Closing the Digital Divide: *Addressing financial challenges to facilitate economic growth panel discussion presentation*

By

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10 May , 2017

usaasa

Universal Service and Access Agency of South Africa

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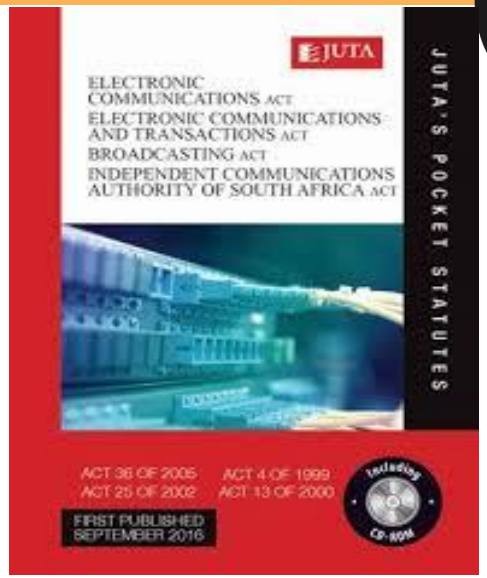
About Us

Creature of statute in terms of the Electronic Communications Act,2005

USAASA – Schedule 3A



USAF (3A) – Schedule 3A

Statutory Mandate

USAASA

- Promote goal of Universal Service & Access
- Research, consult & advise the Minister on area & person definitions
- Report on extent of achievement of universality of ICTs
- Make recommendations to the Minister on policy matters in relation to universal service & access
- Manage & administer the Universal Service & Access Fund
- Advise ICASA on universal service & access

USAF

EXCLUSIVELY FOR THE PAYMENT OF SUBSIDIES FOR

- Assistance of needy persons towards cost of provision of ICT equipment/services.
- Construction or extension of electronic communications networks in underserviced areas.
- Public & private schools & FETs: procurement of electronic communications networks.
- Other schools & FETs registered under the South African Schools Act & the FET Act
- Establishment & operation

