# Three -Year Corporate Strategy

# 2011 - 2014

# Independent Communications Authority of South Africa

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# Foreword by Chairperson

It is a new dawn for the Independent Communications Authority of South Africa (ICASA, the Authority) to ensure that the South African way of living is fully digitalised. As the regulator of the communications and postal sectors, the Authority's leadership extends a hand of engagement, co-operation and collaboration to all stakeholders in the industry. Stakeholders - in this case - refers to licensees and operators, non-governmental groups and municipalities, institutions of learning, the media and the South African public in general.

For the Authority, the year 2011 and beyond represents an opportunity to re-commit ourselves to regulate communications, broadcasting and postal services in the public interest and to do so without fear or favour.

Top of our agenda at a strategic level, is to continue licensing new operators to level the playing field, and to formulate regulations that will enhance fair competition in these two industries so that consumers and the public in general can have choice, as well as value for money for services that they require.

According to a World Bank publication, the Information and Communication Technology (ICT) sector has experienced explosive growth over the past two decades and there are over 4.5 billion mobile phone subscriptions globally, the Internet has grown to include more than a billion people, and high-speed broadband networks reach more than 400 million subscribers. The implication of all this is that ICT now permeates every aspect of social, political, and economic relationships.

These developments can be attributed to government policy and regulatory frameworks that spurred investment, liberalisation, and competition in the ICT sector.

The ICT convergence allows delivery of multimedia communications across a range of networks that were traditionally vertically separated. This fundamentally alters the business of ICT: infrastructure, services, companies, content, and devices can now interact and work together in new, unprecedented ways, opening markets, challenging existing structures, and allowing innovative business models. The world is witnessing cross-sector convergence, whereby many social and business services are being superimposed and enabled over the rapidly proliferating cellular network platforms, such as mobile banking.

The grand challenges of the industry are embedded in the ecosystem. That is, infrastructure sharing, technology neutrality, availability of spectrum, increased demand in mobile broadband services and access, and increasing Internet penetration. The Authority has formulated strategic objectives to respond to these grand challenges.

In addressing Government's strategy for service delivery, the Authority has taken note of Outcome 6, Building an Efficient, Competitive and Responsive Economic Infrastructure Network, which emphasises increasing broadband penetration and the digital terrestrial television infrastructure rollout. 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.

Consumer protection and universal service and access are central to our mandate, as we strive to ensure that persons with disabilities and rural far-flung areas are not left behind in the country's quest to create a knowledge and information society.

Information and Communication Technologies and Services can, and should, play a critical role in service delivery, and enhance access to education, health and welfare, job creation and economic opportunities.

The Authority prides itself in delivering certain key projects in the past year and this includes Call Termination Regulations that will see to the levelling of the playing fields among communications operators.

The Authority's inspectors were on call, around the clock, to monitor the frequencies and ensure that the country delivered a successful FIFA tournament and an incident-free African World Cup.

The Authority is reviewing the Digital Migration Regulations published in February 2010 following the Minister of Communications, Radhakrishna L Padayachie's, announcement about the country's adoption of the second generation of the European standard for digital terrestrial television.

The Authority is already hard at work to ensure that spin-offs accrue from this technological transition to a digital platform benefiting all across the board. The digital dividend should introduce more competition and choice in the broadcasting and electronic communications sectors, but also universal access and service.

In preparing our country for the forthcoming Local Government Election for 2011, the regulations with respect to these elections have been formulated to ensure that broadcasting services are used in a fair and equitable manner at the time of the polls.

The dawn of a new year is also an opportunity for the Authority to reflect on its mandate and activities. New leadership is on board and in full complement at the level of Council, and a new Chief Executive Officer is geared to steer the ship at the operational level.

The Authority would like to improve stakeholder relations and interaction. The office of the Chairperson will serve as a one-stop shop for this important engagement.

Bilateral meetings with all stakeholders will be streamlined; all will be afforded a hearing. Site visits by the Authority to view the operations of the licensees will continue. These site visits are an eye-opener to the complex network and exchange infrastructure of electronic communications licensees.
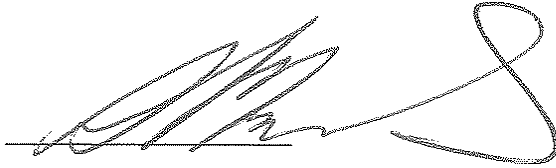
Consumer education outreach programmes for all our communities will remain a priority, and the Authority will partner Government, portfolio organisations and private companies in the communications and postal sectors.

Flagship projects for the new year include developing Local Loop Unbundling regulations, the Licensing of Spectrum in the 2.6 GHz and 3.5 GHz Bands, monitoring the Local Government Election broadcasting as well as monitoring the impact of the Call Termination Regulations on the retail voice market with regard to affordability of services for consumers.

At the international level, the provision and regulation of information and communication technologies and services should play a vital role in regional economic integration. The past decade or so have seen increased interaction of the people of the SADC in various areas of public life.

It is in this light that ICASA will host, at the end of March 2011, the merger of the Communications Regulatory Association of Southern Africa (CRASA) and the Southern African Postal Regulatory Association (SAPRA).

Forging ahead, the Authority has refined its strategic objectives in response to the Minister's Performance Agreement entered into with President of the Republic of South Africa, Mr. Jacob Zuma. The Authority has identified eight strategic objectives that are aligned to the Minister's performance agreements.

Dr Stephen Mncube

Chairperson
Independent Communications Authority of South Africa

# Chief Executive Officer's Overview

South Africa has moved from being a leader in Africa in terms of ICT over the last several years to lagging behind. For example, in 2000, RSA had 50% of all Internet hosts and more than 50% of all Internet subscribers in Africa. By 2009, South Africa had fallen to fifth position in Africa.

The causes of this include better regulation, better policy and increased investment in ICT elsewhere in Africa. In order to regain its preeminent position, South Africa needs to attend to these issues as a matter of urgency.

The Authority has a significant role to play in terms of developing appropriate market-friendly regulation and helping to ensure a stable climate for investment. At the same time, the Authority must ensure that its duty to the public is satisfied, for example in terms of ensuring affordable access to ICT services for the public.

The Authority's corporate strategy is derived from its mandate in terms of the Constitution and other applicable legislation.

The Authority intends to play a significant role in ensuring that the Government and DoC objectives that speak to 50% of the population having access to Broadband services by 2019 are achieved. This requires optimal utilisation of scarce resources such as spectrum. The Authority is mandated to deal with spectrum and other issues.

The Authority derives its mandate from a number of different sources. These are elaborated on below.

**Constitutional mandates**

The Authority's mandate is to regulate electronic communications (i.e. broadcasting and telecommunications) and postal services in the public interest. The Authority derives its mandate from the following principal pieces of legislation (and subsequent amendments thereto):

1. The Constitution of the Republic of South Africa;
2. The Broadcasting Act 2002;
3. The Independent Communications Authority of South Africa Act, 13 of 2000 (ICASA Act);
4. The Electronic Communications Act, No 36 of 2005 (ECA);
5. The Competition Act of 1998;
6. The Promotion of Administration Justice Act, No 3 of 2000 (PAJA); and
7. The Postal Services Act, 124 of 1998.

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

- To license broadcasters, signal distributors, providers of telecommunication services and postal services;
- To make regulations;
- To impose license conditions;
- To plan, assign, control, enforce and manage the frequency spectrum;
- To ensure international and regional co-operation;
- To ensure the efficient allocation of numbers;
- To ensure interoperability of networks;
- To consult with the Ministry of Communications;
- To give effect to the ECA of 2005; and

- To ultimately decide on complaints.

**Legislative mandates**

Below are some of the relevant sections from the legislation highlighting the Authority's mandate and purpose:-

1.  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).
    - ICASA is also an organ of state bound by the Bill of Rights (S8).
    - "The work of ICASA is aimed at the protection of democracy and ensuring free and open airwaves and access to communication".
2.  The Broadcasting Act of 2002
    - The Act amended the Independent Broadcasting Authority (IBA) Act of 1993, sought to clarify the powers of the Minister and the regulator.
    - The Act called for a new Broadcasting Policy that will, among others, contribute to democracy, development of society, gender equality, nation building, provision of education and strengthening the spiritual and moral fibre of society.
3.  The Independent Communications Authority of South Africa, Act of 2006 (ICASA Amendment Act)
    - The primary object of this Act is to provide for the regulation and control of telecommunication matters in the public interest (S2). It seeks, among others, to promote the universal and affordable provision of telecommunication services.
    - The Act established the South African Communications Authority, and this regulator shall be independent and impartial (S3).
4.  The Electronic Communications Act, No 36 of 2005 (ECA)
    - The substantive regulatory function of ICASA is pertaining to broadcasting, postal services and the electronic communications sectors.
    - ICASA plays a concurrent function with the Competition Commission on competition matters (Chapter 10).
    - The Code and mechanism of the National Association of Broadcasters on content regulation has been approved by ICASA (S54 (2)).
    - ICASA strives to create an appropriate and predictable regulatory environment to achieve the stated objects of the EC Act of 2005, section 2 (S2).
5.  The Competition Act of 1998
    - The Competition Commission and Competition Tribunal play a complementary role or co-jurisdiction role with ICASA on competition matters within the electronic communications environment (S82 (1)).
    - The Competition Commission holds an ex post jurisdiction over competition related matters. ICASA holds an ex ante and ex post jurisdiction over competition related matters.
6.  The Promotion of Administration Justice Act, No 3 of 2000 (PAJA)
    - PAJA binds ICASA in its deciding functions and the Complaints and Compliance Committee in the exercise of their administrative and judicial functions.
7.  The Postal Services Act, No 124 of 1998

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

**Universal Services Access Obligations**

The Minister of Communications released the National Broadband Policy on the 13th of July 2010, with the vision of: "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).

The Authority views its responsibilities in achieving this objective as ensuring that broadband is made available to all citizens by:

- Creating an enabling environment for broadband growth through promoting competition in the broadband market both at the level of infrastructure and services;
- Promoting infrastructure-sharing both with regard to way leaves and between electronic communications networks; and
- Developing an allocation strategy for spectrum suitable for fixed, mobile and unlicensed broadband.

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 is part of this process to open access to fixed networks;
- Enforce the interconnection and facilities leasing regulations rigorously;
- Promote infrastructure sharing between electronic communications network operators as well as greater co-operation between municipalities and ECN operators with regard to way leaves to extend the network of networks to its fullest possible extent;
- Identify spectrum suitable for fixed, mobile and unlicensed broadband and make it available during the ten year period. To this end the Authority will develop a ten year plan to make available spectrum for broadband and will develop a spectrum allocation strategy to facilitate effective stakeholder planning processes. The Authority will also explore the possibility of introducing spectrum leasing regulations to maximise the efficient use of spectrum for broadband;
- Build a common understanding as to the scope and scale of the broadband network of networks in the Republic 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.

**Policy mandate**

The Independent Communications Authority of South Africa Act, No 13 of 2000 provided for the merger of the South African Telecommunications Regulatory Authority (SATRA) and the Independent Broadcasting Authority (IBA) to form ICASA.

The Authority is responsible for regulating the telecommunications and broadcasting industries 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 licenses to telecommunications 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 radio frequency spectrum.

The Department of Communications (DoC) policy framework outlined above is embedded within and aligned to broader government priorities and policy, as enunciated, for example, in the Medium Term Strategic Framework (MTSF), the New Growth Plan and most recently the finalisation of government's twelve (12) Key Outcomes. The Authority has realigned its strategic objectives to contribute directly to the DoC Outcomes as identified in the following Outputs in the Minister's Performance Agreement, relating specifically to **Outcome 6,** namely an **Efficient, Competitive and Responsive Economic Infrastructure Network;**

**Output 1: Improving competition and regulation -** The Department 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 by March 2012;
- Developing and enacting the ICASA Amendment Bill into Law by March 2012;
- Developing of an Integrated ICT Framework by March 2012; and
- Review of Legislation that has a bearing on ICT by March 2012.

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

- Issuing of a policy directive for the unbundling of the local loop by March 2012 (Dependent on ICASA);
- That the cost of voice calls that is mobile wholesale (Interconnection/Mobile Termination Rates) and fixed-public access be reduced by 30% by 2014 (Dependent on ICASA);
- Broadband enhancements:
    - Improve Broadband speed from 128 kbps to 256 kbps, through the broadband policy intervention by March 2012;
    - Increase Broadband penetration from 2% to 10% by 2014; and
    - 60% population coverage through DTT infrastructure roll-out by March 2011 (Dependent on SENTECH).

**Achievements at a Glance**

**Call Termination Regulations**

The Authority published the Call Termination Regulations in terms of Chapter 10 of the ECA, the Interconnection Regulations in terms of sections 4 and 38 read with section 4 (3) (j) of the Electronic Communications Act (36/2005) and the Electronic Communications Facilities Regulations. It also analysed and approved Telkom's 2010/2011 tariff review; analysed SAPO's 2011/2012 tariff review; analysed and processed 38 ad-hoc tariff applications; and processed one hundred and ninety one (191) numbering applications.

