draft Roadmap for all IMT spectrum. | Gazetted radio frequency migration plan, with radio frequency spectrum assignment plans - in line with the approved Roadmap for all IMT spectrum. | Public consultation on implementation of the IMT Roadmap completed. | Final IMT Roadmap published in Government Gazette. | ITAs for frequency licences developed in line with IMT Roadmap. | ITAs for frequency licenses published for public consultation. | No strategic activity. | No strategic activity. |
| Engineering & Technology | 2.1.2 | | (2) **Radio Frequency Migration plan** for bands identified for feasibility studies in terms of Radio Frequency Migration Regulations 2013. | Approved spectrum migration plans for bands identified for feasibility studies in terms of the 2013 Radio Frequency Migration Regulations. | Service provider appointed to assist with the feasibility studies in terms of Radio Frequency Migration Regulations 2013. | Gazetted radio frequency migration plan, with radio frequency spectrum assignment plans for bands identified for feasibility studies in terms of radio frequency migration regulation. | Public consultation on Migration Strategy completed. | Final publication of Migration Strategy published in Government Gazette. | Spectrum migration plans developed for bands identified for feasibility studies. | Phase 2 Migration Strategy implemented for bands identified for feasibility studies. | No strategic activity. | No strategic activity. |
| Engineering & Technology | 2.1.3 | | One or more **national spectrum licences** making use of International Mobile Telephony (IMT) spectrum. | One or more spectrum licences that have been keenly taken up by investors. | Appointed service provider to assist with the determination of fair value of 2.6GHz and 800/700MHz spectrum. | Final ITA for spectrum licenses gazetted and the received application for licensing of 2.6GHz and 800/700MHz spectrum analysed. | Draft ITA for spectrum licenses and spectrum plan reviewed in line with policy directive and the proposal on the fair value of 2.6GHz and 800/700MHz completed. | Service provider appointed to run the market-based licensing process. | Draft ITA for spectrum licenses of available IMT Spectrum published in Government Gazette and public consultation process completed. | Final ITA for spectrum licenses of available IMT Spectrum published in Government Gazette and applications received analysed. | Spectrum licences issued for other band IMT spectrum available at the time for new ECNS licensees - in line with the spectrum plan. | Spectrum licences issued for other band IMT spectrum available at the time for new ECNS licensees - in line with the spectrum plan. |
| Engineering & Technology | 2.1.4 | Support development of Broadband to reduce input costs for operators. | Draft **infrastructure sharing** Regulations. | Draft infrastructure sharing Regulations published in Government Gazette for public consultation. | Facilities leasing Regulations. | Draft infrastructure sharing Regulations approved by ICASA Council and published in Government Gazette for public consultation. | Produce Discussion Document on the work to be carried out for infrastructure sharing Regulations. | Research report and benchmark studies on infrastructure sharing Regulations. | Draft infrastructure sharing Regulations for internal consultations. | Draft infrastructure sharing Regulations gazetted for public consultation. | Implementation of rapid deployment guidelines for infrastructure sharing Regulations. | No strategic activity. |
| Markets & Competition - Analysis | 2.1.5 | | **Regulatory Impact Assessment** (RIA) on open access regulation for copper, fibre and wireless access networks. | Draft **internal** report on the costs and benefits of open access regulation. | Industry workshop on the way forward regarding Local Loop Unbundling (LLU) in South Africa. | Draft internal report on the costs and benefits of open access regulation of copper, fibre and wireless access networks. | No strategic activity. | International benchmarking report on wholesale open access networks. | No strategic activity. | Publish draft internal report on the costs and benefits of open access regulations for copper, fibre and wireless access networks. | Implementation of recommendations as per the RIA report on open access network regulation. | No strategic activity. |
| | 2.2. | STRATEGIC OBJECTIVE | Promote the development of public, community and commercial broadcasting services in the context of digital migration | | | | | | | | | |
| Markets & Competition - PDRD | 2.2.1 | Availability of choice and diversity in Broadcasting services. | **Broadcasting Regulatory Framework** to support the digital era. | Gazetted Findings document on the broadcasting of local content. | Report and recommendations on Local Content for Broadcasting Regulations completed in 2013-14. | Gazetted Findings document on Local Content for Broadcasting. | Gazetting of Discussion document on Local Content for Broadcasting. | Public hearings on the Discussion Document on Local Content for Broadcasting. | No strategic activity. | Gazetting of findings document on Local Content for Broadcasting. | Gazetted final Regulations on Local Content for Broadcasting. | No strategic activity. |

