South Africa

Country Profile	
Acronym	(ICASA)
Twitter	https://twitter.com/ICASA_org
Ministry	Department of Telecommunications & Postal Service
Website	https://www.dtps.gov.za
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National Policy

Telecommunications and internet policy in South Africa is governed by the Electronic Communications Act of 2005. The act has undergone amendments in 2007 and 2014.

The communications sector is regulated by the Independent Communications Authority of South Africa (ICASA). ICASA was established in 2000 by the Independent Communications Authority of South Africa Act which underwent amendments in 2006 and 2014. The ECA Objects we refer to include:

- © promote the universal provision of electronic communications networks and electronic communications services and connectivity for all;
- (h) promote the empowerment of historically disadvantaged persons, including Black people, with particular attention to the needs of women, opportunities for youth and challenges for people with disabilities; and
- (p) develop and promote SMMEs and cooperatives

Telecommunications policy is set by what is now (June 2019) known as the Department of Communications and Digital Technologies (DCDT), a merger of the Department of Communications (DOC) and the Department of Telecommunications and Postal Services (DTPS). DCDT's mission is to:

Create an enabling environment for the provision of inclusive communication services to all South Africans in a manner that promotes socio-economic development and investment through broadcasting, new media, print media and other new technologies, and to brand the country locally and internationally.

The plight of the digital divide in rural South Africa is acknowledged in The National Development Plan, South Africa Connect, and the National ICT Advisory Review Panel Report (2015) (“ICT Panel Report”). The National Integrated ICT Policy White Paper (pg. 66) states that:

The National Development Plan (2012) (“NDP”), South Africa Connect: the National Broadband Policy and Strategy (2013) (“SA Connect”) and the recommendations captured in the National ICT Advisory Review Panel Report (2015) (“ICT Panel Report”) have identified that, despite the policy and regulatory framework, network roll-out is skewed towards urban areas - and the prospects of providers rolling out modern broadband services in rural and less affluent areas without government intervention are minimal.

It is worth noting that the South African government has embraced an “open data” policy for government in its National Integrated ICT Policy White Paper 2016 stating that: <callout type=“default”>The South African Constitution commits Government to open and transparent

governance of the country. ICTs and digitisation provide a means to reinforce this commitment by making it more possible to ensure that key non-personal public information and data is freely available to everyone to use, reuse and republish as they wish, subject only to restrictions to protect privacy, confidentiality and security in line with the Constitution.</callout>

Licensing Framework

There are two main categories of service licence available under the ECA:

- Electronic Communications Network Service (ECNS) licences: These licences authorise the holder to roll out and operate a physical network. This network can be made up of any technology you choose: radio equipment (for a wireless network), copper cabling, fibre optic cabling etc. ECNS licensees can also enter into commercial arrangements with other licensees to allow them to use the electronic communications network owned and operated by the ECNS licensee.
- Electronic Communications Service (ECS) licences: These licences allow you to provide services to customers over your own or somebody else's network. This will typically be the licence held by an ISP which does not operate its own network or network facilities.

Table: Licensing under the Electronic Communications Act 36 of 2005

Electronic communication services	**Individual**	**Class**	**License Exempt**
Electronic communications network services (ECNS)	An iECNS license allows the holder to deploy and operate a physical network at a provincial or national level	Class ECNS license allows the holder to deploy and operate a physical network a district or local municipality	Option 1 - Non for profit - maybe because the actual line needs to be longer Option 2 - Reseller Option 3 - Ancillary Services
Electronic communications services (ECS)	This licence allows the holder to provide services to customers over the network of an ECNS licensee, including voice or VoIP services which use numbers taken from the National Numbering Plan, nationwide or across a province.	This licence allows the holder to provide the same services as the Individual ECS licence, except for voice services requiring numbers from the National Numbering Plan, in a district or local municipality.	

https://www.icasa.org.za/pages/services-licencing

https://www.itweb.co.za/content/3mYZRXv913xvOgA8

Individual ECNS and ECS licences are issued for an initial term of 20 years. Class ECNS and ECS licences are issued for an initial term of 10 years. All of these licence types can be renewed prior to

the expiration date, upon application to ICASA and payment of a renewal fee to ICASA.

