



Communications

The Department of Communications (DoC) was fully focused on consolidating the transformation of the information and communication technology (ICT) sector while extending ICT services to all South Africans.

In May 2013, the combined new institution which brings together the Institute for Satellite and Software applications, the former eSkills Institute and National Electronic Media Institute of South Africa (Nemisa) as one body was launched.

The National ICT Forum was to be launched in early 2014. It is estimated that the ICT industry in South Africa contributes about 7% to the national gross domestic product. The DoC prioritised three flagship programmes that are at the core of building a digital information and knowledge society. This includes the acceleration of building a modern digital infrastructure, as well as the policy reforms that position the country for an advanced knowledge economy by 2030.

These programmes are:

- developing a national integrated ICT policy
- rolling out a national broadband network
- implementing the digital broadcasting migration policy.

The mobile revolution has brought many benefits of the modern ICT industry to billions of people. The next crucial step is to replicate the mobile miracle for broadband by ensuring access to cheaper, faster, better quality broadband.

Role players

The public entities and state-owned enterprises that report to the Minister of Communications are: the Independent Communications Authority of South Africa (Icasa), the South African Post Office (Sapo), Sentech, the South African Broadcasting Corporation (SABC), the National Electronic Media Institute of South Africa (Nemisa), the Universal Service and Access Agency of South Africa (Usaasa), and the .za Domain Name Authority (.zaDNA).

South African Post Office

Post offices have become important service-delivery centres offering South Africans a convenient place to accept and deliver cash-on-delivery items, which is a very important service in rural communities where some people shop from catalogues.

More than a million South Africans walk through the doors of post offices near where they live to access their social grants.

Post offices also offer services that include enabling South Africans to renew their vehicle registration and pay their municipal accounts and television licences. In the last financial year, the Sapo was responsible for allocating 1,2 million addresses, mainly to those in rural areas.

The Sapo licensed a digital mail offering, RiposteTrEx, from Escher Group in December 2013. Through the platform, the Sapo will be able to provide e-registered mail services to the country's more than 51 million citizens, delivered directly to digital devices.

Mail Business has 26 mail sorting centres for domestic mail and parcels, and three for international mail and parcels. Mail is transported to and from these sorting centres domestically to 7 188 delivery offices. Specialised Sapo products include:

- Securemail
- Speed Services Couriers
- Parcelplus
- insurance and cash-on-delivery
- Postbank
- a courier freight group made up of XPS and PX
- Docex.

Philatelic Services

The Philatelic Services of the Sapo is responsible for producing South Africa's postage stamps and other stamp-related products. Over the years, many of them have become valuable collector's items.

PostBank

The Postbank Limited Act of 2010 allows Sapo, through the Postbank, to prioritise the banking needs of the unbanked majority, thus facilitating their inclusion into the economic mainstream and expanding the existing range of banking services, including:

- improving access to affordable services, including loans, especially in rural and lower-income communities
- promoting a culture of saving.

South African Broadcasting Corporation

Over the past four years, the SABC has installed 104 low power transmitters reaching 1,5 million more people. Of these transmitters, 18 were rolled out in the 2012/13 financial year.

By May 2013, the SABC had reached 94% of South Africans.

In October 2013, government joined the country's media industry in commemorating Media Freedom Day, which resulted in legislative guarantees of press freedom and editorial independence. The media industry has played a crucial role in transforming South Africa into a democratic state, and is currently at the forefront in shaping the public discourse.

Telkom

Telkom is Africa's largest integrated communications company, providing integrated communications solutions to nine different countries across Africa. The organisational structure comprises three major business units: Telkom South Africa, Telkom International and Telkom Data Centre Operations. However, its core market is South Africa, contributing 98,9% in revenue.

PostNet

PostNet is South Africa's largest privately owned counter network in the document and parcel industry; trading across more than 250 owner-managed retail stores; serving in excess of 55 000 customers per day, countrywide; and offering five product types: courier, copy and print, digital, stationery and mailboxes.

Sentech

The spending focus over the medium term was on investing in capital assets to expand the network to new sites in areas that were previously not covered and preparing for the launch of the commercial digital terrestrial television. Sentech was allocated additional funding of R277 million in 2013/14 to expedite the roll-out of the digital terrestrial television project, of which R171 million was spent on digitisation and R106 million on dual illumination.