| Custodian | Output Number | Key Outcome | Key Output | Performance Measure/Indicator | Baseline 2013/2014 | Target 2014/2015 | Deliverable Quarter 1 2014/15 | Deliverable Quarter 2 2014/15 | Deliverable Quarter 3 2014/15 | Deliverable Quarter 4 2014/15 | Target 2015/2016 | Target 2016/2017 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SOOG 3 | | STRATEGIC OUTCOME ORIENTATED GOAL | Promote efficient use of spectrum resources | | | | | | | | | |
| | 3.1. | STRATEGIC OBJECTIVE | Establish innovative approaches to technology and dynamic spectrum usage | | | | | | | | | |
| Engineering & Technology | 3.1.1 | Radio Frequency spectrum and favourable regulatory frameworks for a variety of services including broadband. | Framework for the use of **'white space'** and a Position Paper on implications of cognitive radio technologies published. | Position paper on opportunistic spectrum management approved and results published in Government Gazette. | Model on opportunistic spectrum management and International Mobile Telephony (IMT) occupancy measurements and recommendations presented to ICASA Council in March 2014. | Position Paper on opportunistic spectrum management approved and results gazetted. | Discussion paper developed on opportunistic spectrum management. | Public consultation process on opportunistic spectrum management completed. | Position paper on opportunistic spectrum management approved by ICASA Council. | Position Paper on opportunistic spectrum management published in Government Gazette. | Management of research collaboration on selected themes on opportunistic spectrum management prioritised to include innovative trends and knowledge on Policy and Regulations. | Management of research collaboration on selected themes on opportunistic spectrum management prioritised to include innovative trends and knowledge on Policy and Regulations. |

| Custodian | Output Number | Key Outcome | Key Output | Performance Measure/Indicator | Baseline 2013/2014 | Target 2014/2015 | Deliverable Quarter 1 2014/15 | Deliverable Quarter 2 2014/15 | Deliverable Quarter 3 2014/15 | Deliverable Quarter 4 2014/15 | Target 2015/2016 | Target 2016/2017 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SOOG 4 | | STRATEGIC OUTCOME ORIENTATED GOAL | **Protect Consumers** | | | | | | | | | |
| | 4.1. | STRATEGIC OBJECTIVE | **Promote consumer rights** | | | | | | | | | |
| Markets & Competition - Numbering | 4.1.1 | Regulatory regime to support consumer rights. | **Toll-free framework** whereby consumers pay no fees for calls to 0800 numbers | Gazetted toll-free framework. | Draft toll-free framework. | Gazetted final toll-free framework. | No strategic activity. | Publication of draft toll-free framework in Government Gazette. | No strategic activity. | Publication of final toll-free framework in Government Gazette. | No strategic activity. | No strategic activity. |
| | 4.2. | STRATEGIC OBJECTIVE | **Ensure universal service and access** | | | | | | | | | |
| Markets & Competition - Postal | 4.2.1 | Bridging the Digital Divide. | Recommendation to the Minister on a new model for **access and expansion of existing postal services** to all South Africans. | Draft recommendations report on universal service to postal services. | Internal report on the definition of Universal Service Obligation (USO) for postal services. | Draft recommendations report on universal service to postal services, including the roll-out of street addresses, postal infrastructure sharing and expansion of postal services submitted to ICASA Council for approval. | Draft research report on the new model for access to postal services including availability and accessibility of postal services (GIS mapping) and costing estimations for universal obligations with draft proposals on funding models for universal access for postal services. | Drafting of Discussion Document on universal service to postal services for public consultation. | Publication of Discussion Document on universal service to postal services in Government Gazette. | Draft recommendation report on universal service to postal services submitted to ICASA Council. | Recommendation report to the Minister on a new model for access and expansion of existing postal services. | No strategic activity. |
| Consumer Affairs | 4.2.2 | | Publication of **Universal Service and Access Regulations**. | Gazetted Universal Service and Access Regulations. | None. | Gazetted final Universal Service and Access Regulations. | Benchmark studies on Universal Service and Access Regulations. | Draft Universal Service and Access Regulations. | Public hearings on draft Universal Service and Access Regulations and consolidate public inputs. | Finalise and publish the Universal Service and Access Regulations in the Government Gazette. | Implement and monitor Universal Service and Access Regulations. | Implement and monitor Universal Service and Access Regulations. |