What kinds of operator licenses are there? Unified? Technology agnostic? Are there licenses for small operators? Do ISPs have specific licenses? What kinds of organisations qualify for license exemption?

Mobile Virtual Network Operators

A Mobile Virtual Network Operator or MVNO is a mobile operator that doesn't have its own wireless network infrastructure, it relies on another carrier's radio network infrastructure. There are various types of MVNOs ranging from a full MVNO which operate everything except the radio network. This includes operating the core network, applications & services, billing, customer care as well as sales & marketing. At the other end of the spectrum are branded resellers which only does sales and marketing. There are variations in between.

Historically, MVNOs operated on CellC's network, the only operator to offer wholesale MVNO services. However, in late 2020 MTN announced it would offer MVNOs on its network. Vodacom made a similar announcement around the same time.

Partner	Type	Name
CellC		TheUnlimited
CellC		Virgin Mobile
CellC		iSmart (Smart Mobile)
CellC		me&you
CellC		Afrihost Mobile
CellC		Standard Bank Mobile
MTN		Pick nPay
MTN		Shoprite

The Competition Commission's Data Services Market Inquiry Report published in 2019 has a detailed analysis of the state of MVNOs in South Africa. While the market is not deemed to be competitive due to a lack of price regulation or sufficient incentives for incumbent operators to share their networks, the report stops short of recommending regulation due to the likelihood of the impending Wireless Open Access Network (WOAN) to be able to support multiple MVNOs.

License Fees

- Operator fees
- License exempt spectrum fees
- Microwave fixed link fees
- Fees for MNOs?

Wireless Spectrum

Point to the spectrum allocation framework. The use of radio spectrum is also regulated in South Africa by ICASA

and its Radio Frequency Spectrum Regulations
. Most bands require a license, but there are cases for exemptions. Depending on the band, both cases are of interest for community networks as explained below.

License-Exempt

Point to rules for license-exempt spectrum use? Is registration required for WiFi? What is the process for homologation / type approval?

All license-exempt wireless equipment requires homologation or type approval in order to be used legally in South Africa. ICASA maintains a list of type-approved license-exempt radio equipment. The current linked document is up-to-date as of Q1 2019.

Rules for point to point links versus access networks?

Licensed Spectrum

In South Africa the use of Licensed Spectrum is subject to a fee. Depending on the type of use the fees vary. There are two types: - Point-to Area (what is traditionally known as point-to-multipoint - Point-to-Point

All the details about the fees can be found in Radio Spectrum Fees Regulations

[1]

Point-to-Point

Frequencies for microwave links outside of 2.4GHz and 5GHz 11GHz 24GHz 60GHz and others

IMT Spectrum

- URL for spectrum assignments for mobile operators
- List major operators and their spectrum assignments
- Point to coverage maps

Dynamic

- Information on TVWS or other dynamic spectrum pilots.
- Pending rules for TVWS

Example

- links to illustrative country example

Backhaul

South Africa has extensive fibre optic infrastructure including both national backbone networks and FTTH in many cities. Backbone network operators include:

- Dark Fibre Africa network map
- Broadband Infraco
- Telkom
- Liquid Telecom (formerly Neotel) network map
- Seacom formerly FibreCo network map
- Comsol network map
- MTN
- Vodacom

- links to backhaul service providers
- Open Access policies
- infrastructure sharing policy and regulation

Internet Exchange Points

IXP	Point of Presence	Operated By	Hosted By
INX	Johannesburg (JINX)	ISPA	Internet Solutions
INX	Cape Town (JINX)	ISPA	Internet Solutions
INX	Durban (DINX)	ISPA	Teraco
NapAfrica	Johannesburg	Teraco	Internet Solutions
NapAfrica	Cape Town	Teraco	Internet Solutions
NapAfrica	Durban	Teraco	Teraco