**Licensing of Individual Commercial Free to Air Sound Broadcasting Services**

In contributing to the liberalisation of the ICT sector, economic growth, and ensuring diversity of sound broadcasting services on a regional level the Authority committed to licence additional commercial sound broadcasting services in the primary markets in the 2010/2011 financial year. To date, the Authority has conducted public hearings with respect to forty one (41) received applications.

Over the years the Authority has issued a total of one hundred and eighty (180) licenses and certificates that consisted of five (5) Community Television licenses; thirty two (32) Community Sound Broadcasting licenses; sixty four (64) Class Electronic Communications Network Service (C-ECNS) licenses; forty eight (48) Class Electronic Communications Service (C-ECS) licences and thirty one (31) Courier Services Certificates.

**Licensing of Radio Frequency Spectrum for the Provision of Mobile Television**

Consistent with the International Telecommunications Union (ITU) Treaty, Geneva 2006 Regional Radio Communication Conference, the Minister of Communications issued the Digital Migration Policy which provides for the establishment of two (2) metropolitan frequency networks designated for the provisioning of mobile broadcasting services. In contributing to ensuring diversity of television broadcasting and ensuring efficient use of radio frequency spectrum, the Authority has committed to license radio frequency spectrum for the provision of mobile broadcasting services in the 2010/2011 financial year. To date, the Authority has granted and issued radio frequency spectrum licences to MultiChoice Africa (Pty) Ltd and e.tv (Pty) Ltd for the purposes of providing mobile broadcasting services in the country.

**Digital Migration**

The Republic of South Africa is obliged, in the context of the global transition from analogue to digital broadcasting, to effect the migration of existing terrestrial television services from analogue to digital broadcasting modes.

The Digital Migration Policy also provides for the establishment of two (2) national frequency networks designated for the provisioning of Digital Terrestrial Television (DTT). In this context, in order to ensure effective use of radio frequency spectrum, ensure access to basic services, and economic growth, the Authority committed to amend the licences of the incumbent television broadcaster for purposes of DTT. To date, the Authority has granted and issued amended broadcasting services licences to the South African Broadcasting Corporation (SABC), e.tv (Pty) Ltd and Trinity Broadcasting Network.

**Monitoring Broadcasting**

The Authority conducts vigilant inspection and undertakes content monitoring of the broadcasting industry. This is to ensure that Sound and TV Broadcast licensees comply with the Electronic Communications Act, No. 36 of 2005, the Broadcasting Act, No 4 of 1999, prescribed regulations, as well as the terms and conditions of their licences and compiles Annual Compliance Reports. To date the Authority has approved sixteen (16) Annual Compliance Reports relating to the period 2009/2010.

**Monitoring Local Government Election Coverage**

The purpose of the monitoring of local government elections project is to ensure fair coverage and compliance with regulations governing local elections. The Authority is mandated in terms of sections 56, 57, 58 and 59 of the Electronics Communications Act 36 of 2005, to monitor the coverage of elections by broadcasters. This project has commenced in the fourth quarter of this financial year with the appointment of temporary staff to monitor coverage of the elections, and the Elections Regulations designed to guide both broadcasters and political parties during the elections.

**Universal Service and Access Obligations**

The Authority has appointed a service provider to conduct an audit of the existing Universal Services and Access Obligations (USAOs) framework. The purpose is to enable the Authority to publish a revised USAO policy framework and to develop and publish Regulations on USAOs in terms of section 8(4) of the ECA.

The USAO Review Discussion Document was gazetted on 17 August 2010 and written comments were received from seventeen (17) stakeholders. The committee is currently finalising the Findings Document which is to be published during Quarter 4 of this financial year. With regard to the Under-Serviced Area (USA) definition, a draft has been compiled in line with the determinations of Universal Access and Universal Service, as gazetted by the Minister in terms of section 82(3) of the Electronic Communications Act, No 36 of 2005 on 8 February 2010. The Authority is currently liaising with Universal Service Access Authority of South Africa (USAASA), South African Local Government Association (SALGA), Statistics SA, the Department of Rural Development and Land Affairs and the Media Development and Diversity Agency (MDDA) to finalise the list of Universal Service Agreements (USAs).

**Monitoring Electronic Communications Network Services/Electronic Communication Services licence compliance**

The Authority is tasked to monitor Electronic Communications Network Services/Electronic Communication Services (ECNS/ECS) licensees' compliance with the ECA, relevant regulations, license terms and conditions and also to compile Annual Compliance Reports. Draft 2009/2010 Annual Compliance Reports have been compiled in respect of Neotel, MTN, Cell C, Vodacom, Sentech, WBS, Internet Solutions and Telkom.

An audit of ECS/ECNS licensees has been conducted to ensure that licensees are complying with the obligation to provide services within the prescribed periods from the date of issue of the licence; twelve (12) months for ECNS and six (6) months for ECS.

**Compliance Manual**

In order to fulfil the Authority's mandate as set out in the ECA, Broadcasting Act, Postal Services Act and ICASA Act, the Authority is required to effectively monitor and enforce compliance. Accordingly the Authority has developed the Compliance Manual applicable to Broadcasting Services (BS), Electronic Communications Services (ECS), Electronic Communications Network Services (ECNS) and Postal Services. The Compliance Manual will assist licensees to understand their obligations and furnish compliance reports in a prescribed format. The revised Compliance Procedure Manual was published for comment in December 2010. The final Compliance Procedure Manual will be published during the 2010/2011 financial year.

**Postal Services Compliance**

The Authority is tasked with monitoring postal services' (SAPO and Courier companies) compliance with the ICASA Act, No 13 of 2000, as amended, the Postal Services Act, No 124 of 1998, as amended, applicable regulations, licence terms and conditions, and to prepare compliance reports. A draft SAPO 2010/2011 Annual Compliance Report has been compiled.

**Complaints and Public awareness**

The Authority distributed thirty thousand (30 000) complaints manuals and monitored the Quality of Service provided by Operators in seven (7) provinces. The Authority conducted five (5) National Campaigns to enhance public education and awareness. A number of complaints were adjudicated by the ICASA Complaints and Compliance Committee (CCC).

**Spectrum**

The Authority published Radio Frequency Spectrum Fees regulations, Spectrum Licensing Framework Regulations for high demand bands and draft Radio Regulations. The Authority issued 2 321 new radio frequency spectrum licenses, 2 254 Type Approval authorisations and 214 broadcasting spectrum applications. The following activities were also carried out:

1. Completion of Radio frequency spectrum audits for 161-173 MHz, 450-470 MHz and 790-862 MHz bands;
2. Conducted Global System for Mobile (GSM) Quality of Service drive tests along major routes in JHB, Bloemfontein and Durban;
3. Engagement with the GSM operators to standardise "drive test" methodology;
4. Maintenance inspections of all ICASA monitoring stations nationwide;
5. Timeously issued spectrum and type approval authorisations for the FWC 2010 project;
6. GSM Quality of Service monitoring at FWC 2010 stadia; and
7. Continuous engagement with Tertiary and Research institutes and participation in relevant international and national fora.

**Consumer Affairs**
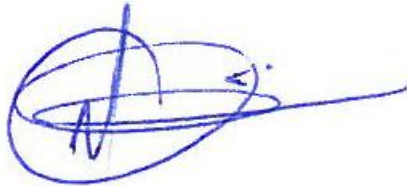
In terms of the mandate of Consumer Affairs, the following was achieved during the period under review:

1. An advocacy strategy was formulated and implemented;
2. Regular updating of the web site to assist consumers;
3. Consumer Representative Forums (CRFs) were established to assist in mainstreaming consumer protection in communities;
4. A National Campaign Strategy was formulated and implemented;
5. Public Awareness Campaign in respect of Complaints Handling Procedures through workshops, distribution of Complaints Handling Procedure pamphlets in eleven (11) languages, as well as the distribution of a Complaints Manual; and
6. The Authority hosted the National Summit for Persons with Disabilities.

Over and above ICASA's legislative mandate, the Authority has made significant contributions towards the Medium Term Strategic Framework (MTSF) development indicators (issued by: the Ministry in the Presidency: Planning July 2009), in particular, indicators 14, 15, 25, 59, 71, 72 and 75. The Authority's contribution has included ensuring full participation of HDIs, supporting persons with disabilities, detection rate - monitoring illegal operations and seizing of goods, and in terms of

good governance, the Authority has a whistle-blowing campaign, a declaration of interest and a code of conduct in place. Lastly, in terms of ease of doing business, the Authority's on-going licensing of operators and reduction of barriers to entry has enhanced promotion of competition.

The proposed way forward in contributing to Government Outcome 6 is outlined in the body of this document. However, a significant risk exists in terms of inadequate funding to carry out our mandate. The current shortfall is some 36% of budget.

Themba Dlamini

Chief Executive Officer
Independent Communications Authority of South Africa

## ICASA Organogram



Council and Executive
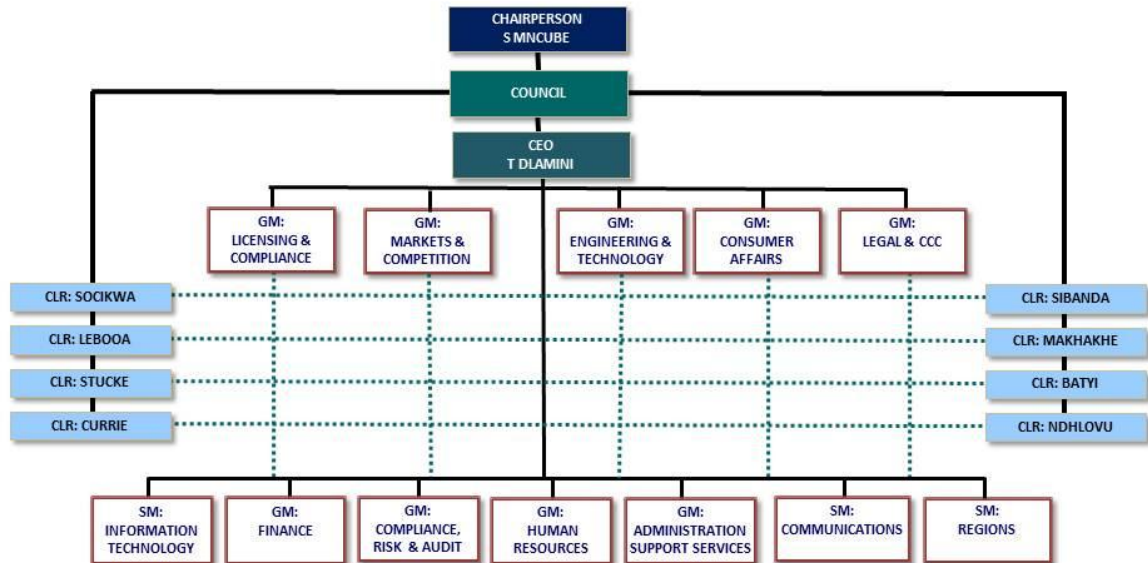
## Part A:       Strategic Overview

The Independent Communications Authority of South Africa (ICASA, the Authority) is a Chapter Nine Institution. It operates in terms of the Independent Communications Authority of South Africa Act, No 13 of 2000 (as amended) which provides for the continued existence of the Authority.

## 1.        Vision

To advance the building of a digital society.

## 2.        Mission statement

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

## 3.        Values

The corporate values governing the work of the Authority and its development include the following:

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

| | |
|---|---|
| Necessity | ICASA is committed to evidence-based regulation ensuring that regulation is only introduced where there is a demonstrable need.  The Authority furthermore intends 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 | ICASA is committed to achieving its identified goals and to delivery on its mandate, taking into account the impact of such decisions. |
| Proportionality | ICASA aims to impose obligations in an objective, transparent and proportionate manner, where intervention is necessary. |
| Transparency | ICASA strives 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 | ICASA is formally accountable to the Parliament of South Africa and, through the appeals system, to the courts.  ICASA remains conscious that it ultimately serves end-users. |
| Consistency | ICASA pursues its legal responsibility to ensure consistency in its 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, broadcasting, postal and communications services thereby making a difference to the lives of people in South Africa.

## 4.        Developments informing the new Corporate Strategy of ICASA

The Authority updates its three-year strategic plan on an annual basis. This is done by taking into consideration several inputs, such as a scan of important developments in the internal and external environment, an updated analysis of perceived strengths, weaknesses, opportunities and threats (SWOT), and engagement with internal and external stakeholders. Changes in the strategy may be caused by critical events in the external or internal environment, and will also be influenced by recommendations from institutional reviews or changes in leadership.

During 2010/2011, a number of strategy-critical developments, notably in the external environment, had an effect on the way in which the Authority presented its strategy, goals and performance objectives for 2011/2012 and beyond. The following provides an overview of important national policy developments that will impact on the work of the Authority:

- Following the fourth democratic elections in 2009, a strong emphasis on coordinated national planning, resource allocation and performance management was introduced. The Medium-Term Strategic Framework (MTSF) published in July 2009 identified key development challenges facing South Africa, as well as ten national priority areas for focused interventions. Strategic and business plans of government departments and public entities must outline their planned contributions towards the ten national priorities, so that plans, activities, budgets and implementation strategies are aligned across spheres and departments. The Authority's contributions towards addressing Government's twelve (12) Key Outcomes derived from these national priorities will be explicitly identified in its strategic plan.