| Custodian | Output Number | Key Outcome | Key Output | Performance Measure/Indicator | Baseline 2013/2014 | Target 2014/2015 | Deliverable Quarter 1 2014/15 | Deliverable Quarter 2 2014/15 | Deliverable Quarter 3 2014/15 | Deliverable Quarter 4 2014/15 | Target 2015/2016 | Target 2016/2017 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **SOOG 5** | | **STRATEGIC OUTCOME ORIENTATED GOAL** | **Modernise ICASA** | | | | | | | | | |
| | **5.1.** | **STRATEGIC OBJECTIVE** | **Improve operational processes and performance measurement** | | | | | | | | | |
| Engineering & Technology | **SO5.1.1** | Improved efficiency and effectiveness of spectrum licensing, type approval and spectrum monitoring. | Effective and efficient **Spectrum management**, licensing, certification and monitoring processes; (more effective and efficient than that currently used, replacing obsolete methods and systems - leading to fewer rejections of applications and less risk of errors, e.g. harmful interference). | Speed and accuracy of spectrum management, licensing and certification on new system, measure efficiency and effectiveness against old system and whether licensing and if certification turn-around times have been significantly reduced.<br>Measure of ICASA's reputation has improved through the use of more modern methods of spectrum management. | Current outdated spectrum management system, using some erroneous licensing and spectrum management data. | Implementation of a dedicated spectrum management and spectrum licensing and type approval certification system.<br>Interfaced to JDE financial system and staff trained **in** how to use the system. | Finalise contract for new system.<br>Implement hardware and instal new software. | Data take-on from existing data capture systems. | Verification and signoff of data take-on. | Integration of spectrum management system to financial system. | Spectrum Management system integrated with customer relationship management (CRM) systems. | Procurement of web-based modules for spectrum management system. |
| Human Resources | **5.1.2** | Enable ICASA to achieve its objectives through effective partnerships and an efficient HR service delivery. | Complete review and implementation of the **new organisational structure**: Profiling and job evaluation of all ICASA positions. | Change management plan.<br>Migration of employees from the old structure into the new, approved structure.<br>Providing training to all managers on job description writing skills.<br>Review all current job descriptions and develop new job descriptions. | Study reports on old structure, and organisational re-alignment.<br>Organisational re-alignment project plan.<br>Identified outdated job descriptions.<br>No Job Evaluation Committee. | Approved organisational structure and change management plan, with 100% implementation of the revised organisational structure. | Approved Top Structure (CEO direct reports) - 1st Level reporting.<br>Approved General Manager (GM) structure - 2nd Level reporting and Senior Manager positions 3rd Level reporting.<br>Job Evaluation Committee established and trained on Job Evaluation.<br>Job Evaluation of Executives and GMs positions.<br>Migration of Executives and GMs into the newly approved structure. | Approval of the total costed organisational structure.<br>Job Evaluation of all approved positions.<br>Migration of all employees from the old structure to the new structure.<br>Recruitment of newly approved positions. | No strategic activity. | No strategic activity. | No strategic activity. | No strategic activity. |
| Communications & IR | **5.1.3** | Modernise communication processes and systems. | Effective **Communications Strategy** of ICASA Annual Performance Plan. | Develop and implement effective Media Plans for all corporate and regulatory activities and projects. | Media Plans for ICASA Annual Performance Plan. | Develop and implement effective Media Plans for ICASA Annual Performance Plan. | Implement Media Plan for ICASA | Implement Media Plan for ICASA | Implement Media Plan for ICASA | Implement Media Plan for ICASA | Develop and implement effective Media Plans for ICASA. | Develop and implement effective Media Plans for ICASA. |
| | **5.1.4** | | Effective **International Relations calendar** for representation at International ICT engagements. | Ensure ICASA representation and submission to all relevant international forums. | Facilitated ICASA's representation and submissions to international forums. | ICASA represented at and submissions delivered to all relevant international forums. | Internal consultation in developing International Stakeholders Engagement Framework for 2014/15. | Implement International Stakeholders Engagement Framework for ICASA. | Implement International Stakeholders Engagement Framework for ICASA. | Position Paper on International ICT engagements to ICASA Council. | ICASA represented at and submissions delivered to all relevant international forums. | ICASA represented at and submissions delivered to all relevant international forums. |
| Finance | **5.1.5** | Improved revenue assurance. | Clear financial requirements on all licence fees Regulations that will ensure seamless **collection of revenue**. | 95% collection of revenue on regulatory due dates from all licensees. | No audit finding on collection of revenue. | Complete and accurate collection of revenue. | Complete and accurate collection of revenue. | Complete and accurate collection of revenue. | Complete and accurate collection of revenue. | Complete and accurate collection of revenue. | Complete and accurate collection of revenue. | Complete and accurate collection of revenue. |