Source: http://www.whichvoip.co.za/blogpage/here-who-controls-internet-south-africa

Example

- UK Infrastructure sharing: https://www.legislation.gov.uk/uksi/2016/700/pdfs/uksi_20160700_en.pdf
- Mexico regulations on infrastructure sharing: http://www.ift.org.mx/sites/default/files/industria/temasrelevantes/9472/documentos/telmexorci.pdf

Gender

- links to national gender and ICT policies and initiatives
- gender at the regulator
- * number of men in senior management at regulator `regMen`
- * number of women in senior management at regulator `regWomen`

Example

- OFCOM's policy on Gender and Diversity https://www.ofcom.org.uk/about-ofcom/what-is-ofcom/corporate-responsibility/diversity-and-equality

Universal Service

South Africa has a Universal Service and Access Agency (USAASA) that manages a Universal Service and Access Fund (USAF). In 2016, USAASA published a Strategic Plan for 2017-2021. In May of 2018, USAASA published 2018-2019 Annual Performance Plan for presentation to the Portfolio Committee on Telecommunications and Postal Services, a government oversight body.

The USAF was established under the Electronic Communications Act (ECA) to fund projects and programmes that strive to achieve universal service and access to ICTs by all South African citizens.

The USAF may provide subsidies for:

- Assistance of needy persons towards the cost of the provision to or the use by them of broadcasting and electronic communications services,
- Financing the construction or extension of electronic communications networks in under-serviced areas,
- The procurement of broadcasting and electronic communications network services and access to electronic communications networks for schools and further education and training institutions,
- The establishment and operation of broadcasting services and the establishment and operation of, including training of and the payment of allowances to personnel of centres where access to electronic communications networks can be obtained.

Unless exempted, all license holders are required to make contributions to the USAF.

<callout type="question" icon="true">Remaining question. Who is eligible to apply?</callout>

Cooperatives

South Africa has some policy in support of cooperatives. 1. The DTPS has the National e-Strategy: Digital Society South Africa (2017-2030) - https://www.dtps.gov.za/images/phocagallery/Popular_Topic_Pictures/National-e-strategy.pdf

In this e-strategy, as part of their 9-point plan, it includes Number 6: "Unlocking the potential of small, medium and micro enterprises, cooperatives and township enterprises"

One of the specific interventions, the ICT SMME Development strategy was also Gazetted in 2017 -: https://www.gov.za/sites/default/files/gcis_document/201711/41243gon1252.pdf

In this ICT SMME Development strategy, it states that the Electronic Communications Act (ECA) requires the Department to support the development of cooperatives. On page 4:

“South African cooperatives are governed through the Cooperatives Act of 2005. The Act aims to create a legal and institutional framework that encourages the registration and development of cooperative enterprises and increased support for cooperatives from government agencies. The Act promote the ideals of self-help and social responsibility through the cooperative model. In countries like Italy and the United Kingdom, cooperatives have improved the sustainability of community enterprises and opened the economy to disadvantaged and vulnerable social groups”.

The Department of Small Business Development (DSBD) would be involved: “The ICT SMME Development Sub-Committee will also feeds its activities and programme to the National Inter-Departmental Small Business & Cooperatives Coordination Committee, which is chaired by the Director-General of the Department of Small Business Development (DSBD). This structure coordinates SMME Development activities across all government departments.” (page 51).

One possible entry point via the ICT SMME Strategy Implementation Plan is the establishment of ISPs:

“Establish 96 Internet Service Providers, prioritising youth/and women owned Internet Service Providers to widen participation of SMMEs in the ISP market” (page 52)
https://www.gov.za/sites/default/files/gcis_document/201711/41243gon1252.pdf

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TEMPLATE QUESTIONS:

- Does cooperative legislation exist?
- Are there tax relief / incentives available for cooperatives?
- Are there any limitations on cooperatives providing telecom/internet?

Example

- link to illustrative country example

Resources / References