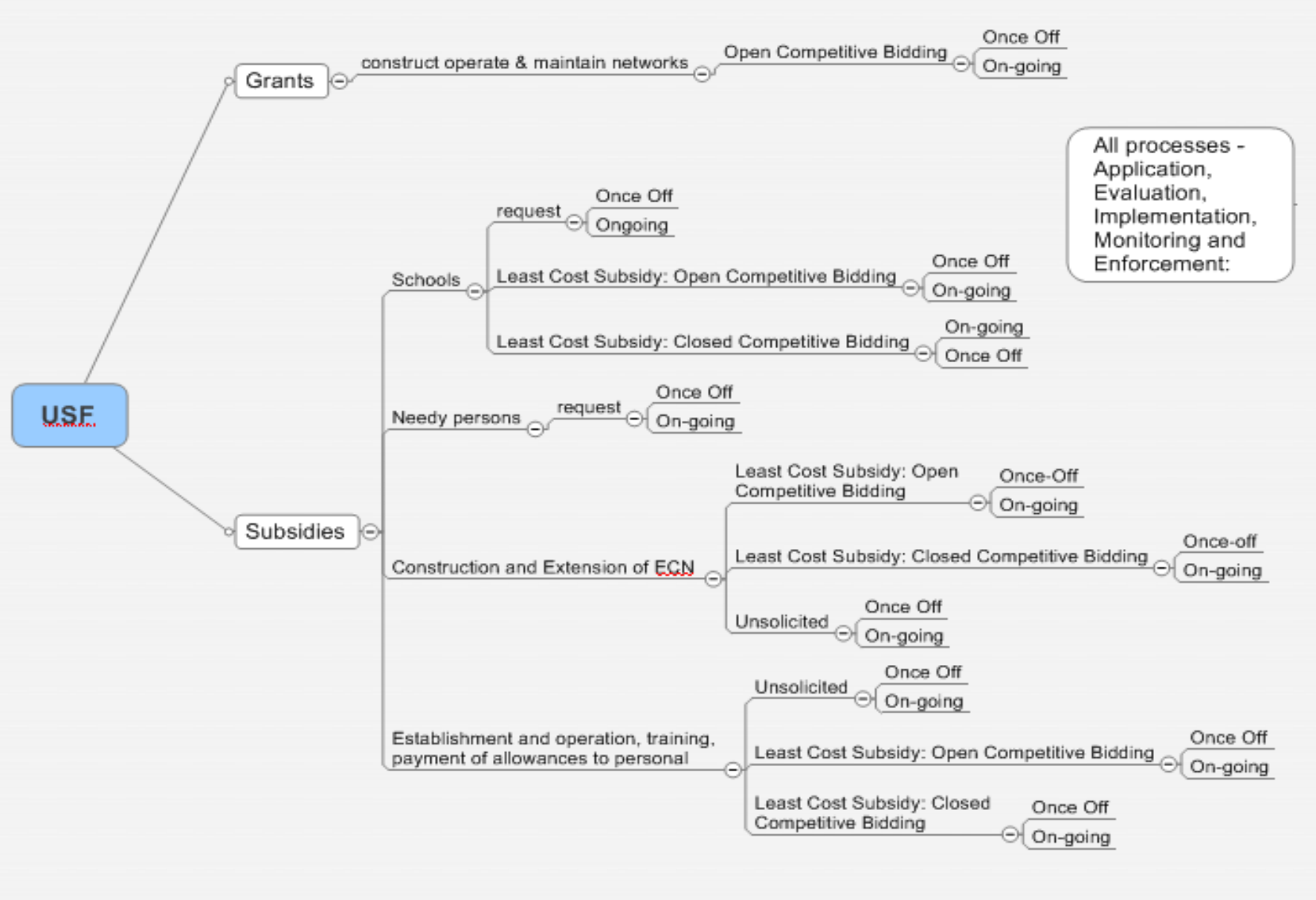
Current MTEF: Underserviced Areas

- USAASA's mandate is limited to underserviced areas
- A total of 195 (out of 226) underserviced local municipalities were identified across 7 priority provinces
- DTPS priority in those provinces will be given to 8 NHI pilot sites
  - Dr. Kenneth Kaunda
  - Gert Sibande
  - OR Tambo
  - Pixley ka Seme
  - Thabo Mofutsanyane
  - Umgungundlovu
  - Umzinyathi
  - Vhembe

Funding Principles

- Prioritise the most “Needy Persons” and “Underserviced Areas”
- Sustainability
- Encourage free and fair competition
- Evidence based decision-making
- Inclusiveness
- Technology neutrality
- Dual Focus on Demand and Supply Side
- Partnerships, Collaboration, and Coordination