National Electronic Media Institute of South Africa

Nemisa has trained further education and training lecturers in multimedia in partnership with the Department of Higher Education and Training.

By October 2013, Nemisa had produced 13 documentaries, each 48 minutes long, as part of the National Digital Repository Project in partnership with the DoC. Nemisa alumni constituted 60% of the crew thus contributing to industry development and job creation.

During 2013, Nemisa trained 123 community radio station personnel from 49 community radio stations in scriptwriting, audio editing and programme production. This project was in partnership with the DoC.

Universal Service and Access Agency of South Africa

Usaasa's sole mandate is to promote universal service and access to electronic communications services, electronic

communications network services and broadcasting services. The agency is responsible for managing the Universal Service and Access Fund.

The fund expects to deploy 600 cyberlabs to underserved areas by 2014/15.

In 2013, Usaasa was back on its feet following a series of governance challenges that led to the appointment of a new board. In the 2012/13 financial year, Usaasa connected 55 ICT centres and revamped another 80 centres.

Independent Communications Authority of South Africa

Icasa is the regulator for the South African communications, broadcasting and postal services sector. In June 2013, Icasa released details of its Cost to Communicate Programme, which seeks to review regulations that affect the cost of communications in South Africa, such as the call termination regulations and the local loop unbundling framework.

The goals of the programme are to:

- stimulate public debate about the cost to communicate in South Africa
- establish regulatory needs to address concerns regarding the cost to communicate in South Africa
- stimulate and enhance competition in the telecommunications sector

The programme started on 14 June 2013 with a request for information, and was followed by a series of consultations, which led to the release of draft regulations for public comment in December 2013. Icasa is expected to publish the final regulations by April 2014.

South African Accreditation Authority

The South African Accreditation Authority is responsible for the accreditation of authentication and certification products and services used in support of electronic signatures. It is also concerned with monitoring the activities of authentication and certification service providers whose products or services have been accredited.

Presidential National Commission (PNC) on Information Society and Development (ISAD)

The PNC on ISAD advises the President on matters related to the development of an inclusive information society; the coordinated development of an inclusive information society; and the achievement of the country's information society vision. The commission comprises leaders in government, industry and civil society.

A corresponding body is the Presidential International Advisory Council on ISAD.

Programmes and initiatives

Broadband Infrastructure Development

Given the strategic importance of broadband, the department, together with the ICT industry, has committed to delivering 100% broadband penetration and creating a million jobs by 2020. The Broadband Strategy and Implementation Plan, outlining fibre connectivity across the country to district level, was finalised by late 2013.

Broadband Infraco

To enhance South Africa's international connectivity and the speed of broadband, Broadband Infraco has co-invested with the private sector in the deployment of the West African Cable System (WACS).

The WACS is the fifth submarine cable system linking South Africa to the world. Broadband Infraco's investment in the WACS entitled it to 11,4% of the system's total capacity, which would help South Africa meet its target of providing broadband connectivity to all who need it by 2020.

The cable system also has 15 established terminal stations en route, and will reduce the cost to connect Africa's west coast with the high-speed global telecommunications network for years to come.

Sentech and Broadband Infraco have also commenced with the broadband plan for the KwaZulu-Natal province pilot project. Site surveys in three districts are complete.

Broadcasting Digital Migration

The digital broadcasting network reaches more than 80% of the population.

The DoC has finalised the subsidy plan for poor households supported by the qualifying criteria and is ready to implement the Set-Top Box (STB) Manufacturing Strategy, which requires 30% local content as part of the plan to develop the electronic industry. Icasa has finalised the broadcasting regulations.

The department decided to review the policy on the STB control system as one way of fast-tracking the roll-out of Digital Terrestrial Television (DTT) to make this system non-mandatory. In addition to the DTT transmission network roll-out target of 84% population coverage via terrestrial transmitters by December 2013, Sentech will also launch a Direct-to-Home satellite broadcasting service.

This service will provide TV and radio coverage to the Square Kilometre Array and all other areas where there is no DTT signal.

Rural Development Strategy

ICTs play a significant role in speeding up the integration of services for the development of rural areas and ensuring that rural communities, including those in remote areas, are not left out of the knowledge economy. The main goal of the department's Rural Development Strategy is therefore to address the vacuum in rural ICT and empower rural communities by promoting sustainable job creation and eradicating poverty in rural areas.

Applications, such as mobile money, do not seem to attract a wide audience among poorer people.

