THE PROPOSED NATIONAL BROADBAND POLICY FOR SOUTH AFRICA – 4 REASONS WHY ICT PLAYERS SHOULD PAY ATTENTION

Category: Commercial Law,Technology Law
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Background and why you should read this

The South African Department of Communications ("**DoC**") published a draft of the proposed *National Broadband Policy for South Africa* ("**the Policy**") on 03 April 2013. DoC invited interested parties to comment on the Policy. Comments must be submitted by 03 May 2013.

By DoC's own admission, the "*rollout of broadband initiatives by national, provincial and local governments is fragmented due to the fact that there is no national broadband rollout plan.*" Given this fragmentation, the Policy will ensure that broadband initiatives will be "*coordinated at a central point in order to streamline and maximise government investment.*"

What is evident from the Policy is that over the next 7 years, many opportunities are likely to arise for those in the electronic communications infrastructure, electronic content creation, online education and cyber and data security fields.

Why these opportunities are likely to arise

The objectives of the Policy give an indication of why the electronic communications infrastructure, electronic content creation, online education and cyber and data security fields are going to be important.

The objectives include:

- Ensuring universal service and access to reliable, affordable and secure broadband services by all citizens prioritising rural and under-serviced areas;
- Government providing appropriate support for digital inclusion, therefore building an information society;
- Providing an integrated approach in the deployment of broadband services;
- The expansion of broadband capacity to support economic and social goals of the country;
- Reducing the cost of broadband services; and
- Clarifying the roles of the Government, State Owned Companies and the private sector in developing world-class broadband infrastructure in the country.

Taking these objectives into account, and considering Government's undertaking that it "*will encourage and support investment in broadband backbone network infrastructure*", here are 10 reasons why prospects are looking good for providers in the electronic communications infrastructure, electronic content creation, online education and cyber and data security fields:

- Reason 1: The need for sufficient international bandwidth capacity by 2020 to meet growing demand. To fulfil this, Government undertakes to encourage and promote private sector investment in international backbone networks.
- Reason 2: The deployment of broadband backbone networks especially in rural and

underserviced areas. In order to make private party investment more commercially feasible, Government undertakes to ensure that "*government agencies and departments at national, provincial and local level will serve as broadband anchor tenants for rural and underserviced communities.*"

- Reason 3: The implementation of campaigns to educate and create awareness with regard to the benefits of broadband. Service providers will be need to provide digital literacy and e-skilling educational content together with training. Not only will digital literacy and e-skilling content be required, but the Basic Education and Health departments will also require online educational and health content.
- Reason 4: With the increase in online activity, arising from the increased access to broadband, comes an increase in the prospect of cybercrime, data theft and espionage. Specialists in the areas of cybersecurity and data protection will need to become essential partners in the process if the benefits of broadband are not to be undermined by cybercrime.

What Government needs to do to ensure that this works

Given the focus on rural and underserviced areas, government needs to ensure that that it implements the lessons learnt from the ill-fated Under-Serviced Area Licencing process that took place in the early 2000s. The Government had the intention of ensuring that telecommunications services reached those in the most rural and underserviced of areas. The entire process ended up being almost a complete failure, with huge amounts of money ultimately being wasted.

The Policy needs to give more clarity as to whether the limited number of licensees who hold electronic communications network service licences will be invited to take part in the infrastructure related aspects of the Policy, or whether further invitations to apply for individual electronic communications network service licences will be issued. It would certainly make sense to issue new invitations to apply, given that some of the current holders of electronic communications network service licences have never planned to invest in infrastructure, whilst newer entrants who do focus on the provision of infrastructure could well be excluded or forced to partner with those who already have such licences.

The Policy mentions that "*interventions [by Government] aimed at encouraging investments in [underserviced and rural areas] are being developed.*" More information should be provided at this early stage to allow interested parties to begin planning how they can take part in the deployment of broadband and how they can increase the prospects of some sort of return on their investment.