- 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.

- In addressing Government's strategy for service delivery, the Authority has taken note of **Outcome 6, Building an Efficient, Competitive and Responsive Economic Infrastructure Network**, which emphasises increasing broadband penetration and the digital terrestrial television infrastructure rollout.  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.

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.

- **Focus on sustainability:** The global financial meltdown and associated economic downturn in South Africa had an impact on resources that are readily available for research. Financial targets set at strategic level 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 appropriate 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, will address the problems experienced in 2009/10 and will be easier to administer consistently across the organisation, this will accordingly be implemented during 2011/2012.

## 5. Strategic Objectives

ICASA's strategic priorities are linked to Government's Outcomes Based Approach.

### 1. Ensure effective participation by HDIs in the industry

Promote the empowerment of historically disadvantaged persons, including Black people, with particular attention to the needs of women, youth and persons with disabilities.

### 2. Ensure the provision of broadband services

All South Africans should have affordable access to reliable high speed broadband services. Regulatory policies must promote open access, technological neutrality and investment to ensure that broadband service providers have sufficient incentive to develop and offer broadband services as well as harness the capacities of the state in support of the provision of broadband services.

### 3. Optimise the use of the radio frequency spectrum to support the widest variety of services

Efficient and effective use of frequency spectrum promotes the growth and rapid deployment of innovative and efficient communications technologies and services.

### 4. Promote the protection of consumers and accessibility for persons with disabilities

Ensure the continued protection of consumers in the ICT and postal sectors, through advocacy and awareness raising programmes and a streamlined complaints handling system. Ensure the needs of persons with disabilities are provided for and that there is compliance by operators to meet their requirements.

### 5. Promote the development of public, community and commercial broadcasting services in the context of digital migration

ICASA will promote the development of public, commercial and community broadcasting services which are responsive to the needs of the public, competitive and diverse and which promote a plurality of news, views and information and provide a wide range of entertainment and educational programmes, a proportion of which are locally produced.

### 6. Ensure compliance with legislation and regulation

ICASA will advocate for compliance with applicable laws and regulation in South Africa. ICASA will also investigate and audit activities by licensed and unlicensed entities to ensure compliance.

**7.        Strengthen and modernise ICASA**

ICASA will be an efficient and highly productive regulator that maximises benefit to stakeholders, staff and management from effective systems, processes, resources and organisational culture. The Authority will promote internal and external service quality standards.

**8.        Promote competition**

Competition in the provision of electronic communications, postal and broadcasting services that supports the Nation's economy and the developmental goals of the Republic. The competitive framework should foster innovation and offer consumers a reliable, meaningful choice in affordable services.

## Part B:      Annual Performance Plan

| Strategic Objective (SO1) | | | Ensure effective participation by HDIs in the industry | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| Licensing & Compliance | 1 | Report on ownership trends and structures for 50% of all the licensees in the sector | Monitor ownership trends and audit ownership structures in the sector | Held public enquiry and drafted recommendations for the Minister | Publish final findings document | | Provide a framework for ownership and control trends in the sector. Publication and finalisation of the regulations on ECS and ECNS |
| | | | | Not Applicable | Audit Report on HDI Equity Ownership for 50% of ICASA licensees | Publish phase 11 report | Publish draft regulations. |
| | | | | Not Applicable | Draft recommendations to Minister on proposed changes to the ECA as required | Review regulations to align with amendments in the ECA | Publish final regulations |
| | 2 | Monitor impact of ownership structure on diversity of Broadcasting Services(BS) content | Ensure Licensing improves sector's HDI profile in the BS sector | Published Final Findings document | Conduct study on impact of ownership in the BS sector on  diversity of views | Publish draft regulations | Publish final regulations |

| Strategic Objective (SO1) | | | Ensure effective participation by HDIs in the industry | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| | 3 | Completed inquiry process on ownership by persons with disabilities, women and youth | Develop regulations that address the empowerment of the youth, women and persons with disabilities | Published Final Findings document | Conduct study on the status of empowerment of youth, women and persons with disabilities | | |
| | 4 | Documented Historically Disadvantaged Individuals(HDI) Compliance with regulations that are in place | Develop a long term HDI roll out plan | Published Final Findings document | Develop comprehensive compliance report on HDI | Publish a discussion document | Develop recommendations for Minister |

| Strategic Objective (SO2) | | | Ensure the provision of broadband services | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| Markets & Competition | 1 | By September 2011: Broadband Colloquium with Stakeholders | Regulatory Strategy For Broadband | Not applicable | Develop supply-side plan for broadband access and consult stakeholders through colloquium | Review Broadband strategy | Review Broadband strategy |

| Strategic Objective (SO2) | | | Ensure the provision of broadband services | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| | 2 | Establish an ICASA, Industry sector and nationwide broadband committee | Functional Joint working committee for broadband | Not applicable | Set up the nationwide committee jointly or independently with DOC | Regulatory response plan to facilitate investment in broadband networks | Implementation of regulatory response plan |
| | 3 | Finalise and publish Local Loop Unbundling ( LLU) framework by November 2011 | Published Local Loop Unbundling framework | Not applicable | Release of guideline under the ECFL regulations to facilitate leasing of the local loop, by 30 November 2011 | Monitor and review any ECFL agreements as per the ECFL regulations | Monitor and review any ECFL agreements as per the ECFL regulations |
| Engineering & Technology | 4 | By March 2012: Identify possible bands for additional 500 MHz spectrum for broadband wireless access | Report on Spectrum for Broadband | Not Applicable | Publish Findings document and hold an industry colloquium on additional spectrum for broadband wireless access | South African Position defined. Engage other countries on South African position on additional spectrum for broadband wireless access. | Position papers developed for ITU-R. |
| | | | | | | Assignment of broadband spectrum on request | Monitoring of spectrum use |
| Markets & Competition | 5 | Promote the sharing of infrastructure for the provision of broadband services | Framework for Infrastructure Sharing between licensees | Not applicable | Recommendations to enhance infrastructure sharing | Monitor infrastructure sharing arrangements | Monitor infrastructure sharing arrangements |

| Strategic Objective (SO2) | | | Ensure the provision of broadband services | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| | 6 | Improve coordination of infrastructure initiatives between Local and Provincial Governments, and the Broadband Inter-Governmental Implementation Committee | Framework for Co-ordinating Infrastructure Sharing at Local and Provincial Government levels | Not applicable | Identify existing infrastructure and key Government infrastructure rollout plans | Coherent (supply-side) network rollout plan for broadband (by Government stakeholders). Monitoring of infrastructure sharing | Monitor rollout of Government broadband infrastructure. Monitoring of infrastructure sharing |
| | 7 | Identify hindrances to broadband penetration and propose corrective measures | Reduced barriers for broadband penetration | Not applicable | Report on recommendations to remove barriers to network investment as well as incentives to facilitate investment in electronic communications infrastructure | Engage DoC/Got stakeholders on recommendations to reduce red tape to network rollout | Monitor progress in the removal of barriers to network investment |

| Strategic Objective (SO3) | | | Optimise the use of the radio frequency spectrum to support the widest variety of services | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| Engineering & Technology | 1 | Approval of the Radio Frequency Migration Strategy | Reviewed radio frequency plan and completed radio frequency migration strategy and plan by 31 March 2012. | The radio frequency plan was published without the frequency migration plan. | Publication of final frequency migration plan | Implementation Plan | Implementation Plan |
| | 2 | Published replanning of the broadcasting bands to optimise DTT. Formation of the Joint Spectrum Advisory Committee in terms of DTT Regulations. Public enquiry for reallocation of digital dividends | Managed implementation of the broadcasting frequency plan from analogue to digital migration. | DTT regulations, calling for the establishment of JSAC, were published in 2010. | Formation of the JSAC and three meetings to be held | Four meetings | Four meetings |
| | | | | The broadcasting frequency plan was published in November 2009. | Replanning of the UHF and VHF broadcasting bands and a discussion document on requirements and planning philosophy | Annual update of the broadcasting frequency plan | Annual update of the broadcasting frequency plan |
| | 3 | Licensing of All wireless broadband spectrum | All available spectrum for wireless broadband is assigned and utilised as a catalyst to country's broadband objectives. | Regulations on licensing of high demand bands published. | Licensing of the following bands: 790 - 862 MHz, 1880 - 1920 MHz, 2010 - 2025 MHz and 2500 - 2600 MHz.  Re-arranging the GSM900 band | Licensing framework for bands 3400 - 3600 MHz, 2300 - 2400 MHz and 450 - 470 MHz | Licensing framework for bands 3400 - 3600 MHz, 2300 - 2400 MHz and 450 - 470 MHz |
| | | | | | | Monitor deployment | Monitor deployment |

| Strategic Objective (SO3) | | | Optimise the use of the radio frequency spectrum to support the widest variety of services | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| | 4 | Development of a ten (10) year roadmap for spectrum | Colloquium on the future use of Spectrum | Not Applicable | Assessment and discussion document on current and future usage of wireless broadband spectrum | Approval and publication of a 10 year roadmap for spectrum | Implementation Plan |
| | 5 | Report on comprehensive usage of Spectrum | Completed Spectrum Audit | Five (5) Bands were audited; 161-167MHz, 167-173MHz, 2.3GHz, 2.5GHz and 3.6GHz | Report on usage of broadband wireless spectrum | Report on comprehensive usage of other spectrum that could be used for broadband | Report on comprehensive usage of other spectrum that could be used for broadband |
| | 6 | Development of Spectrum Assignment Dashboard | Ability to view spectrum assignment data | Evaluation process of end-to-end spectrum management software completed | Implementation of an end-to-end automated spectrum management system | Metrics for spectrum usage dashboard | Online application and approval of spectrum |

| Strategic Objective (SO4) | | | Promote the protection of consumers and accessibility for persons with disabilities | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| Consumer Affairs | 1 | Report on consumer satisfaction | Consumer satisfaction index | Not Applicable | Develop framework to measure consumer satisfaction | Conduct consumer satisfaction survey | Publish report and implement recommendations |

| Strategic Objective (SO4) | | | Promote the protection of consumers and accessibility for persons with disabilities | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| | 2 | Consumer programmes | Consumer Advocacy | 80 Consumer Outreach interventions | 100 Consumer outreach interventions. Report on Consumer Education and Information Outreach | 110 Consumer outreach interventions. Report on consumer outreach and advocacy | 121 Consumer outreach interventions. Consumer Education and Information |
| | 3 | Increase Accessibility initiatives for persons with disabilities. | Report on success of accessibility initiatives. | | Activity to commence in 2012/2013 | Monitor and produce 2 reports on accessibility for Persons with Disabilities | Monitor and produce 2 reports on accessibility for Persons with Disabilities |
| | 4 | Improved consumer complaints redress | Consumer complaints redressed within 30 days. | Not Applicable | Alternative Dispute Resolution Committee established | Develop schedule of 12 ADR Committee meetings to resolve consumer complaints | Develop schedule of 12 ADR Committee meetings to resolve consumer complaints |
| | | | | Resolved 68% of consumer complaints | 55 per cent of complaints redressed within 30 days. | 58% of complaints redressed | 60% of complaints redressed |

| Strategic Objective (SO4) | | | Promote the protection of consumers and accessibility for persons with disabilities | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| | 5 | Monitor and report Accessibility and QoS by licensees to Consumers | Monitor accessibility and the quality of service provided by licensees to consumers | | Activity to commence in 2012/2013 | Produce 2 Monitoring Reports | Produce 2 Monitoring Reports |
| | | | | | | Produce 2 Quality of Service reports | Produce 2 Quality of Service reports |
| | 6 | Engage the NCC on consumer protection matters | Conduct discussions with NCC | Not Applicable | Report on discussions with the NCC | Engagement with NCC on consumer matters - 4 reports | Engagement with NCC on consumer matters - 4 reports |
| | 7 | Ensure Compliance with Consumer Protection Regulations, including increasing accessibility initiatives for persons with disabilities | Prescribe Consumer Protection Regulations | Not Applicable | Review of the End - User and Subscriber Services Charter | Monitoring compliance with regulations and produce 2 reports | Monitoring compliance with regulations and produce 2 reports |
| | | | | Not Applicable | Review of the Code of Conduct for ECS and ECNS licensees | Monitoring compliance with regulations and produce 2 reports | Monitoring compliance with regulations and produce 2 reports |
| | | | | Not Applicable | Review of the Code on People with Disabilities | Monitoring compliance with regulations and produce 2 reports | Monitoring compliance with regulations and produce 2 reports |
| | | | | Not Applicable | Application and publication of Exemption in response to Consumer Protection Act | Publish Code of Practice for Metering and Billing accuracy | Implement Code of Practice for Metering and Billing accuracy |