# Annexure C: Council functions

The Council of the Independent Communications Authority of South Africa is governed by:

- the ICASA Act of 13 of 2000 as amended;
- the Broadcasting Act 4 of 1999;
- the Electronic Communications Act 36 of 2005;
- the Postal Services Act 124 of 1998;
- the Public Finance Management Act (PFMA) 1 of 1999; and
- the Promotion of Administrative Justice Act (PAJA) 3 of 2000.

In terms of Section 4 of the ICASA Act, Council is required to provide oversight of the services provided by the Authority. In terms of Section 14 of the same Act, Council may appoint staff to support its functions and, where necessary, experts to provide additional assistance and expertise.

In order to fulfil its role, Council has established governance and support committees, namely:

- The Remuneration and Human Resources Committee;
- The Audit and Risk Committee;
- The Information Technology Review Committee;
- The Communications Committee (internal communications strategy);
- The International Collaboration Committee (SADC, ITU, UPU);
- The Complaints and Compliance Committee; and
- The Alternative Dispute and Resolution Committee.

At least two Councillors are assigned to each of the above committees.

In addition, Sections 4(4)(b) and Section 4(4)(f) of the ICASA Act prohibits Council from delegating the development of regulations and licensing. Council has consequently delineated these functions as outlined in Table 1 and 2 below to illustrate how it fulfils this requirement whilst ensuring that it acts as a collective. The regulatory and licensing projects for 2014-15 have also been included and will be incorporated into the individual performance contracts of Councillors.

| **Table 1**<br>**Regulatory development processes** | **Role player** |
|---|---|
| 1. Conduct an inquiry | Subject experts |
| 2. Complete findings document | Subject experts |
| 3. Conduct independent research | Council |
| 4. Approve draft document | Council |
| 5. Publish findings document for public comment | Subject experts |
| 6. Conduct public hearings | Council |
| 7. Collate and analyse findings | Subject experts |
| 8. Approve findings for publication | Council |
| 9. Formulate draft regulations | Subject experts |
| 10. Vet draft regulations | Legal |
| 11. Approve draft regulations for publication | Council |
| 12. Conduct public hearings | Council |
| 13. Collate and analyse findings | Subject experts and Council |
| 14. Develop final regulations | Subject experts and Council |
| 15. Vet regulations | Legal |
| 16. Approve regulations | Council |

### Planned regulatory outputs for 2014-15 as outlined in the Annual Performance Plan:

- Regulations on the Wholesale Voice Call Termination market;
- HDI/BBBEE Regulations for broadcasting services, ECS licenses and ECNS licenses;

- Radio frequency migration plan, with radio frequency spectrum assignment plans - in line with the approved Roadmap for all IMT spectrum;
- Radio frequency migration plan, with radio frequency spectrum assignment plans for bands identified for feasibility studies in terms of radio frequency migration regulation;
- Draft infrastructure sharing Regulations;
- Findings document on Local Content Regulations imposing local content quotas on broadcasters, suitable for the multi-channel environment of digital television; and
- Universal Service and Access Regulations.

**Regulations for equity ownership by historically disadvantaged individuals/groups**

In terms of section 9(2)(b) of the ECA, the Authority must give notice of the application in the Gazette and include the percentage of equity ownership to be held by persons from historically-disadvantaged groups, which must not be less than 30%, or such higher percentage as may be prescribed. 'Prescribed' means in the form of a regulation. The Regulations in respect of the Limitation of Ownership and Control published on 16 January 2003 (Government Gazette No. 24288), promulgated under the repealed Telecommunications Act, prescribed matters related to ownership and control of the telecommunications licences. However, these regulations are not aligned with the Act nor do they regulate broadcasting.

