



MINISTRY
COMMUNICATIONS AND DIGITAL TECHNOLOGIES
REPUBLIC OF SOUTH AFRICA

**SPEECH BY THE MINISTER COMMUNICATIONS AND
DIGITAL TECHNOLOGIES,
MONDLI GUNGUBELE (MP), DURING 30-YEAR
CELEBRATION OF THE ICT INDUSTRY IN
SOUTH AFRICA, SANDTON, JOHANNESBURG,
26 APRIL 2024**

Programme Director,

DCDT Deputy Minister; Mr Philly Mapulane

Members of Cabinet and Parliament present

DCDT Director-General; former Directors-General and Senior Government Officials

Captains of Industry

Social Partners: from private sector, Academia, and NGOs

Distinguished guests

Members of the media,

Ladies and Gentlemen,All Protocol Observed

It is my pleasure to grace this monumental occasion with you as our country commemorates 30 years of a thriving Information and Communications Technologies (ICTs) industry.

As someone who has lived through many decades, I reflect on 1994 South Africa – a vast difference to the South Africa we witness today. In 1994 - at the cliff of our democracy - the ruling party took a commitment to create a South Africa which all humanity will be proud of.

The ICTs sector has certainly been a committed partner in a drive to achieve those aspirations.

I recall a society, where ICTs, ICT tools and handsets were in the hands of select LSM brackets. If you travelled to my hometown of eNgcobo, the selected groups were business owners, urban residents, and priests.

Those in the rural outskirts would have to move to banks of the town to receive telephone coverage and connect to the world.

It was a similar disposition for broadcasting services. Whilst coverage reached all, not all households had devices. Little did those who were deprived know that come 10 pm that enjoyment would be switched off until 6am the following morning.

The postman would visit your area once every two weeks if you were within reach. Computers were only seen in offices of important people and government.

But that hardship was soon erased - thanks to the commitment and partnership of our sector.

Our Government took a decisive stand to create a South Africa and an ICT industry that can thrive beyond this fragmentation and ensure that the majority of South Africans have equal access to ICT services.

Allow me, distinguished guests, and social partners to reflect briefly on the journey:

THE BROADCAST INDUSTRY AND ITS ROLE IN SOCIAL COHENSION

The South African Broadcasting Industry took a decisive stand to change the idea that the SABC served the purpose of reinforcing white supremacy, tribalism, and ethnic chauvinism.

The SABC prior to 1994 was so central to the apartheid design that the Boeder Bond's headquarters were situated at the offices of the SABC. There were no other broadcasters allowed to broadcast and it was no coincidence that the SABC was referred to as "His Master's voice".

In the advent of democracy, a decision was taken to establish an independent broadcasting regulator to see to the establishment of a democratic broadcasting system that is not controlled by government. The Independent Broadcasting Act (IBA) enacted in 1993 provided for the establishment of an Authority to regulate broadcasting in the public interest and function wholly

independent of the state, governmental and party-political influences. The IBA came into being shortly after the first democratic elections.

Since then, there have been many major legislative developments, including the Broadcasting Act of 1999.

The IBA merged with the South African Telecommunications Authority in June 2000 to establish a unified authority to regulate broadcasting and telecommunications in South Africa. The Independent Communications Authority Act (2000) was promulgated to affect this amalgamation of what had existed as two separate authorities.

There were other legislative developments to facilitate the convergence of technologies and to give more power to the regulatory authority in the light of technological changes.

The Electronic Communications Act (2005) and the ICASA Amendment Act (2006) introduced a holistic approach to enforcement and compliance structures and regulations.

Today we reflect on a transformed SABC:

- The SABC is the only broadcaster today that uses all official languages, plus sign and San languages to reach ordinary South Africans.
- The SABC has the largest newsroom in Southern Africa, which has covered democratic elections since 1994. The newsroom machinery is equipped to provide wall to wall coverage of major events, and we remain confident that it will adequately carry out the coverage of the coming general elections with fairness and distinguished objectivity. SABC will be providing extensive coverage on all platforms, linear TV (Free to air and satellite) and radio, the OTT platform SABC Plus and other digital platforms, targeting the young voters.
- I would like to congratulate the public broadcaster on the launch of SABC Plus, the OTT streaming platform. This application allows audiences to access SABC content from any device, anywhere, anytime. I'm certain that millions of viewers and listeners are excited that they can now access SABC content such as SABC news, sport, current affairs, and general entertainment in a multiplatform environment across all languages.

Beyond the SABC, our government has also created an atmosphere that encourages competition in the industry through the following:

- The licensing of a free-to-air television services like ETV to compete with the SABC. There are currently 4 free-to-air television licenses operational.