| Strategic Objective (SO5) | | | Promote the development of public, community and commercial broadcasting services in the context of digital migration | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| Markets & Competition | 1 | Review of the existing regulatory frameworks/regime for broadcasting services (BS) and related policies to reflect the new evolving digital environment | Framework for Broadcasting in the Digital Era taking into account the three licence groups: public broadcasting; commercial broadcasting; community broadcasting. | Internal Findings Document and Final Regulatory Review Paper | Review of the existing regulatory frameworks/regime for broadcasting services and related policies to reflect the new evolving digital environment | Review of the existing regulatory frameworks/regime for broadcasting services and related policies to reflect the new evolving digital environment | Review of the existing regulatory frameworks/regime for broadcasting services and related policies to reflect the new evolving digital environment |
| | 2 | Review of Digital Dividend for allocation to identified services | Implementation of Digital Terrestrial Television and Digital Dividend Review | Draft Regulations | Review Digital Migration regulations | Completion of Digital Dividend Review and inclusion into spectrum assignment plans | |
| Licensing & Compliance | 3 | Promote diversity of broadcasting services | Licensing of additional TV services' | | Activity to commence in 2012/2013 | Publication of the ITA's | Licencing of additional free-to-air television broadcasting service and I-ECNS |
| Markets & Competition | 4 | Improvement in diversity and quality of local content | Report on status of local content | | | Conduct research into local television content | Research into local television, music and digital content |

| Strategic Objective (SO6) | | | Ensure compliance with legislation and regulation | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| & C d | 1 | Compliance | Publish a compliance | Draft Compliance | Publish the Compliance | Implementation of the | Review and prescription |

| Strategic Objective (SO6) | Ensure compliance with legislation and regulation | | | | | |
|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| | | procedure manual by June 2011 | framework for all licensees | Procedure Manual Regulations | Procedure Manual Regulations | regulations | of Compliance Procedure Manual |
| | | | | Not Applicable | Implement the Regulations and produce Annual Compliance Reports (See Item 5 below) | | |
| | | | | | Activity to commence in 2013/2014 | | Review and publish Compliance Procedure Manual Regulations |
| | 2 | Improve monitoring and compliance in the postal sector | Development of regulations on standard terms and conditions for unreserved postal services | | Activity to commence in 2012/2013 | Develop and publish Regulations | Implement the Regulations |
| | 3 | Improve monitoring and compliance in the communications sector | Review of regulations on standard terms and conditions, and processes and procedures regulations for class and individual licences, broadcasting services | | Activity to commence in 2012/2013 | Amend the Regulations | Implement the Regulations |
| | 4 | Publish Universal Service Access Obligations (USAO) framework document. Universal Service | Reviewed USAO framework and gazetted definition and list of under serviced areas. | Not Applicable | Finalise Findings document.   Access Gap study to be conducted in collaboration with USAASA and DoC prior to  publication of Section | Implement the amended regulations (section 88(2). Access gap study to be conducted in collaboration with USAAA and DoC Finalise | Review of the Regulations (section 88(2). Implementation of section 8(4) regulations. |

| Strategic Objective (SO6) | | | Ensure compliance with legislation and regulation | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| | | Access (USA) regulations. | | | 8 (4) Regulations | section 8(4) regulations. | |
| | 5 | Develop and publish annual compliance reports by March 2012 | Published report on compliance with legislation and regulations. Publish annual compliance reports. Report on party political broadcasts during Local/Provincial 2011 and National Government elections of 2014. | Monitoring ECNS/ECS: 8 Postal: 1 Broadcasting: 20 | 75% compliance by licensees through active and passive monitoring for ECS, ECNS, Broadcasting and Postal Services | 20 Annual Reports - ECNS/ECS; 11 Annual Reports - Postal; 45 Annual Reports - Broadcasting | 25 Annual Reports - ECNS/ECS; 15 Annual Reports - Postal; 50 Annual Reports - Broadcasting |
| | | | | Not Applicable | Produce 57 Annual Compliance Reports, including Local Government Elections | | Produce Compliance Report on Provincial and National Government Elections. |
| | | | | Not Applicable | Commence additional funding request to procure Broadcasting Monitoring Equipment | Procure Broadcasting and Postal Monitoring Equipment | Not Applicable |
| Markets & Competition | 6 | Enforcement of pro-competitive measures in line with regulatory/legislative requirements | Annual analysis report on Regulated Financial Reporting for specified services | | Activity to commence in 2012/2013 | Review of RFR for reserved postal services and call termination | Review of RFR for all defined services. |
| | 7 | Ensure compliance with numbering plan regulations to ensure that licensees utilize numbers efficiently and effectively | Annual audit report on number utilisation and implementation of corrective measures | Not Applicable | Annual Number Audit | Annual Number Audit | Annual Number Audit |

| Strategic Objective (SO6) | Ensure compliance with legislation and regulation | | | | | |
|---|---|---|---|---|---|---|
| **Division** · **No.** · **OUTPUTS** | **PERFORMANCE INDICATORS** | **Baseline 2010/2011** | **ANNUAL PLAN 2011/2012** | **ANNUAL PLAN 2012/2013** | **ANNUAL PLAN 2013/2014** | |

| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
|---|---|---|---|---|---|---|---|
| | 8 | Monitor implementation of IC and FL regulations | Review of IC and FL agreements done within timeframes. Report on status of interoperability of ECS/ECNS licensees, including interconnection and the leasing of electronic communications facilities | Not Applicable | Development and introduction of database for online submission and data storage. | Not Applicable | Not Applicable |
| | | | | Quarterly reports | Ninety percent (90%) of agreements processed within required timeframes | Ninety percent (90%) of agreements processed within required timeframes | Ninety percent (90%) of agreements processed within required timeframes |
| | | | | Not Applicable | Annual report on interoperability | Annual report on interoperability | Annual report on interoperability |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| Finance | 1 | Complete the proposed funding model and engage stakeholders (national treasury, DOC) | Established Self-funding model for ICASA | Activity based funding model finalised | New funding model finalised based on Activity Based Costing model, DoC directive and engagement with stakeholders | Seek approval from the DoC and National Treasury for the New funding model. Maintain budget module | New funding model implemented. Maintain budget module |
| Information Technology | 2 | Automated regulatory & business processes. Integrated management system | Integrated Management System for ICASA | | Activity to commence in 2012/2013 | Integrated end-to-end business process. Blueprint eCommerce. Update JDE | eCommerce Implemented. Maintain JDE |
| Information Technology | 3 | Automated regulatory & business processes. Integrated management system. | Integrated Management System for ICASA | Not Applicable | New Spectrum System Implemented over the next two financial years | Procurement of remaining modules and implementation. | Upgraded System |
| | | | | Not Applicable | Blueprint of CRM and HRIS Systems showing full integration with existing systems | CRM and HRIS System Implemented | Enhanced End User capacity for optimised application |
| Human Resources | 4 | Completed review and implementation of new organisational structure | Reviewed organisational structure to align with strategy | Phase 2 of Review completed, structure defined | 50% implementation of the Organisation Review Study | Complete remaining 30% of organisational review | Complete remaining 20% of organisational review. Assess impact of the organisational review process. |
| | | | | | Change management process | Build internal capacity for on-going organisational review and self-renewal | Enhanced capability for self-review and renewal |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| | | | | | | strategies | |
| | | | | | New Organisational Structure | Post implement review and support | |
| | | | | | Organisational readiness for transformation imperatives | Review of work processes for optimisation of resources | Enhanced operational efficiency and effectiveness |
| Human Resources | 5 | Complete organisation-wide skills audit and training program | Reviewed Skills pool aligned with strategy | Not Applicable | Report on competence gaps for core Divisions | Report of competency gaps for remaining Divisions | Annual competence gap analysis and skills audit |
| | | | | Not Applicable | Dual career pathing model implemented in core divisions | Dual career streams in remaining functions | Specialist career stream linked to talent retention framework |
| | | | | Not Applicable | Enhanced leadership competence and transformed organisational culture | Talent pipeline framework developed | Complete succession planning programme implemented |
| | | | | Enhancement of the Talent Management strategy and implementation plans | Approval of Talent Management (TM) and Development strategy. Internships and learnerships in core areas | Implementation of TM processes. International exchange research programmes and secondments | Talent exit strategy for knowledge and skills transfer. International exchange research programmes and secondments, external bursary and scheme to secure future talent |
| Legal | 6 | Publish RIA Reports | RIA frameworks | RIA training | Formulate RIA framework | Implement RIA framework | Publish RIA report for every regulation |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| Administration | 7 | Maximise value derived from resources / assets. | Quarterly report of the management of resources and assets. | Security systems in all offices were upgraded and improved. | 50% reduction in asset losses | Further 10% Reduction in asset losses | Further 10% Reduction in asset losses |
| Human Resources | | | | Reviewed PMS framework | Integrated PMS framework for ICASA | Integrate PMS across ICASA | Performance Management linked to succession and career pathing |
| Information Technology | | | | Master Systems Plan approved | Refresh IT technology and provide for growth to the business | Refresh IT technology and provide for growth to the business. Implement MSP | Refresh IT technology and provide for growth to the business. Implement MSP |
| Communications | 8 | Stakeholder satisfaction index | Improve stakeholder relations | | Activity to commence in 2012/2013 | Implementing intervention measures | Conduct annual stakeholder reputation survey |
| Administration | 9 | An economic rental location is identified and occupied | Relocate ICASA | Existing Head Office lease extended until 31 October 2011 | Extension of current Head Office lease. Engage stakeholders, Departments of Public Works and Communications and National Treasury on funding requirements to procure alternative accommodation | Head Office relocated. Existing Pinmill Farm offices restoration. | Plan for creation of regional offices in Polokwane and Mpumalanga. |
| Finance | 10 | Reviewed and strengthened financial & other internal controls. | Improved governance systems | Not Applicable | Management dashboard | Blueprint for automated dashboard | Dashboard automated |
| | | | | | Activity to commence in 2012/2013 | Enhanced financial systems | Enhanced financial systems |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| CEO | | | | Not Applicable | Improve Service level standards between Divisions | Service Level Standards implemented | Service Level Standards between divisions improved |
| Administration | | | | Records Management Program implemented | Compliance with ICASA's approved records management program | Compliance with ICASA's approved records management program | Compliance with ICASA's approved records management program |
| Compliance, Risk & Audit | | | | Not Applicable | Coherent Risk Management Strategy developed and implemented | Monitoring the Coherent Risk strategy | Review the Coherent Risk strategy |
| Communications | 11 | Contribute to industry knowledge management | Improved Stakeholder engagement and international relations. | Not Applicable | Develop and implement an engagement strategy with regulators and agencies | Maintain relations and co-operation with other regulators and agencies | Maintain relations and cooperation with other regulators and agencies |
| | | | | Not Applicable | Develop and implement an engagement strategy for improved access to information about ICASA's regulatory activities for external stakeholders | Improved access to information about ICASA's regulatory activities | Improved access to information about ICASA's regulatory activities |
| | | | | Not Applicable | Develop and implement an engagement strategy for an improved flow of information within the organisation | Improved flow of information within the organisation | Improved flow of information within the organisation |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| CEO | 12 | Regulations finalized and gazetted | All projects are aligned with project plans and timelines | Not Applicable | Develop and implement project management framework | Integrate with financial system and PMS | |
| Council | 13 | Effective participation of Councillors in Corporate Council committees | Ensuring governance | Not Applicable | Report on Committee work | Report on Committee work | Report on Committee work |
| Licensing & Compliance | 14 | Timeous Amendments and Transfers of ECNS, ECS and BS licences | Licence amendment and transfer applications considered within 120 days of receipt | Not applicable. | All received licence amendment and transfer applications considered within 120 days of receipt. | All received licence amendment and transfer applications considered within 120 days of receipt. | All received licence amendment and transfer applications considered within 120 days of receipt. |
| Licensing & Compliance | 15 | Timeous Registration of Class Broadcasting, ECS and ECNS Licences and Courier Services | Class licence registrations considered within 60 days of receipt. | Not applicable. | All Class ECS, ECNS, community sound broadcasting services and courier services licences , considered within 60 working days of receipt | All Class ECS, ECNS, community sound broadcasting services and courier services licences , considered within 60 working days of receipt | All Class ECS, ECNS, community sound broadcasting services and courier services licences , considered within 60 working days of receipt |
| Consumer Affairs | 16 | Centralised complaints management | Completed framework for centralising complaints handling to ensure the efficient and timeous resolution of all complaints received, implement the framework and monitor and evaluate the effectiveness of the process thereafter | Not Applicable | Develop framework for complaints handling | Centralise ECS, Broadcasting Services and Postal Service complaints | Monitor and Evaluate |

| Strategic Objective (SO8) | | | Promote competition | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| Markets & Competition | 1 | Determine the competitiveness of the Postal, BS & ECNS or any other market | Reports on the competitiveness of markets. | Draft internal document | Consultation on regulations governing the broadcasting signal distribution market. | Enforcement of any pro-competitive remedies identified | Enforcement of any pro-competitive remedies identified |
| | | | | Not Applicable | Discussion document on Market for provision of leased lines | Findings document and draft regulations governing market for provision of leased lines | Final regulations governing the market for provision of leased lines |
| | | | | Internal research conducted | Research Report to inform regulatory strategy towards premium content, including subscription broadcasting services | Discussion Document on regulations governing premium content, including subscription broadcasting services | Findings Document and draft regulations governing premium content, including subscription broadcasting services |
| | | | | Annual Report | Annual Review of retail prices of electronic communications services | Annual Review of retail prices of electronic communications services | Annual Review of retail prices of electronic communications services |
| Engineering & Technology | 2 | Targets set for new players having access to Spectrum | Ensure a fair spectrum distribution | Not applicable | Spectrum availability plans and targets for new players having access to broadband wireless spectrum | Withdraw unused spectrum from licensees | Report on licences issued |