Bidding Processes



Integrated Broadband Infrastructure & Services Model

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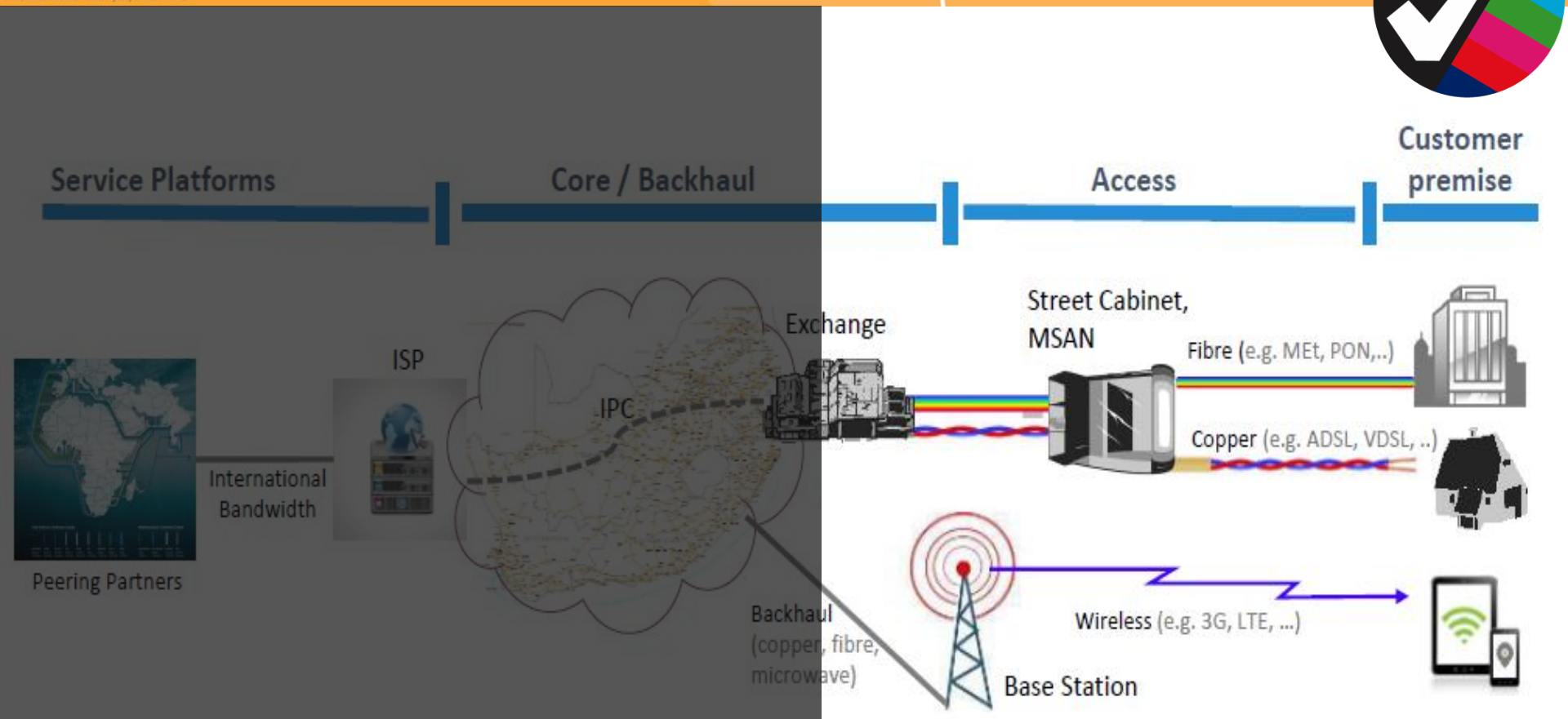
Broadband Infrastructure Rollout Model

Engage → Build → Connect → Service → Support

- USAASA follows an "Anchor Tenancy" rollout model
  - Government and other stakeholders are identified (beneficiaries)
  - These stakeholders are engaged with the objective of seeking their support and becoming paying anchor clients of the infrastructure
  - This addresses the issue of sustainability of the infrastructure
- Following engagement with key stakeholders, USAASA invites operators, through a competitive bidding process, to apply for subsidies to rollout the infrastructure
- The winning operator is then required to connect and service key points of interest within the local municipality and provide on-going support

USAASA's Role in Broadband



- This includes service platforms and applications to allow for product and service configuration
- Also "central"operational costs of Service Provider