There are some clear distinctions between urban and rural mobile phone owners in the low-income groups. In urban areas, users are knowledgeable about available applications and use social media and instant messaging to communicate with friends, watch videos and mix music.

Rural participants, however, are more sceptical about the value of mobile applications. Those mobile owners who don't use the internet are unaware of the applications available. They rely on traditional media such as newspapers, TV and radio for information, and on voice and SMS text services to communicate.

Job creation

In June 2013, Microsoft launched a campaign aimed at helping 3 000 graduates find information technology (IT) jobs in South Africa.

The software giant will partner with the South African Government's job creation fund to train the youths and place them in permanent employment. The company will act as a link between universities and IT companies that it will approach to determine needed skills. For the 3 000 jobs it is targeting, Microsoft is investing R146 million (US\$14,6 million) as part of its US\$75 million pan-African initiative.

Communication platforms Radio

The SABC's national radio network comprises 18 radio stations. Fifteen of these are dedicated specifically to public-service broadcasting and include 11 full-spectrum stations,

.za Domain Name Authority (ZADNA) celebrated 10 years since it was established in 2003. A legal framework to support the establishment of the ZA Central Registry – which is intended to uplift the operational standards in .ZA – is being finalised.

The ZA Central Registry, through ZADNA's guidance and the African Union Commission, has made significant progress in its application for the right to establish and operate a .Africa internet namespace for the benefit of Africa.

one in each of the official languages of South Africa; a cultural service for the Indian community broadcasting in English; a regional community station broadcasting in isiXhosa and English; and a community station broadcasting in the !Xu and Khwe languages of the Khoisan of the Northern Cape. The SABC has three stations in its commercial portfolio. These are 5FM, Metro FM and Good Hope FM.

Channel Africa broadcasts live on three platforms: short-wave, satellite and the internet. Its broadcasts are in Chinyanja, Silozi, Kiswahili, English, French and Portuguese.

SABC Radio has more than 26 million listeners weekly in South Africa.

Commercial radio stations

Commercial radio stations in South Africa include:

- Algoa FM
- Classic FM
- Kaya FM
- YFM
- 94.7 Highveld Stereo
- 702 Talk Radio
- Metro FM
- 5FM
- Good Hope FM
- Jacaranda 94.2
- OFM
- East Coast Radio
- 567 Cape Talk
- Radio 2000
- Power FM
- Radio KFM.

Stations such as Jacaranda 94.2, Highveld Stereo, Radio Oranje, Radio Algoa and East Coast Radio were initially SABC stations, but were sold to private owners to diversify radio ownership in South Africa as part of the transformation of the public broadcaster. Many of South Africa's radio stations are available online.

Television

The SABC's television network comprises three free-to-air television channels. SABC TV has a weekly audience of 30,248 million (86,6% of adults watch SABC television in South Africa). South African television is broadcast in all 11 official languages and also in Sign Language. The SABC also broadcasts a 24-hour news channel on DSTv.

Community television

Soweto TV was the first community television station to obtain a seven-year broadcasting licence from Icasa.

There are five stations operational in Soweto, Cape Town, Tshwane, Empangeni and Nelson Mandela Bay. The issuing of new community television licences is on hold until the migration from analogue to digital broadcasting is complete.

Free-to-air television

e.tv is South Africa's first private free-to-air television channel, launched in 1998. It is the largest English-medium channel in the country and the second largest overall. e.tv also has a pan-African presence through e.tv Africa, which is distributed on the DStv Africa bouquet and by local affiliates in African countries.

In October 2013, e.tv launched its multichannel offering on the direct-to-home satellite platform, OpenView HD. The new channels include a pan-African channel (eAfrica+), a movie channel (eMovies+), a local content channel (eKasi+) and a children's channel (eToonz+).

Satellite broadcasting

e.sat tv supplies television, mobile and online news to various channels in South Africa, across Africa and in the United Kingdom under the brand name eNews Channel Africa (eNCA). Growing out of the success of eNews Prime Time, eNCA is South Africa's first and most watched independent 24-hour television news channel on the DStv Platform (Channel 403).

The 24-hour news service is broadcast live in the UK to over 10,5 million subscribers on the SKY digital satellite platform. In addition, eNCA provides live news bulletins to nearly three million South African viewers each night on e.tv (in English, isiZulu and Sesotho) and to 200 000 Afrikaans viewers on kykNET.