| Strategic Objective (SO8) | | | Promote competition | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| Markets & Competition | 3 | Develop\Annual reports on aspects of the communications infrastructure | Increase network rollout and provide Government, industry and consumers with a clear indication of the state of health of the communications infrastructure | Not applicable | Report on existing networks and Colloquium on networks | National rollout plan Report on costing and network roll out plan | Report on spectrum |
| Licensing & Compliance | 4 | Promote diversity and choice of broadcasting services | Licensing of additional subscription television broadcasting service licences and Licensing of Individual ECNS licences for Self provisioning | Not applicable | ITA for Pay TV issued and ITA for I-ECNS for self-provisioning issued | Receipt of applications and consideration of applications. | Licences for pay TV issued and I-ECNS licences for self-provisioning issued |
| Licensing & Compliance | 5 | Promote diversity and choice of broadcasting services | Licensing of commercial Sound Broadcasting Service licence in Secondary Markets (Northern Cape, Free State and Eastern Cape) | Not applicable | Issue ITA for commercial sound broadcasting services | Receipt of applications and consideration of applications. | Licensing of additional commercial sound broadcasting services in Northern Cape, Free State and Eastern Cape. Conduct study for potential for new entrants in the provision of additional TV services |
| Markets & Competition | 6 | Efficient use of the numbering spectrum | Introduction of new Numbering Plan regulations and review of existing regulations affecting number allocation to foster competition | Draft Regulations | Finalisation of the Numbering Plan under the ECA by October 2011 | Implementation of the Numbering Plan | Implementation of the Numbering Plan |
| | | | | Carrier Preselect Regulations | Facilitate full implementation of Carrier Preselect regulations | Not Applicable | Not Applicable |

| Strategic Objective (SO8) | | | Promote competition | | | | |
|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | ANNUAL PLAN 2012/2013 | ANNUAL PLAN 2013/2014 |
| | | | | | Activity to commence in 2012/2013 | Review number portability regulations. | Final regulations by December 2013. Annual numbering reports. |
| | 7 | Promote and foster infrastructure sharing in the provision of postal services | Introduction of licensing framework for ETOEs and a regulatory framework to facilitate infrastructure sharing | Internal research conducted | Findings document on E-Post services and infrastructure sharing, including ETOEs. Regulatory framework for infrastructure sharing including ETOEs for efficient sharing of existing infrastructure | Findings document on the types of USOs required in the postal sector. | Review and recommendations to the Minister of Communications regarding exclusivity of reserved postal services |
| Markets & Competition | 8 | Sector intelligence reports, identifying changing trends in the ICT sector (broadcasting, postal and electronic communications) | Bi-annual reports on trends in the ICT sector | Not Applicable | Annual report | Annual report | Annual report |
| | 9 | Development of new pro-competitive remedies | Introduction of pro-competitive remedies to promote competition, e.g. Regulation of wholesale rates | Not Applicable | Remedies in line with market reviews | Remedies in line with market reviews | Remedies in line with market reviews |
| | | | | Call Termination Regulations released | RFR for Call Termination | | |

## Part C: Overview of 2011/2012 Budget and MTEF Estimates

| Administration and Projects costs | Audited outcome | | | Revised Estimate | Medium-term expenditure estimate | | |
|---|---|---|---|---|---|---|---|
| R 000 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
| Administration costs: | 203 549 | 231 609 | 243 969 | 266 965 | 293 539 | 309 636 | 329 390 |
| Programs/Projects: subtotal | 23 491 | 15 215 | 24 517 | 23 000 | 7 900 | 10 900 | 17 397 |
| Consumer Affairs | 5 849 | 3 110 | 5 022 | 1 000 | 1 800 | 2 100 | 3 563 |
| Licensing and Compliance | 3 956 | 4 119 | 3 441 | 3 500 | 1 000 | 1 500 | 2 442 |
| Markets and Competition | 9 375 | 4 311 | 1 809 | 6 300 | 2 000 | 3 500 | 1 284 |
| Engineering and Technology | 4 310 | 3 562 | 5 172 | 7 500 | 1 500 | 2 000 | 3 670 |
| Regions | 0 | 113 | 1 787 | 0 | 1 000 | 1 000 | 1 268 |
| Human Resources | 0 | 0 | 2 876 | 3 600 | 600 | 800 | 2 041 |
| Admin | 0 | 0 | 741 | 0 | 0 | 0 | 526 |
| Communication & Int'l Affairs | 0 | 0 | 196 | 0 | 0 | 0 | 139 |
| Information Technology | 0 | 0 | 2 056 | 0 | 0 | 0 | 1 459 |
| Finance | 0 | 0 | 1 416 | 1 100 | 0 | 0 | 1 005 |
| **Total  costs** | **227 040** | **246 824** | **268 486** | **289 965** | **301 439** | **320 536** | **346 787** |
| **Economic classification        R 000** | **2008/09** | **2009/10** | **2010/11** | **2011/12** | **2012/13** | **2013/14** | **2014/15** |
| Compensation of employees | 133 317 | 159 040 | 169 116 | 185 146 | 195 329 | 206 072 | 217 406 |
| Goods and services | 98 829 | 110 673 | 114 700 | 119 784 | 121 081 | 124 619 | 131 896 |
| Program / Projects | 23 491 | 15 215 | 24 517 | 23 000 | 7 900 | 10 900 | 17 397 |
| Payments for capital assets | 20 232 | 22 783 | 22 437 | 23 413 | 23 358 | 22 125 | 18 287 |
| **Total** | **275 870** | **307 711** | **330 770** | **351 343** | **347 668** | **363 716** | **384 986** |
| **Allocation from DoC** | **247 272** | **269 607** | **290 923** | **313 378** | **324 797** | **342 661** | **365 074** |
| **Surplus/(Deficit) excluding Interest received** | **(28 598)** | **(38 104)** | **(39 847)** | **(37 965)** | **(22 871)** | **(21 055)** | **(19 912)** |
| add back: Depreciation | 11 440 | (3 227) | 15 260 | 15 260 | 14 700 | 14 050 | 14 400 |
| add: Interest received and Other income | 19 342 | 15 607 | 5 955 | 6 000 | 6 170 | 5 005 | 5 512 |
| **Total Surplus/(Deficit) excluding Depreciation** | **2 184** | **(25 724)** | **(18 632)** | **(16 705)** | **(2 001)** | **(2 000)** | **0** |
| **Cash reserves** | **77 116** | **55 426** | **34 777** | **5 000** | **3 000** | **1 000** | **1 000** |

The deferred income which was accumulated through acquisition of assets was converted to retained income due to change in accounting policy.

This is being used to defray the deficit created by capital acquisitions

# 6. Finance commentary

## 6.1. Current expenditure

At the end of financial 2010/2011 the Authority will have spent 98% of its allocation. The focus of the activities is on monitoring compliance, developing the regulations that promote reduction of communication costs like Mobile Termination Rate, spectrum audit, consumer awareness particularly on persons with disabilities.

## 6.2. Expenditure trends

The authority derives its revenue from grant transferred from the Department of Communications. Revenue increased from R291 million to R313 million between 2011/2012 and 2011/2012 at an average annual increase of 8 per cent.

The growth in revenue will be used for an increase in staff costs which is 58% of total costs, rental cost which is 15% of total cost and the following projects, that is, development of broadband and spectrum strategy, implementation of wholesale access regime to promote effective sharing of existing infrastructure and increase in interoperability of networks, including local loop unbundling. This will further promote economic growth by licensing the commercial and community broadcasters, courier operators, electronic communication network and service operators and by implementing efficient allocation and management of spectrum.

Goods and services will decrease by 2% in 2010/2011 because of cost control. It will increase by 8% in 2011/2012 due to high increase in rental which has compromised the allocation to projects.

The Authority is using the interest accrued that it receives from favourable balance of ICASA's Main Account and National Revenue Fund which is being used to collect licence fees to augment the short fall of its allocation. The receipts from licence fees are being paid over to Department of Communication within 30 days after receipts. Accrued interest from favourable bank balances decrease as from 2010/2011 because of low interest rate.

The depreciation reduced in 2009/10 because the life span of assets was increase due to limited funds to replace assets. The depreciation will increase in 2010/2011 because of additional assets acquired for 2010 FIFA World Cup.

## 6.3. Savings and cost effectiveness measures

In an endeavour to realise savings, the Authority intends to relocate the head office to cheaper premises. This will result in savings of about R2 million per annum and a reduction of costs over MTEF that amounts to R6 million. The Authority also aims to reduce the international training costs by bringing international expertise for training purposes locally instead of sending its personnel overseas for training. This will result in saving of R500 000 per annum. The organisation is also starting to reap the savings on the investment made on Voice over IP (VoIP) which was implemented in the previous years. The saving that is being realised is R360 000 since the VoIP was started in the 2008/09 financial year.

The Authority is unlikely to achieve any of its objectives for the future if funding is not increased. The Authority needs to attract more funding to the organisation, in order to grow responsibly, and to meet its objectives.

Financial viability, good governance and risk management in the organisation

In order to ensure economic and financial sustainability of the Authority, it would be imperative to address the following:

Refining and implementing an appropriate financial model for allocating funds and recovering costs across the organisation, to help resolve issues linked to cash flow management, and uniform financial management and reporting requirements;

- obtaining sufficient levels of Parliamentary grant funding to maintain a 60:40 ratio between PG and external funding, thereby reducing the pressure on staff to earn external income;
- placing a limit on further growth of the total "permanent" staff complement (i.e. including staff appointed on contract for one year or longer);
- identifying innovative opportunities for more cost-effective research , including appropriate data management and data mining;
- ensuring strict adherence to all guidelines set by funding agencies, to avoid delays in payment or costly audit exercises;
- continuing to exercise prudent management of financial resources and strategic re-alignment of resources where necessary;
- providing support to identify opportunities for external funding and to develop capacity in the areas of grant application and grant management;
- endeavouring to develop new partnerships and joint proposals to secure large, multi-year research projects; and
- ensuring that King III recommendations are integrated into governance processes and are adhered to.

## 6.4. Institutional Arrangements

The Authority will be an efficient and highly productive regulator that maximises benefit to stakeholders, staff and management from effective systems, processes, resources and organisational culture. The Authority will 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 Department of Communications and National Treasury to address funding shortfalls for infrastructural support. These include funds for purchasing a new building, IT equipment and software support, as well as human and infrastructural requirements to support the monitoring and compliance mandate.

Increase the proportion of underrepresented groups in the middle management echelons of the Authority. Promote a culture of valuing diversity in all its forms within the ICASA community.

## 7. Overview of Risk Management

The realisation of the strategic objective requires skilled human capital which is contingent upon appropriate funding levels. If funding is not optimal, then the human resource capabilities to address this will be suboptimal resulting in a prolonged transformation of the ICT sector. The

adverse effect will be increasing inefficiencies (due to utilization of unskilled and inexperienced temporary staff).  In addition inability to compete fairly on the market for required calibre of critical and rare skills remains a risk to the achievement of desired levels of organisational effectiveness.

Organised labour's resistance against the performance management framework and perception of the practice as a means of distributing monetary incentive only is a risk to the successful institutionalisation of the Authority's performance monitoring process and compounds the Authority's human resource management efforts.

In order to mitigate such risk, the authority will invest in an effective organisational culture transformation programme which should be co-owned by all the key stakeholders and review its organisational structure to align it with the new strategy.

To avoid the funding risks, regular engagements will be entered into with the relevant stakeholders (for instance, the Department of Communications, Portfolio Committee on Communications, National Cabinet and National Treasury) in demonstrating the significance of appropriately funded mandates, and the outcomes thereof, through policy briefs, reviews and enhanced communications. Experience has shown that ultimately ICASA needs increased funding not less.

Furthermore, governing legislation such as the Electronic Communications Act, and ICASA Act are currently being reviewed, amendments therein may impact on the regulatory framework guiding the Authority. The Authority will submit comments to the policy maker timeously. Inevitable delays in litigation from numerous licences are also likely to slow down the Authority.  The Authority has increased its legal budget to address litigation.

## 7.1.    Risk attached to SO 1: Ensure Effective participation by HDI's

Following an extensive consultation process, the Authority has drafted recommendations pertaining to ownership and control issues for the attention of the Minister in the Department of Communications, The Authority may consequently not embark on further related regulatory work until the Minister responds to the said recommendations.   The regulatory framework applicable to ownership and control may also be affected by the amendments of the Electronic Communications and finalization of the ICT Charter. The Authority will be compelled to align its initiatives on this matter and review existing regulations.