- The licensing of new commercial radio stations like East Coast Radio, Jacaranda and Radio Highveld to serve big cities and to compete with the SABC to address empowerment, diversity and access in the sector. Commercial radio station licenses operational today is at 27, with another 15 Public Broadcasting Radio Licenses.
- The licensing of community radio stations throughout the country. By 2024, we have 210 community radio stations licensed.
- The restructuring of SENTECH, which was an internal signal arm of the SABC, into an independent company providing technical support to all broadcasters.
- The Digital TV broadcast network rollout began in 2008 and was commissioned 2014. Today we have completed the Broadcasting Digital Migration (BDM) and Analogue Switch Off (ASO) to allow for more spectrum release.
- We have freed the spectrum above 700MHz which enabled the availability of the high-demand spectrum for licensing by ICASA and subsequent utilization by mobile operators. It is that spectrum that will connect the public institutions and deploy 4G and 5G throughout our country.
- The second step in this process will be to temporarily accommodate some of the services to below 694MHz and the final analogue switch-off by 31 December 2024. In the meantime, we are continuing to install set-top boxes for outstanding households.
- The Audio-Visual Media Services and Online Content White Paper is in final stages of being tabled. This instrument will ensure that we empower communities and citizens to participate actively in creating content, owning content, and sharing that content with the rest of the world.

ON THE TELECOMMUNICATIONS INDUSTRY AND THEIR IMMENSE ROLE IN CONNECTING SOUTH AFRICANS AND CONNECTING SOUTH AFRICA TO THE WORLD

I think all of you are familiar with the Telkom advert of “Molo Mhlobo wam”. As fascinating as it was to watch, from the luxury of our metropolitan life, it was the daily reality of many in rural communities. There were households that did not know a telephone landline, nor have the privilege of the Motorola or Nokia cellular phone. The country was at peak of digital divide.

The development in technology in the form on telecommunications came at a time when our democracy was dawning. It gave this young democratic government the opportunity to mould this industry in a way that reflected our constitutional values and desires of our people.

As such, in 1993, MTN and Vodacom were granted licenses to operate as Mobile Network Operators, and in 1996 the Telecommunications Act was promulgated – setting the stage for a thriving and competitive industry.

Following licensing, Vodacom and MTN launched commercially in 1994. Three decades later mobile penetration has grown to 193 active SIMs per 100 of the population, as at year-end 2023. The mobile partners have truly walked this journey with us, true to their commitment of connecting everyone!

A third Mobile Network Operator was licensed in 2001 and a Second National Operator in 2005, further stimulating private sector infrastructure investment to drive the economy and create jobs.

In 2005 the Electronic Communications Act was promulgated, which consolidated and redefined the landscape of telecommunications licensing in South Africa.

The publication of South Africa Connect, South Africa's Broadband Policy in December 2013 set the scene for massification of broadband network deployment and connecting rural and under-served areas.

According to StatsSA's 2022 household survey, the overwhelming majority (96%) of households in the country owned a cellphone in 2022.

With 113 million active SIMs in 2022 and with 18.5 million households, this calculates to an average of 5.5 active SIMs per household including those in cellphones, tablets and Mobile Routers. We are now a nation that not only proud of, but an envy to many!

Icasa reported that, in 2022, 70% of active mobile cellular SIMs were in smartphones, and by end 2023 this figure was 72%, according to BMIT analysis.

To further ensure access and services, in terms of the Telecommunications Act of 1996 the following policy initiatives were implemented:

- Universal Service Agency (now USAASA) established to rollout rural connectivity in partnership with the sector, Universal Service Fund, and Universal service obligation on Telcos.

According ICASA State of the ICT Sector Report of South Africa 2024, in 2023, the telecommunications sector saw a modest uptick in revenue, which increased by 0.07% from R208.1 billion in 2022 to R208.2 billion. This slight rise was driven by total fixed internet and data revenue that showed a growth of 45.85% in 2023.

- We have 8 submarine cables on the east and west coast, with more expected to be launched. This investment bolsters us from the damning internet outages.
- We have over 36 data centres in the country – and we are leading the continent with the greatest number of Tier-4 data centres.
- We are number 10 globally on internet traffic, and once again having the greatest number of internet exchange points.

South Africa, at the doorstep of 30 years celebration, reflects a country made of men and women of this ICT sector who worked endlessly to making us World-Class digital economy.

I WILL NOT FORGET THE ROLE PLAYED BY THE POSTAL SECTOR IN REACHING ALL

Prior to 1994, the Postal Services were monopolised. As I said earlier, you saw the postman visiting your village once or twice in month. And of course there was great interest to know who was getting that post.

This was until 1996 when the White Paper on Telecommunications was passed to promote competition, expanding access to telecommunications services, and ensuring affordability. Furthermore, it also outlined policy imperatives related to licensing regime, infrastructure development, and service provision.

In 1998, the White Paper on Postal Policy was also passed and focused more on transforming the sector and was then followed by postal Service Act of 124 of 1998.

Since then, our government introduced several versatilities to the organisation by announcing the following services

- Motor-vehicle licence renewal in partnership with the Department of Transport.
- The SA Post Office cooperated with the Independent Electoral Commission to verify addresses of citizens on the voters' roll, including those in informal settlements. Furthermore, from 1999 SAPO rolled out about 16 338 789 physical addresses (excluding paid post boxes) through the 'Address Expansion' Project.
- SAPO initiated a network of retail outlets optimization programme which aims to streamline the network ensure long term sustainability and profitability through amalgamations of offices. According to ICASA, the SA Post Office Retail Outlet footprint as of 31 March 2023 comprised of 1 451 points of presence, of which 1 069 are conventional type Post Offices and 382 Retail Post Office Agencies.