In terms section 93(1) of the Act, the Authority must convert existing licences by granting one or more new licences that comply with this Act on no less favourable terms. During the era of Telecommunications Act, value-added network service (VANS) licensees were not subjected to HDI/BBBEE ownership requirements, while the major telecommunications licensees were subjected to HDI/BBBEE ownership and control requirements. When VANS licensees were converted into Individual Electronic Communications Network Service (I-ECNS) and Individual Electronic Communications Service (I-ECS) licences, this created imbalances in relation to ownership by HDI for I-ECNS and I-ECS licence categories.

It is the intention of the Authority to ensure effective HDI/BBBEE participation in the sector and align the BBBEE equity ownership of individual broadcasting services, ECS and ECNS with relevant legislation and the ICT Charter. The Authority will publish regulations by February 2015.

| **Table 2**<br>**Licensing steps** | **Role player** |
|---|---|
| 1. Conduct an inquiry | Subject experts |
| 2. Complete findings document | Subject experts |
| 3. Conduct independent research | Council |
| 4. Approve draft document | Council |
| 5. Publish findings document for public comment | Subject experts |
| 6. Conduct public hearings | Council |
| 7. Collate and analyse findings | Subject experts and Council |
| 8. Approve findings for publication | Council |
| 9. Formulate draft ITA | Subject experts |
| 10. Vet draft ITA | Legal |
| 11. Approve draft ITA | Council |
| 12. Conduct public hearings | Council |
| 13. Collate and analyse findings | Subject experts and Council |
| 14. Develop final ITA | Subject experts |
| 15. Vet ITA | Legal |
| 16. Approve ITA | Council |
| 17. Publish ITA | Subject experts |
| 18. Analyse submissions | Subject experts & Council |
| 19. Draft reasons document | Legal, subject experts and Council |
| 20. Approve reasons document | Council |
| 21. Publish reasons document | Subject experts |

## Planned Licensing projects for 2014-15 as outlined in the Strategic Plan:

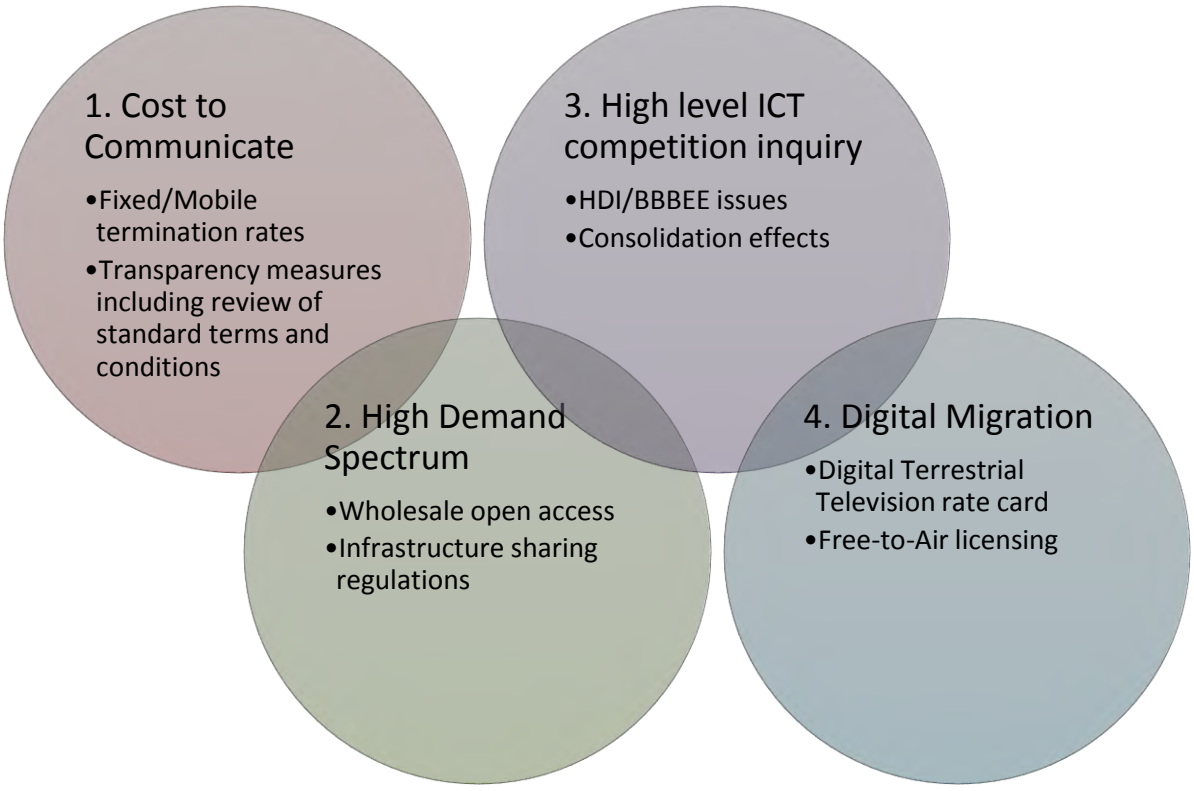
**Licensing of additional free-to-air television broadcasting service on national and regional basis**