## 7.2.    Risk attached to SO 2: Ensure Provision of Broadband Services

The Authority hopes to embark on consultation process to kick-start the implementation of the Broadband Policy published by the Department of Communications. Should consensus not be achieved within the allocated time the Authority may need to extend the consultation phase to ensure that all affected parties cooperate and gravitate towards a common goal. In order to minimise the impact of such risk, the Authority will develop a project plan in consultation with all relevant stakeholders to maximise commitment to timeframes.

## 7.3.    Risk attached to SO 3: Optimise the use of the radio frequency spectrum to support the widest variety of services

The review of the radio frequency plan in 2011/2012 will focus on frequency migration which, among other things, will facilitate the release of the spectrum for wireless broadband access. There is also a need to develop a ten (10) year roadmap on spectrum. These exercises require highly capable personnel with research capabilities and qualifications above the first degree. Currently there is a lack of competency to deliver at the right levels. Further there is no budget to recruit skills. There is also a need to procure end-to-end spectrum management software for planning and

implementing a spectrum assignment dashboard. The human resources and financial risks and the impacts are extensive since it would result in an inability to make available spectrum for broadband and for rural deployments. In order to mitigate or eliminate this risk it is imperative to engage with the Department of Communications and the Treasury.

The Authority needs to facilitate regional and international harmonisation and rationalisation in radio frequency planning, standardisations and equipment type approval. This objective is required for proper frequency planning and the ability to follow and influence international trends. Currently there is a lack of funding for participating in regional and international technical forums as well as engaging in research collaboration programs. In order to mitigate or eliminate this risk it is imperative to engage with the Department of Communications and the Treasury.

### 7.4. Risk attached to SO 4: Promote the protection of consumers and accessibility for persons with disabilities

Every citizen in South Africa has the right to quality of service (QoS) in terms of the provisions of the Electronic Communications Act. ICASA as a regulator is mandated by the law to ensure that consumers receive quality service as provided by ECS, ECNS and Postal services. This area of monitoring quality of service needs dedicated staff to perform that function. Currently there is no capacity to perform the function and the Division relies on the services of Temporary Monitoring Officers. Lack of budget to finance monitoring QoS will result in consumers receiving services whose standard is unacceptable. Increased capacity is requested in this regulatory function.

The Consumer Division receives thousands of consumer complaints annually. The complaints need to be redressed within 30 days in order to ensure consumer satisfaction. The Authority is currently using a manual system to capture, track and resolve complaints. The risk with a manual system is that complaints take longer to be resolved and the likelihood of alienating consumers as well as loosing manual files that is currently in place. An Electronic Complaints Management system is needed to assist with efficiency and effectiveness of resolving consumer complaints.

### 7.5. Risk attached to SO 5: Promote the development of public, community and commercial broadcasting services in the context of digital migration

The Authority recognises the need to support community broadcasters, however frequencies sought to meet the needs of these critical stakeholders is not always immediately available. The Authority will encourage the engineering unit to fast track radio frequency spectrum audit processes and procure the necessary software to ensure that a frequency dash-board is developed to highlight all available radio frequency spectrum in a transparent manner to all interested parties.

In addition, to ensure smooth implementation of the broadcasting frequency plan so as to facilitate migration to DTT, it is important to review the plan with a view to optimise it for DTT. This includes developing a rollout plan. These exercises require highly capable personnel with a lot of experience in executing large projects. Currently there is a lack of competency to deliver at the right levels. Further there is no budget to recruit skills. The human resources and financial risks and the impacts are huge since it would result in an inability to migrate terrestrial broadcasting from analogue to digital. In order to mitigate or eliminate this risk it is imperative to engage with the Department of Communications and the Treasury.

### 7.6. Risk attached to SO 6: Ensure Compliance with legislation and regulations

The legal division and Compliance unit have long expressed their challenges around capacity and funding issues. The Authority hopes that organisational change underway in this financial year will

create the correct number of vacancies and attract staff with the necessary qualifications and experience to increase the effectiveness of these crucial divisions.

## 7.7. Risk attached to SO 7: Strengthen and modernize ICASA

General Manager's five year contracts terminating without a succession plan pose a risk to the organisation.

The generic risk in the IT environment relates to the lack of proper security controls due to budget constraints, skills capabilities within the Unit to implement and maintain information security measures and sustain the availability of systems.

The Authority will endeavour to augment the skills set in the IT division and procure necessary software budget permitting.

The Authority is due to relocate ICASA Head Office to reduce rental costs. It is looking to rent with option to buy, however necessary approval processes lie outside the remit of the Authority and may delay implementation of the project plan. Concerted attempts will be made to ensure approval processes are fast-tracked.

The lack of broadcasting monitoring equipment is a major hindrance in terms of the effectiveness and efficiency of the Authority's statutory obligations.

## 7.8. Risk attached to SO 8: Promote competition

Incumbents do not readily accept legislation which seeks to reduce their hold on the market, and invariably use litigation to delay the implementation of regulations. The Authority will attempt to avert litigation where possible and embark on consultative processes before it publishes its regulations.

## Part D: Conclusion

The Corporate Strategy provides the blueprint for the Authority to carry out its mandated objectives, in the context of a national plan of work informed by priorities identified in the Medium Term Strategic Framework (MTSF).

The Business/Operational Plan for 2011/2012 will contain information on budgetary provision made to support selected performance targets. The organisation remains committed to its vision and value system, and will ensure that performance measures to demonstrate excellence, institutional accountability and on-going transformation remain in place. This plan, and proven performance against performance targets, may convince the National Treasury to provide increasing levels of financial support for the work of ICASA.

## Annexure A: Quarterly Targets: 2011/2012

Not Applicable – No historical data available.

| Strategic Objective (SO1) | | | Ensure effective participation by HDIs in the industry | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Licensing & Compliance | 1 | Report on ownership trends and structures for 50% of all the licensees in the sector | Monitor ownership trends and audit ownership structures in the sector | Held public enquiry and drafted recommendations for the Minister | Publish final findings document | Progress Report - Phase 1 | Progress Report - Phase 2 | Progress Report - Phase 3 | Publish final findings document |
| | | | | Not Applicable | Audit Report on HDI Equity Ownership for 50% of ICASA licensees | Progress Report - Phase 1 | Progress Report - Phase 2 | Progress Report - Phase 3 | Annual compliance report |
| | | | | Not Applicable | Draft recommendations to Minister on proposed changes to the ECA as required | Compiled final findings document | Draft recommendations to Minister on proposed changes to the ECA as required. Publish findings document | Project completed in Q2 | |
| | 2 | Monitor impact of ownership structure on diversity of Broadcasting Services(BS) content | Ensure Licensing improves sector's HDI profile in the BS sector | Published Final Findings document | Conduct study on impact of ownership in the BS sector on diversity of views | Progress Report - Phase 1 | Progress Report - Phase 2 | Progress Report - Phase 3 | Conduct study on impact of ownership in the BS sector on diversity of views |

| Strategic Objective (SO1) | | | Ensure effective participation by HDIs in the industry | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | 3 | Completed inquiry process on ownership by persons with disabilities, women and youth | Develop regulations that address the empowerment of the youth, women and persons with disabilities | Published Final Findings document | Conduct study on the status of empowerment of youth, women and persons with disabilities | Progress Report - Phase 1 | Progress Report - Phase 2 | Progress Report - Phase 3 | Conduct study on the status of empowerment of youth, women and persons with disabilities |
| | 4 | Documented Historically Disadvantaged Individuals(HDI) Compliance with regulations that are in place | Develop a long term HDI roll out plan | Published Final Findings document | Develop comprehensive compliance report on HDI | Progress Report - Phase 1 | Progress Report - Phase 2 | Progress Report - Phase 3 | Develop comprehensive compliance report on HDI |

| Strategic Objective (SO2) | | | Ensure the provision of broadband services | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Markets & Competition | 1 | By September 2011: Broadband Colloquium with Stakeholders | Regulatory Strategy For Broadband | Not applicable | Develop supply-side plan for broadband access and consult stakeholders through colloquium | Internal preparation | Distribution of network questionnaire. Colloquium with stakeholders | Engagement with licensees on data collection | Development of web-based map |

| Strategic Objective (SO2) | | | Ensure the provision of broadband services | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | 2 | Establish an ICASA, Industry sector and nationwide broadband committee | Functional Joint working committee for broadband | Not applicable | Set up the nationwide committee jointly or independently with DOC | Internal preparation | Engagement with licensees regarding supply side network capabilities | Establish nation-wide committee to address supply-side bottlenecks to network investment | Progress Report |
| | 3 | Finalise and publish Local Loop Unbundling ( LLU) framework by November 2011 | Published Local Loop Unbundling framework | Not applicable | Release of guideline under the ECFL regulations to facilitate leasing of the local loop, by 30 November 2011 | Release of Discussion document | Establish working groups on local loop unbundling. | Release of practice note on implementation of local loop unbundling | Implementation Plan Report |
| Engineering & Technology | 4 | By March 2012: Identify possible bands for additional 500 MHz spectrum for broadband wireless access | Report on Spectrum for Broadband | Not Applicable | Publish Findings document and hold an industry colloquium on additional spectrum for broadband wireless access | Internal preparation - Phase 1 | Internal preparation - Phase 2 | Issue White Paper on identified bands discussing motivation and scenarios. | Colloquium as part of a 10 year roadmap on spectrum |
| Markets & Competition | 5 | Promote the sharing of infrastructure for the provision of broadband services | Framework for Infrastructure Sharing between licensees | Not applicable | Recommendations to enhance infrastructure sharing | Review of obligation to lease facilities | Draft research report on types of facilities and co-location | Public consultation | Recommendations to Council to enhance infrastructure sharing to include both private sector and government |

| Strategic Objective (SO2) | | | Ensure the provision of broadband services | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | | | | | | | | | entities |
| | 6 | Improve coordination of infrastructure initiatives between Local and Provincial Governments, and the Broadband Inter-Governmental Implementation Committee | Framework for Co-ordinating Infrastructure Sharing at Local and Provincial Government levels | Not applicable | Identify existing infrastructure and key Government infrastructure rollout plans | | | | |
| | 7 | Identify hindrances to broadband penetration and propose corrective measures | Reduced barriers for broadband penetration | Not applicable | Report on recommendations to remove barriers to network investment as well as incentives to facilitate investment in electronic communications infrastructure | Engagement with FTTH Council/SALGA | Distribution of request for information from stakeholders | Analyse responses from stakeholders | Public hearings on bottlenecks to network deployment |

| Strategic Objective (SO3) | | | Optimise the use of the radio frequency spectrum to support the widest variety of services | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Engineering & Technology | 1 | Approval of the Radio Frequency Migration Strategy | Reviewed radio frequency plan and completed radio frequency migration strategy and plan by 31 March 2012. | The radio frequency plan was published without the frequency migration plan. | Publication of final frequency migration plan | Internal preparation - Phase 1 | Internal preparation - Phase 2. Procurement of service provider to assist with frequency migration strategy and plan | White Paper on frequency migration and public consultation | Publication of final frequency migration plan |
| | 2 | Published replanning of the broadcasting bands to optimise DTT. Formation of the Joint Spectrum Advisory Committee in terms of DTT Regulations. Public enquiry for reallocation of digital dividends | Managed implementation of the broadcasting frequency plan from analogue to digital migration. | DTT regulations, calling for the establishment of JSAC, were published in 2010. | Formation of the JSAC and three meetings to be held | Internal preparation | Formation of JSAC and first meeting. | Meeting of JSAC | Meeting of JSAC |
| | | | | The broadcasting frequency plan was published in November 2009. | Replanning of the UHF and VHF broadcasting bands and a discussion document on requirements and planning philosophy | Terms of reference developed | Appointment of a service provider to assist with DTT frequency planning | Draft broadcasting plan published for public consultation | Revised broadcasting plan published and implemented |

| Strategic Objective (SO3) | | Optimise the use of the radio frequency spectrum to support the widest variety of services | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | 3 | Licensing of All wireless broadband spectrum | All available spectrum for wireless broadband is assigned and utilised as a catalyst to country's broadband objectives. | Regulations on licensing of high demand bands published. | Licensing of the following bands: 790 - 862 MHz, 1880 - 1920 MHz, 2010 - 2025 MHz and 2500 - 2600 MHz.  Re-arranging the GSM900 band | Proposal on the licensing framework. | Finalisation of the licensing framework | Public consultation on licensing process. | Licensing of the bands. |
| | 4 | Development of a ten (10) year roadmap for spectrum | Colloquium on the future use of Spectrum | Not Applicable | Assessment and discussion document on current and future usage of wireless broadband spectrum | Internal preparation - Phase 1 | Internal preparation - Phase 2 | White Paper on 10 year roadmap on spectrum. | Colloquium on 10 year roadmap on spectrum. |
| | 5 | Report on comprehensive usage of Spectrum | Completed Spectrum Audit | Five (5) Bands were audited; 161-167MHz, 167-173MHz, 2.3GHz, 2.5GHz and 3.6GHz | Report on usage of broadband wireless spectrum | Publish 2010 report | Report on 450 - 453 MHz audit | Reports on 453-454 MHz and 454 -460 MHz audits | Reports on 463-464 MHz and 464 -470 MHz audits |
| | 6 | Development of Spectrum Assignment Dashboard | Ability to view spectrum assignment data | Evaluation process of end-to-end spectrum management software completed | Implementation of an end-to-end automated spectrum management system | Reassessment of terms of reference and debriefing | Procurement of basic modules for an end-to-end spectrum management software. | Implementation of the basic modules of the software. | Operational spectrum management system with basic modules |