With the current challenges SAPO is experiencing, we consider it a success that we spared no effort to keep doors open. With the SAPO's Business Rescue Plan now well underway, we are in continuous engagements with labour working tirelessly to ensure a smooth transition towards some of the proposals of rescuing the business and keeping jobs.

The South African Post Office (SAPO) remains fully operational and committed to delivering essential services. Despite the current challenges, the public can still expect to receive their letter posts, courier packages, renew their vehicle licenses and receive their chronic medication through SAPO.

With the evolution of technologies, some amongst us still miss the old love letter sent via the postman. We are certain that the journey into the future, will also find innovative solution on how that love letter can still reach you through human form.

We remain Committed to MEANINGFUL CONNECTIVITY FOR ALL

In 2016, Cabinet approved the National Integrated ICT Policy White Paper that outlines the overarching policy framework for the transformation of South Africa into an inclusive and innovative digital and knowledge society.

Among many other offerings, the policy allows for interventions to reinforce fair competition and facilitate innovation in the converged environment; policies to protect the open Internet; policies to address the digital divide and new approaches to addressing supply-side issues and infrastructure rollout including managing scarce resources.

We endeavour to correct the inequalities of our past by ensuring that internet connectivity and all its potential benefits is rolled out across the South Africa, even the far-flung areas.

Through our flagship programme, SA Connect, villages and townships are afforded a financially inclusive option to stay connected through rates of R5 a day per 1 Gig, and as little as R250 a month on an unlimited package.

We are dedicated to bridging the digital divide by providing Wi-Fi access to communities, ensuring universal access to the internet and creating jobs while doing it. This year, we have connected over 74 000 households to the internet enabled by the installation of over 4000 Wi-Fi hotspots.

Going forward, we aim to cover rural and township areas by:

- 1.5 million households connections enabled by 8415 Wi-Fi hotspots by December 2024;

- 5.5 million households connected via 32055 Wi-Fi hotspots in the next 3 to 4 years;
- Beyond this infrastructure investment in communities at large, we have also focused our attention on enabling learners in rural schools to be connected to the internet and are equipped with skills to ready them for the future through SITA Cyber Labs – a privilege previously reserved for urban schools.

We have so far launched these smart schools in KwaZulu Natal, Limpopo, Eastern Cape and the North West and Northern Cape provinces, with more yet to be established in other parts of the country.

I am reminded of our First Democratically elected President, at his inauguration, he said “The time to build is upon us. We have, at last, achieved our political emancipation. We pledge ourselves to liberate all our people from the continuing bondage of poverty, deprivation, suffering, gender, and other discrimination.”,

To build a digital society, we must empower our nation with SKILLS DEVELOPMENT

The apartheid government also used education as a tool to deepen inequality and the disparities that kept black people from fully participating in the economy. While our government has made significant strides towards lifting the standards of education for all, and ensuring the increase in literacy levels, the advances of technology have presented us with a different target – digital literacy.

In a world fast changing in its interactions, ways it conducts trade and the factors of the digital economy, digital literacy has become indispensable.

In preparing our youth who are the future inheritors of digital transformation and the digital economy, we recently launched the national Digital Skills Forum (DSF) made up of academia and captains of industry, entrusted with ensuring that the wishes of the framework are manifested.

As part of the implementation of this National Digital and Future Skills Strategy:

- Our department partnered with NEMISA to launch what we call the Ya Rona Digital Skills Programme, which is a “Digital Skills Massification Drive” that empowers youth in particular and offer them an opportunity to become Digital Skills Ambassadors to train their communities in digital skills.
- The programme has been successfully rolled out in the North West, Kwa Zulu- Natal, Limpopo and Free State provinces. It is currently underway in the Eastern Cape province and is intended to be rolled out to all provinces in South Africa. To date, over 20, 000 citizens

in these provinces have been successfully trained by ambassadors on basic digital literacy concepts.

In closing ladies and gentlemen,

We have arrived at a peak of the mountain after hiking it for the past three decades, and as we take in the short reprieve that this commemoration provides us, we must not lose sight of appreciating the achievements that we have made.

In molding this sector, this government has built the ICT industry to one that plays a critical role in our development and economic growth. With a market estimated at R320 billion, we have created thousands of jobs and seen to the advancement of major infrastructure development.

With the foundation and trajectory set by this government, we are confident that the next 30 years will see even more growth for this industry.

As I take my seat, allow me to give our greatest appreciation to you members of ICT industry, for the immense role you played in building this economy and empowering our people. A commitment like this, only comes from true patriots, sons, and daughters of the soil. To us in government, it says: you are walking this path with us, you are committed to the cause and you love this country and its people, and therefore are willing to build key pillars for a stable, sustainable future!

We thank you We
salute you

We celebrate 30 years together We
look to the future together! I thank
you.