Internet

In June 2013, Akamai Technologies released its *Fourth Quarter, 2012 State of the Internet Report*, showing that South Africa has achieved good improvements in terms of average Internet access speeds.

Based on data gathered from the Akamai Intelligent Platform, the report provides insight into key global statistics including connection speeds, attack traffic, and network connectivity and availability.

According to a new report by global management consulting firm, McKinsey & Company titled: *Lions go digital: The Internet's transformative potential in Africa*, South Africa's iGDP – which measures the Internet's contribution to overall GDP – is at 1,4%, putting it fourth in Africa. Private consumption of internet-related services and equipment, including smartphones, accounts for two-thirds of this total.

Public expenditure on the internet, including digitisation of education and health services, contributes only US\$2 billion.

e-Commerce will open up a new shopping experience for Africa's growing middle class. Out of the 46 countries, South Africa is ranked as the 12th most affordable country for Internet access – third in Africa.

Broadband access

In November 2013, the DoC introduced the revised broadband policy, which deals with the complete value chain of broadband roll-out, including attracting related investment in broadband infrastructure; enterprise development; local end-user equipment manufacturing; research and development; and reducing the cost of broadband roll-out through the creation of a single point of entry for regulatory approvals.

The department was expected to finalise, by March 2014, the long-awaited spectrum policy, which would enable Icasa to license the much sought-after 2.6 GHz and 800 MHz band spectrum, which would, in turn, increase network capacity, improve coverage and promote competition.

Social media

The Top Social Media Sites in South Africa (by number of users) in 2013 included:

- Facebook: 9,6 million users – ranked third Mxit: 7,4 million users – mobi site not ranked Twitter: 5,5 million users – ranked 13th YouTube: 4,7 million users – ranked fourth LinkedIn: 2,7 million users – ranked fifth Pinterest: 930 000 users - ranked 14th
- Google Plus: 460 000 users – Google.co.za is ranked 1st, Google+ is not featured.

Cybercrime and cybersecurity

Cybercrime has become an inevitable reality that confronts all online communities across the world.

Identity fraud, stalking, online child pornography and terrorism have become daily occurrences that threaten communities' ability to enjoy the benefits of new technologies.

Expanding access to the internet, must be accompanied by strong measures to ensure basic trust and security to the public as the users.

This requires collaboration between departments, civil society and business to build institutional mechanisms to investigate cybercrimes and anticipate threats.

Mobile communications

South Africa has one of the largest telecommunications markets on the continent: it has five mobile operators, namely

CellC, MTN, Vodacom, Telkom Mobile and virtual network operator Virgin Mobile.

Mobile phones are the dominant technology for voice and data communication among base of pyramid (BoP) users and for informal businesses.

People in this group access the internet mostly via their mobile phones and smart phones have taken over functions that used to be done with a computer.

Users are also finding innovative ways to bypass expensive cellphone networks' SMS rates using Facebook Zero or other instant message services such as WhatsApp.

Although half of the 50 million people in South Africa live below the poverty line, more than 75% among those in low-income groups who are 15 years or older own a mobile phone. Of low-income groups who own mobile phones in South Africa, 98,5% have a prepaid SIM card, but there is a small percentage (1,5%) of BoP mobile owners who have post-paid contracts.

The lowering of the Mobile Termination Rates from R1,25 a minute in 2010 to R0,40 from March 2013 represents a significant milestone in reducing the cost to communicate.

The media

South Africa is fortunate in having a vibrant and independent media.

Media Development and Diversity Agency (MDDA)

The MDDA is a statutory development agency for promoting and ensuring media development and diversity. The agency functions independently from and at arm's length of its funders, and political-party and commercial interests. This arrangement enables government, the media industry and donors to work together to address the legacy of imbalances in media access.

Print Newspapers

According to the *Audit Bureau of Circulations (ABC) 2013 Second Quarter Report*, total newspapers declined slightly compared to the previous quarter.

The weekday daily newspapers declined by 0,7% in 2013; Sunday circulation was down by 1,4%.

Motorsport World and *Auto Week* showed the largest growth in weekly newspapers.

Of the weekend newspapers, *Isolezwe ngoMgqibelo* showed the largest growth. Local newspapers, *Stellalander*,

Klerksdorp Rekord, *Polokwane Observer* and the *Hermanus Times* showed the largest growth of all local newspapers.