| Strategic Objective (SO4) | | | Promote the protection of consumers and accessibility for persons with disabilities | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Consumer Affairs | 1 | Report on consumer satisfaction | Consumer satisfaction index | Not Applicable | Develop framework to measure consumer satisfaction | Gather information on development of the consumer satisfaction index | Benchmark study on framework development | Development of the framework | Finalisation of framework |
| | 2 | Consumer programmes | Consumer Advocacy | 80 Consumer Outreach interventions | 100 Consumer outreach interventions. Report on Consumer Education and Information Outreach | Strategic Frameworks developed for consumer outreach interventions for Q1 and Q2 | Strategic Frameworks developed for consumer outreach interventions for Q3 and Q4. 40 Consumer Outreach interventions | 30 Consumer Outreach interventions | 30 Consumer Outreach interventions |
| | 3 | Increase Accessibility initiatives for persons with disabilities. | Report on success of accessibility initiatives. | | Activity to commence in 2012/2013 | | | | |

| Strategic Objective (SO4) | | | Promote the protection of consumers and accessibility for persons with disabilities | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | 4 | Improved consumer complaints redress | Consumer complaints redressed within 30 days. | Not Applicable | Alternative Dispute Resolution Committee established | Conceptualisation of Alternative Dispute Resolution (ADR) Committee | Constitution of ADR Committee | Develop schedule of 3 ADR Committee meetings. Produce 1 progress report on ADR Committee complaints resolutions | Develop schedule of 3 ADR Committee meetings. Produce 1 progress report on ADR Committee complaints resolutions |
| | | | | Resolved 68% of consumer complaints | 55 per cent of complaints redressed within 30 days. | Resolve 55% of consumer complaints | Resolve 55% of consumer complaints | Resolve 55% of consumer complaints | Resolve 55% of consumer complaints |
| | 5 | Monitor and report Accessibility and QoS by licensees to Consumers | Monitor accessibility and the quality of service provided by licensees to consumers | | Activity to commence in 2012/2013 | | | | |
| | 6 | Engage the NCC on consumer protection matters | Conduct discussions with NCC | Not Applicable | Report on discussions with the NCC | Exemption Process on Consumer Protection Act | Exemption Process on Consumer Protection Act | Exemption Process on Consumer Protection Act | Engagement with NCC and produce Report |

| Strategic Objective (SO4) | | | | Promote the protection of consumers and accessibility for persons with disabilities | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | 7 | Ensure Compliance with Consumer Protection Regulations, including increasing accessibility initiatives for persons with disabilities | Prescribe Consumer Protection Regulations | Not Applicable | Review of the End - User and Subscriber Services Charter | Internal review of regulations to identify shortcomings | Establishment of Review Committee | Review End-User and Subscriber regulations | Publication of regulations |
| | | | | Not Applicable | Review of the Code of Conduct for ECS and ECNS licensees | Internal review of regulations to identify shortcomings | Establishment of Review Committee | Review Code of Conduct for ECS and ECNS licensees regulations | Publication of regulations |
| | | | | Not Applicable | Review of the Code on People with Disabilities | Internal review of regulations to identify shortcomings | Establishment of Review Committee | Review Code on People with Disabilities regulations | Publication of regulations |
| | | | | Not Applicable | Application and publication of Exemption in response to Consumer Protection Act | Public Consultations on Application for Exemption | Public consultations on Application for Exemption | Consolidation of inputs from public consultations | Publication of Exemption in response to Consumer Protection Act |

| Strategic Objective (SO5) | | Promote the development of public, community and commercial broadcasting services in the context of digital migration | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Markets & Competition | 1 | Review of the existing regulatory frameworks/regime for broadcasting services (BS) and related policies to reflect the new evolving digital environment | Framework for Broadcasting in the Digital Era taking into account the three licence groups: public broadcasting; commercial broadcasting; community broadcasting. | Internal Findings Document and Final Regulatory Review Paper | Review of the existing regulatory frameworks/regime for broadcasting services and related policies to reflect the new evolving digital environment | Research Preparation and Draft Research Report for the Issues Paper for public comments: 30 June 2011 | Release of discussion paper on a framework for broadcasting in the digital era: 30 September 2011 | Stakeholder engagement with public consultation/hearings and about 20 Provincial Visits/Workshops to engage on the Issues Paper: 31 December 2011 | Release of Final Regulatory Review Paper for broadcasting in the digital era: 31 March 2012 |
| | 2 | Review of Digital Dividend for allocation to identified services | Implementation of Digital Terrestrial Television and Digital Dividend Review | Draft Regulations | Review Digital Migration regulations | Review of 2010 Digital Migration Regulations. Reports on discussions and meetings with the Department of Communications and industry on the issues related to set-top boxes: 30 June 2011 | Consultation and regulation-making process with community TV broadcasters on DTT - Phase1 | Consultation and regulation-making process with community TV broadcasters on DTT- Phase 2 | Consultation and regulation-making process with community TV broadcasters on DTT - Phase 3 |

| Strategic Objective (SO5) | Promote the development of public, community and commercial broadcasting services in the context of digital migration | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Licensing & Compliance | 3 | Promote diversity of broadcasting services | Licensing of additional TV services' | | Activity to commence in 2012/2013 | | | |
| Markets & Competition | 4 | Improvement in diversity and quality of local content | Report on status of local content | | | | | |

| Strategic Objective (SO6) | Ensure compliance with legislation and regulation | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Licensing & Compliance | 1 | Compliance procedure manual by June 2011 | Publish a compliance framework for all licensees | Draft Compliance Procedure Manual Regulations | Publish the Compliance Procedure Manual Regulations | Analysis of submission on Draft Regulations. Compilation of Final Compliance Procedure Regulations | Publication of Final Compliance Manual Procedure Regulations. | Project completed in Q2 |

| Strategic Objective (SO6) | Ensure compliance with legislation and regulation | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | | | | Not Applicable | Implement the Regulations and produce Annual Compliance Reports (See Item 5 below) | Not Applicable (see Item 5 below) | | | |
| | | | | | | Activity to commence in 2013/2014 | | | |
| | 2 | Improve monitoring and compliance in the postal sector | Development of regulations on standard terms and conditions for unreserved postal services | | | Activity to commence in 2012/2013 | | | |
| | 3 | Improve monitoring and compliance in the communications sector | Review of regulations on standard terms and conditions, and processes and procedures regulations for class and individual licences, broadcasting services | | | Activity to commence in 2012/2013 | | | |

| Strategic Objective (SO6) | Ensure compliance with legislation and regulation | | | | | | |
|---|---|---|---|---|---|---|---|
| Division · No. · OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| **4** Publish Universal Service Access Obligations (USAO) framework document. Universal Service Access (USA) regulations. | Reviewed USAO framework and gazetted definition and list of under serviced areas. | Not Applicable | Finalise Findings document. Access Gap study to be conducted in collaboration with USAASA and DoC prior to publication of Section 8 (4) Regulations | Finalisation of USAO Review Findings Document. Finalisation of Under-Serviced Area Definition and Compilation of List of Under-Serviced areas | Publication of USAO Review Findings Document. Publication of draft Regulations on USA definition. | USAO Project Completed in Q2. Public hearings of USA definition. | USAO Project Completed in Q2. Publication of final section 88(2) Regulations. |
| **5** Develop and publish annual compliance reports by March 2012 | Published report on compliance with legislation and regulations. Publish annual compliance reports. Report on party political broadcasts during Local/Provincial 2011 and National Government elections of 2014. | Monitoring ECNS/ECS: 8 Postal: 1 Broadcasting: 20 | 75% compliance by licensees through active and passive monitoring for ECS, ECNS, Broadcasting and Postal Services | Progress Report - Phase 1 | Progress Report - Phase 2 | Progress Report - Phase 3 | 15 Annual Reports - ECNS/ECS; 2 Annual Reports - Postal; 40 Annual Reports - Broadcasting |
| | | Not Applicable | Produce 57 Annual Compliance Reports, including Local Government Elections | Monitor Local Government Elections coverage | Compliance report. | Project completed in Q2 | |

| Strategic Objective (SO6) | | | Ensure compliance with legislation and regulation | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | | | | Not Applicable | Commence additional funding request to procure Broadcasting Monitoring Equipment | Review of developed specifications | Commence additional funding request to procure Broadcasting and Postal Monitoring Equipment | Engage relevant stakeholders | Conclude additional funding request to procure Broadcasting and Postal Monitoring Equipment |
| Markets & Competition | 6 | Enforcement of pro-competitive measures in line with regulatory/legislative requirements | Annual analysis report on Regulated Financial Reporting for specified services | | | Activity to commence in 2012/2013 | | | |
| | 7 | Ensure compliance with numbering plan regulations to ensure that licensees utilize numbers efficiently and effectively | Annual audit report on number utilisation and implementation of corrective measures | Not Applicable | Annual Number Audit | Review of numbering audit data submitted by licensees in the previous financial year | Report on number audit findings | Report on the findings of the review of the numbering audit data | Issue retraction of number allocations to those licensees who fail to meet the stipulated number utilisation levels |