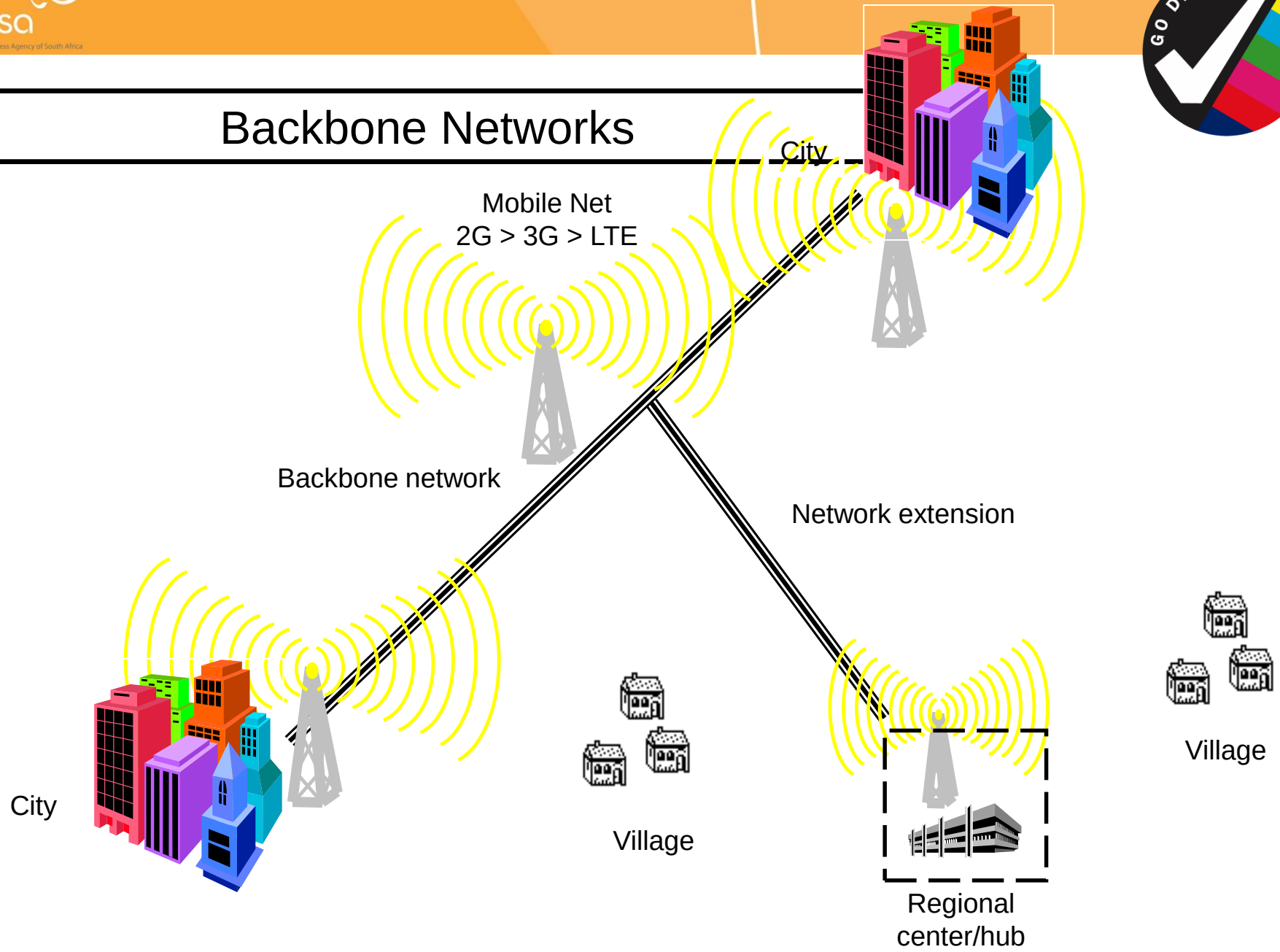
- Usually based on fiber-optic technology and is the backbone that connects all the exchanges
- In SA this includes IPConnect

- This covers the last mile between the exchange and the customer premise
- This could include fibre, copper, wireless as well as equipment such as DSLAMs and MSANs