Of the free newspapers, *Alex Pioneer*, *Threewaterkloof Gazette*, *Zululand Eyethu* and the *Precinct Community News* were the titles that showed the largest growth.

Magazines

The ABC *2013 Second Quarter Report* showed that overall consumer-magazine circulation declined by 13%. *Kuier Combo* (Annual), *The Expatriate SA* (Annual), *SA Career Focus* (six monthly) and *HQ Pony*, showed the largest growth.

Online media

The August 2013 Digital Media and Marketing Association/Effective Measure website statistics revealed that South Africa produced 23 183 796 unique browsers registering 633 589 222 page views.

Unique browsers from mobile devices accessed 11 559 199 sites registering 250 566 538 page views.

Media organisations and role players

Print Media South Africa (PMSA) administers individual bodies, namely the Newspaper Association of South Africa, the Magazine Publishers' Association of South Africa and the Association of Independent Publishers (AIP). Allied to the PMSA, but not a constituent member, is the ABC, responsible for auditing and verifying print-media circulation figures.

The AIP represents the interests of more than 250 independent publishers in southern Africa.

The South African National Editors' Forum (Sanef) was formed at a meeting of the Black Editors' Forum, the Conference of Editors and senior journalism educators and trainers.

The Forum of Black Journalists addresses issues that directly affect its members.

Members of the public who have complaints or concerns about reports in newspapers and magazines can submit their grievances to the Office of the Press Ombudsman.

The Freedom of Expression Institute protects and fosters the rights to freedom of expression and access to information, and to oppose censorship.

Another body that protects freedom of speech is the Freedom of Commercial Speech Trust.

The Forum of Community Journalists is an independent body that represents, promotes and serves the interests of all community-newspaper journalists in southern Africa.

The Broadcasting Complaints Commission of South Africa is an independent self-regulatory body that serves as a voluntary watchdog, to adjudicate complaints from the public about

programmes flighted by members who subscribe to its code of conduct.

The Broadcasting Monitoring Complaints Committee was established under sections 21 and 22 of the Independent Broadcasting Authority Act of 1993.

The National Community Radio Forum lobbies for the airwaves in South Africa to be diversified, and for a dynamic broadcasting environment through the establishment of community radio stations.

Other press organisations operating in the country are the Foreign Correspondents' Association of South Africa, the Printing Industries Federation of South Africa, the South African Typographical Union, the Specialist Press Association, the South African Guild of Motoring Journalists, Professional Photographers of South Africa, the Media Institute of Southern Africa, the Publishers' Association of South Africa and press clubs in major centres.

News agencies

The national news agency, the South African Press Association, is a cooperative, non-profit organisation. The main foreign news agencies operating in South Africa are:

- Reuters
- Agence France-Presse
- Associated Press
- Deutsche Presse Agentur
- United Press International.

Journalism awards

South Africa's most important awards include the:

- Mondi Shanduka Newspaper Awards
- Sappi Magazine Publishers Association of South Africa PICA Awards
- Sanlam Community Press Awards
- Vodacom Awards for Journalism Across All Mediums
- South African Breweries Journalism Awards
- Sanlam's Financial Journalist of the Year Award
- CNN MultiChoice Africa Awards
- Discovery Health Journalism Awards
- Sanef's Nat Nakasa Award for media integrity.

South Africans, Msindisi Fengu and Yandisa Monakali from *The Daily Dispatch*, were named overall winners of the CNN MultiChoice African Journalist Awards 2013.

Media awards

In October 2013, the MDDA and Sanlam, co-sponsors and organisers of the MDDA-Sanlam Local Media Awards, announced that they would invest more in the awards by introducing new categories for the competition.

The 2013 awards, which would be presented in May 2014, cover the period from 1 January 2013 to 31 December 2013.

Advertising

South Africa has a vibrant and dynamic advertising industry. Local advertising agencies are often recognised internationally for their excellence.

In May 2013, the Advertising Standards Authority of South Africa applied to be recognised as an ombud for the industry. This would make it a recognised statutory body in terms of the Consumer Protection Act of 2008.

Advertising awards

The Loerie Awards are the best-known South African awards recognising distinction in advertising. In September 2013, a total of 238 birds were awarded, four of which were Grands Prix – to Drafftcb Cape Town, Ogilvy & Mather Cape Town, and FoxP2 respectively.