| Strategic Objective (SO6) | Ensure compliance with legislation and regulation | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | 8 | Monitor implementation of IC and FL regulations | Review of IC and FL agreements done within timeframes. Report on status of interoperability of ECS/ECNS licensees, including interconnection and the leasing of electronic communications facilities | Not Applicable | Development and introduction of database for online submission and data storage. | Development of a database | Invite internal and external stakeholders for testing. Go live online. | Continuous evaluation of functioning of database | Continuous evaluation of functioning of database |
| | | | | Quarterly reports | Ninety percent (90%) of agreements processed within required timeframes | Ninety percent (90%) of Interconnection and facilities leasing agreements processed within required timeframes | Ninety percent (90%) of Interconnection and facilities leasing agreements processed within required timeframes | Ninety percent (90%) of Interconnection and facilities leasing agreements processed within required timeframes | Ninety percent (90%) of Interconnection and facilities leasing agreements processed within required timeframes |
| | | | | Not Applicable | Annual report on interoperability | Quarterly report | Quarterly report | Quarterly report | Quarterly and Annual Report |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Finance | 1 | Complete the proposed funding model and engage stakeholders (national treasury, DOC) | Established Self-funding model for ICASA | Activity based funding model finalised | New funding model finalised based on Activity Based Costing model, DoC directive and engagement with stakeholders | Review of prior funding model frameworks | Develop the framework | Revise framework based on stakeholder engagement. | Develop budget based on approved funding model. |
| Information Technology | 2 | Automated regulatory & business processes. Integrated management system | Integrated Management System for ICASA | | | Activity to commence in 2012/2013 | | | |
| | 3 | Automated regulatory & business processes. Integrated management system. | Integrated Management System for ICASA | Not Applicable | New Spectrum System Implemented over the next two financial years | No procurement this period | Implementation of servers and databases | Implementation and review | |
| | | | | Not Applicable | Blueprint of CRM and HRIS Systems showing full integration with existing systems | Background research | Develop terms of reference | Blueprint (Plan) developed and approved | Issue tender and select software |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Human Resources | 4 | Completed review and implementation of new organisational structure | Reviewed organisational structure to align with strategy | Phase 2 of Review completed, structure defined | 50% implementation of the Organisation Review Study | Review recommendations of the structure review process | Consultation meetings with stakeholders | Turnaround strategy approved | Implement recommendations |
| | | | | | Change management process | Draft strategy | Develop a change management strategy and establish the facilitation structures | Draft implementation process | Facilitate implementation of the process |
| | | | | | New Organisational Structure | Review recommendations of the structure review process | Analyse the proposed structure for appropriateness and relevance to the mandate | Revised structure framework approved. Design jobs and produce revised/new job profiles and grade positions | Complete the population of the new structure |
| | | | | | Organisational readiness for transformation imperatives | Draft strategy for communication and consultation process | Facilitate communication and consultation process. Identify transformation agents and equip with skills | Develop alternative information sharing mechanism for effective engagement | On-going communication and consultation |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Human Resources | 5 | Complete organisation-wide skills audit and training program | Reviewed Skills pool aligned with strategy | Not Applicable | Report on competence gaps for core Divisions | Assessment of competency matrix | Review the competence matrix for the entire organisation. Revise job competence profiles | Skills audit to identify competency gaps | Enhance the talent development strategy for competencies |
| | | | | Not Applicable | Dual career pathing model implemented in core divisions | Run sensitization workshops | Consult with divisions that are prioritized | Implementation | Finalisation and review |
| | | | | Not Applicable | Enhanced leadership competence and transformed organisational culture | Assessment of framework | Framework Development. Contract with mentors and continue with internal capacity building | Council and Senior Managers' Executive Development Programme | Implementation support |
| | | | | Enhancement of the Talent Management strategy and implementation plans | Approval of Talent Management (TM) and Development strategy. Internships and learnerships in core areas | Draft strategy | Strategy Approved | Implementation | Implementation Review |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Legal | 6 | Publish RIA Reports | RIA frameworks | RIA training | Formulate RIA framework | Background research - Phase 1 | Background research - Phase 2 | Draft framework | Framework developed. |
| Administration | 7 | Maximise value derived from resources / assets. | Quarterly report of the management of resources and assets. | Security systems in all offices were upgraded and improved. | 50% reduction in asset losses | Maintenance of Security Systems | Conduct Threats and Risk Assessment on ICASA buildings | Implement, monitor and enforce compliance with security systems. | Implement, monitor and enforce compliance with security systems. |
| Human Resources | | | | Reviewed PMS framework | Integrated PMS framework for ICASA | Draft framework | Framework Approved | Implementation | Implementation and Review |
| Information Technology | | | | Master Systems Plan approved | Refresh IT technology and provide for growth to the business | Assessment of urgent laptop replacement requirements | Replace 16 out of warranty laptops and desktops | Replace 16 out of warranty laptops and desktops. Implementation of additional disk storage and tape library system. Implement MSP. | Implement web conferencing and enhance collaboration tools. Implement MSP. |
| Communications | 8 | Stakeholder satisfaction index | Improve stakeholder relations | | | Activity to commence in 2012/2013 | | | |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Administration | 9 | An economic rental location is identified and occupied | Relocate ICASA | Existing Head Office lease extended until 31 October 2011 | Extension of current Head Office lease. Engage stakeholders, Departments of Public Works and Communications and National Treasury on funding requirements to procure alternative accommodation | DPW's report on procurement process - Phase 1. Funding request submitted to DoC and National Treasury | DPW's on procurement process - Phase 2. Identification of service providers for relocation project | DPW's progress report on procurement process - Phase 3 | Planning process for the actual relocation of Head Office |
| Finance | 10 | Reviewed and strengthened financial & other internal controls. | Improved governance systems | Not Applicable | Management dashboard | Draft framework | Framework developed | Implementation and review | Implementation and review |
| | | | | | Activity to commence in 2012/2013 | | | | |
| CEO | | | | Not Applicable | Improve Service level standards between Divisions | Assessment of current business processes | Draft SLA agreements | SLA agreements signed | Implementation and review |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Administration | | | | Records Management Program implemented | Compliance with ICASA's approved records management program | Effective Information Management Systems: Identify database and File Plan Implementation | Preparation for implementation of EDRMS; File Plan Implementation and identify databases | Pilot: Implementation of EDRMS; File Plan Implementation and identify database | Monitor implementation and report |
| Compliance, Risk & Audit | | | | Not Applicable | Coherent Risk Management Strategy developed and implemented | Draft strategy | Risk strategy approved | Implementation and review | Implementation and review |
| Communications | 11 | Contribute to industry knowledge management | Improved Stakeholder engagement and international relations. | Not Applicable | Develop and implement an engagement strategy with regulators and agencies | Draft strategy | Strategy approved | Implementation and review | Implementation and review |
| | | | | Not Applicable | Develop and implement an engagement strategy for improved access to information about ICASA's regulatory activities for external stakeholders | Draft strategy | Strategy approved | Implementation and review | Implementation and review |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | | | | Not Applicable | Develop and implement an engagement strategy for an improved flow of information within the organisation | Draft strategy | Strategy approved | Implementation and review | Implementation and review |
| CEO | 12 | Regulations finalized and gazetted | All projects are aligned with project plans and timelines | Not Applicable | Develop and implement project management framework | Review of prior project management frameworks drafted | Draft framework | Strategy approved | Implementation and review |
| Council | 13 | Effective participation of Councillors in Corporate Council committees | Ensuring governance | Not Applicable | Report on Committee work | Quarterly report | Quarterly report | Quarterly report | Quarterly report |
| Licensing & Compliance | 14 | Timeous Amendments and Transfers of ECNS, ECS and BS licences | Licence amendment and transfer applications considered within 120 days of receipt | Not applicable. | All received licence amendment and transfer applications considered within 120 days of receipt. | 80% of applications for licence amendment and/ or transfer concluded within 120 days of receipt. | 80% of applications for licence amendment and/ or transfer concluded within 120 days of receipt. | 80% of applications for licence amendment and/ or transfer concluded within 120 days of receipt. | 80% of applications for licence amendment and/ or transfer concluded within 120 days of receipt. |

| Strategic Objective (SO7) | | | Strengthen and modernise ICASA | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | 15 | Timeous Registration of Class Broadcasting, ECS and ECNS Licences and Courier Services | Class licence registrations considered within 60 days of receipt. | Not applicable. | All Class ECS, ECNS, community sound broadcasting services and courier services licences , considered within 60 working days of receipt | All class licences and unreserved postal services registrations concluded within 60 days of receipt | All class licences and unreserved postal services registrations concluded within 60 days of receipt | All class licences and unreserved postal services registrations concluded within 60 days of receipt | All class licences and unreserved postal services registrations concluded within 60 days of receipt |
| Consumer Affairs | 16 | Centralised complaints management | Completed framework for centralising complaints handling to ensure the efficient and timeous resolution of all complaints received, implement the framework and monitor and evaluate the effectiveness of the process thereafter | Not Applicable | Develop framework for complaints handling | Conceptualisation of centralising complaints management process | Benchmark on centralisation of consumer complaints - Phase 1 | Benchmark on centralisation of consumer complaints - Phase 2 | Develop framework |

| Strategic Objective (SO8) | | | Promote competition | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Markets & Competition | 1 | Determine the competitiveness of the Postal, BS & ECNS or any other market | Reports on the competitiveness of markets. | Draft internal document | Consultation on regulations governing the broadcasting signal distribution market. | Release of discussion document on identified market | Assessment of written submissions | Public hearings on discussion document | Findings document and draft regulations |
| | | | | Not Applicable | Discussion document on Market for provision of leased lines | Release of questionnaire | Review of questionnaire submissions | Progress report on questionnaire and internal paper on market structure of leased lines | Research document on proposed action regarding leased lines |
| | | | | Internal research conducted | Research Report to inform regulatory strategy towards premium content, including subscription broadcasting services | Draft Research Document | Release questionnaire & analyse submissions | Analyse submissions | Internal discussion document on regulatory strategy towards premium content |
| | | | | Annual Report | Annual Review of retail prices of electronic communications services | Quarterly analysis report on retail tariffs | Quarterly analysis report on retail tariffs | Quarterly analysis report on retail tariffs | Quarterly analysis report on retail tariffs |

| Strategic Objective (SO8) | | | Promote competition | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Engineering & Technology | 2 | Targets set for new players having access to Spectrum | Ensure a fair spectrum distribution | Not applicable | Spectrum availability plans and targets for new players having access to broadband wireless spectrum | Proposal on the licensing framework. | Targets approved | Report on licences issued | Report on licences issued |
| Markets & Competition | 3 | Develop\Annual reports on aspects of the communications infrastructure | Increase network rollout and provide Government, industry and consumers with a clear indication of the state of health of the communications infrastructure | Not applicable | Report on existing networks and Colloquium on networks | Internal preparation on communications infrastructure | Engagement with licensees regarding supply side network capabilities | Evaluate network carrying capacity (volume) of existing networks | Report on state of health of existing networks and colloquium on networks |
| Licensing & Compliance | 4 | Promote diversity and choice of broadcasting services | Licensing of additional subscription television broadcasting service licences and Licensing of Individual ECNS licences for Self provisioning | Not applicable | ITA for Pay TV issued and ITA for I-ECNS for self-provisioning issued | Submission to Minister on self-provisioning of broadcasters | Draft ITA | Issuance of the ITAs for a period of six to nine months. | Project completed in Q3 |

| Strategic Objective (SO8) | | | Promote competition | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| Licensing & Compliance | 5 | Promote diversity and choice of broadcasting services | Licensing of commercial Sound Broadcasting Service licence in Secondary Markets (Northern Cape, Free State and Eastern Cape) | Not applicable | Issue ITA for commercial sound broadcasting services | Engagement with internal stakeholders | Draft ITA | Issuance of the ITAs for a period of six to nine months. | Project completed in Q3 |
| Markets & Competition | 6 | Efficient use of the numbering spectrum | Introduction of new Numbering Plan regulations and review of existing regulations affecting number allocation to foster competition | Draft Regulations | Finalisation of the Numbering Plan under the ECA by October 2011 | Review of existing regulations | Draft framework for fees and charges | Public hearings | Publication of Final regulations |
| | | | | Carrier Preselect Regulations | Facilitate full implementation of Carrier Preselect regulations | Draft implementation framework | Publication of implementation framework and final regulations | Project completed in Q2 | |
| | | | | | Activity to commence in 2012/2013 | | | | |

| Strategic Objective (SO8) | | | Promote competition | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Division | No. | OUTPUTS | PERFORMANCE INDICATORS | Baseline 2010/2011 | ANNUAL PLAN 2011/2012 | Q1 2011/2012 | Q2 2011/2012 | Q3 2011/2012 | Q4 2011/2012 |
| | 7 | Promote and foster infrastructure sharing in the provision of postal services | Introduction of licensing framework for ETOEs and a regulatory framework to facilitate infrastructure sharing | Internal research conducted | Findings document on E-Post services and infrastructure sharing, including ETOEs. Regulatory framework for infrastructure sharing including ETOEs for efficient sharing of existing infrastructure | Drafting of discussion document for ETOEs. Internal research on E-Post and analysis on infrastructure sharing | Public consultation and Hearings for ETOEs. Internal research on E-Post. Engagement with SAPO on infrastructure sharing | Assessment of written submissions and issue report on ETOEs. Publication of discussion document on E-Post. Update progress report on infrastructure sharing | Regulatory framework for Extra-territorial offices of exchange (ETOEs). Receipt and evaluation of written submissions and issue progress report. Issue Research report on infrastructure sharing |
| Markets & Competition | 8 | Sector intelligence reports, identifying changing trends in the ICT sector (broadcasting, postal and electronic communications) | Bi-annual reports on trends in the ICT sector | Not Applicable | Annual report | Development of data collation system | Development of data collation system | Collation of data | First report |

| Strategic Objective (SO8) | | | Promote competition | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Division** | **No.** | **OUTPUTS** | **PERFORMANCE INDICATORS** | **Baseline 2010/2011** | **ANNUAL PLAN 2011/2012** | **Q1 2011/2012** | **Q2 2011/2012** | **Q3 2011/2012** | **Q4 2011/2012** |
| | 9 | Development of new pro-competitive remedies | Introduction of pro-competitive remedies to promote competition, e.g. Regulation of wholesale rates | Not Applicable | Remedies in line with market reviews | Appointment of service provider & reconstitution of Committee | Preliminary meetings with the service provider and inception report | Development of pricing model and engagement with operators | Publication of draft regulations |
| | | | | Call Termination Regulations released | RFR for Call Termination | | | | |

## Annexure B: Abbreviations and Acronyms

BS – Broadcasting Service
CAP – Consumer Advisory Panel
CCC – Compliance and Complaints Committee
C-ECNS – Class Electronic Communications Network Service
CEO – Chief Executive Officer
CFO – Chief Financial Officer
CRASA – Communications Regulatory Association of Southern Africa
CRF – Consumer Representative Forum
CRM – Customer Relations Management
CTC – Cost to Company
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
EXCO – Executive Committee
FL – Facilities Leasing
FWC 2010 – FIFA World Cup 2010
GSM – Global Systems Mobile
HDI – Historically Disadvantaged Individuals
HRIS – Human Resources Information Systems
IBA – Independent Broadcasting Authority
IC – Interconnectivity
ICASA – Independent Communications Authority of South Africa
ICASA Act – The Independent Communications Authority of South Africa Act of 2000
I-ECNS – Individual Electronic Communications Network Service
ITC – Information Technology and Communications
ITU – International Telecommunications Union
ITU – International Telecommunications Union
MDDA – Media Development and Diversity Agency
MTEF – Medium-Term Expenditure Framework
MTSF – Medium-Term Strategic Framework
NARSA – National Archives Registry of South Africa
NCC – National Consumer Commission
NERSA – National Electricity Regulator of South Africa
OHS – Occupational Health and Safety
PAJA – The Promotion of Administration Justice Act, No 3 of 2000
PMS – Performance management System
QoS – quality of service
RFR – Regulated Financial Reporting
RIA – Regulatory Impact Assessment
SABC – South African Broadcasting Authority
SALGA – South African Local Government Association
SAPO – South African Post Office
SAPRA – Southern Africa Postal Regulatory Association
SATRA – South African Telecommunications Regulatory Authority
SWOT – Strengths, Weaknesses, Opportunities and Threats
USA – Universal Service Access
USAASA – Universal Service Access Authority of South Africa
USAO – Universal Service Access Obligations
VoIP – Voice over Internet Protocol