- This process seeks to invite and license applications for additional free-to-air commercial television broadcasting services.
- In order to remove the bottlenecks to competition in the free-to-air commercial television broadcasting market and to promote diversity and choice, it is important to license additional players in the free-to-air television market.
- In terms of section 9 of the ECA, the Authority may invite applications for individual licences.
- With the introduction of DTT, it is anticipated that there will be an additional seven (7) multiplexes capable of carrying twenty (20) channels each. The seven multiplexes will be available for assignment during the 2015-16 budget year.
- The licences will be technology-neutral. The successful applicants may also provide their services on satellite, internet protocol (IPTV) or cable.
- The Authority has thus decided to license additional, free-to-air television broadcasting services on a National and Regional basis before March 2015.

**One or more national spectrum licences making use of International Mobile Telephony spectrum**

- Final ITA for spectrum licenses gazetted and analyse the received application for licensing of 2.6GHz and 800/700MHz spectrum.

The ICASA Council is committed to drive the following four key programs as top priorities during the 2014-15 budget year.



# Annexure D: Abbreviations and acronyms

APP – Annual Performance Plan
BBBEE – Broad-Based Black Economic Empowerment
CAP – Consumer Advisory Panel
CCC – Compliance and Complaints Committee
CEO – Chief Executive Officer
CFO – Chief Financial Officer
CRASA – Communications Regulatory Association of Southern Africa
CRM – Customer Relationship Management
DoC – Department of Communications
DTT – Digital Terrestrial Television
ECA – The Electronic Communications Act, No 36 of 2005
ECNS – Electronic Communications Network Service
ECS – Electronic Communications Service
FL – Facilities Leasing
FTA – Free-to-Air
GSM – Global System for Mobile Communications
HDI – Historically Disadvantaged Individual
IBA – Independent Broadcasting Authority
IC – Interconnectivity
ICT – Information and Communications Technology
ITR – International Telecommunication Regulation
I-ECNS – Individual Electronic Communications Network Service
IPC – IP Connect
ISP – Internet Service Provider
JCPS – Justice Crime Prevention & Security
IMT – International Mobile Telephony
IT – Information Technology
ITA – Invitation To Apply
ITU – International Telecommunications Union
MTEF – Medium-Term Expenditure Framework
MTR – Mobile Termination Rates
MTSF – Medium-Term Strategic Framework
NATJOC – National Joint Operational Centre
NERSA – National Electricity Regulator of South Africa
Opex – Operational Expenditure
PAJA – The Promotion of Administration Justice Act, No 3 of 2000
PFMA – Public Finance and Management Act
PPCC – Parliamentary Portfolio Committee on Communications
QoE – Quality of Experience
QoS – Quality of Service
RIA – Regulatory Impact Assessment
SAPO – South African Post Office
SATRA – South African Telecommunications Regulatory Authority
SO – Strategic Objective
SOOG – Strategic Outcome Orientated Goal
SWOT – Strengths, Weaknesses, Opportunities and Threats
USA – Universal Service Access
USAASA – Universal Service and Access Authority of South Africa
USAO – Universal Service and Access Obligations
VANS – Value-Added Network Service
WRC – World Radio-communication Conferences.