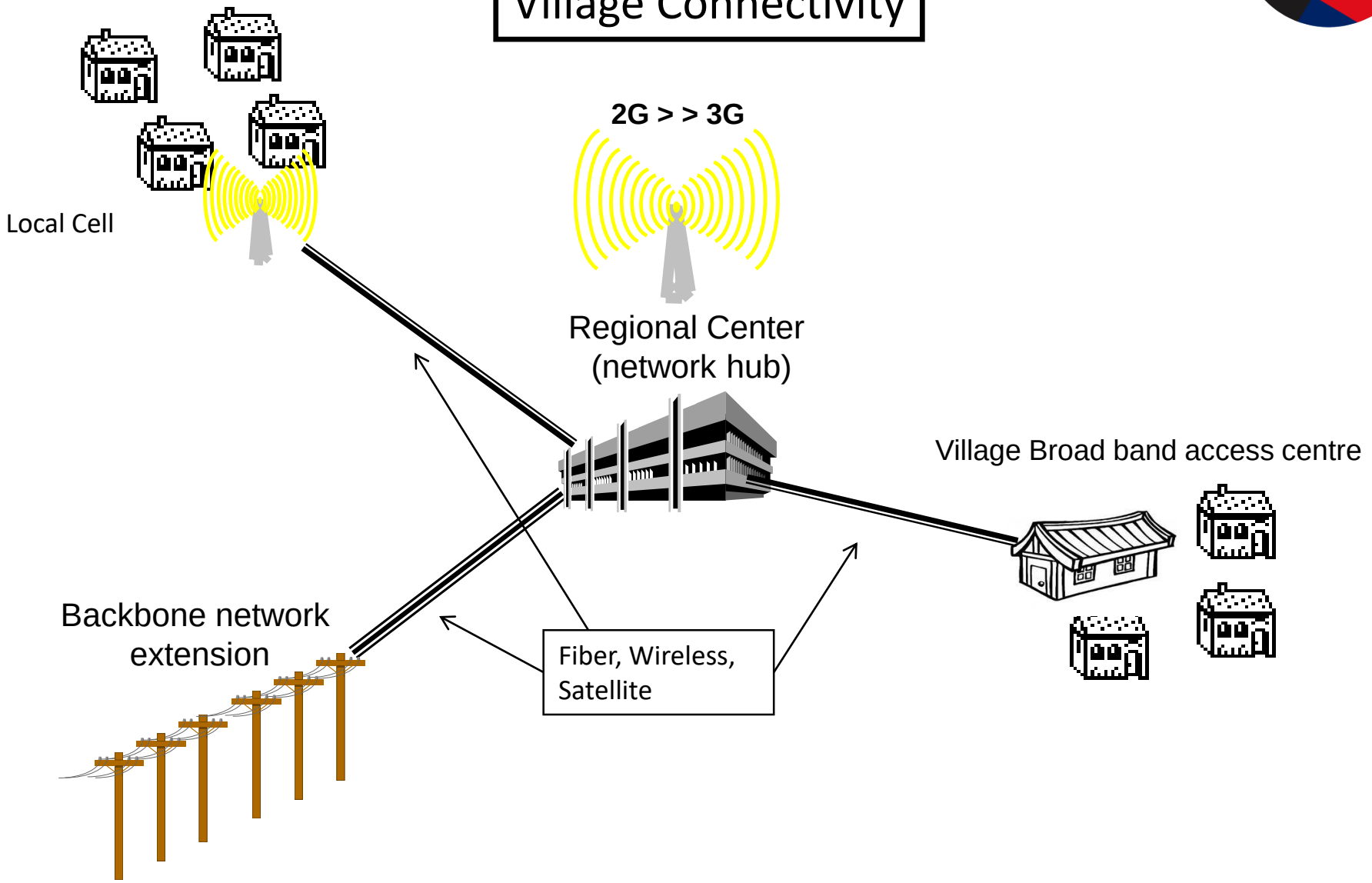
- On customer premises
- End User Devices
- Includes modems, routers, WiFi

USAASA funds (through the USAF) the construction/extension of backhaul and last mile infrastructure and deployment of user devices (including connectivity) at schools, clinics and other government buildings

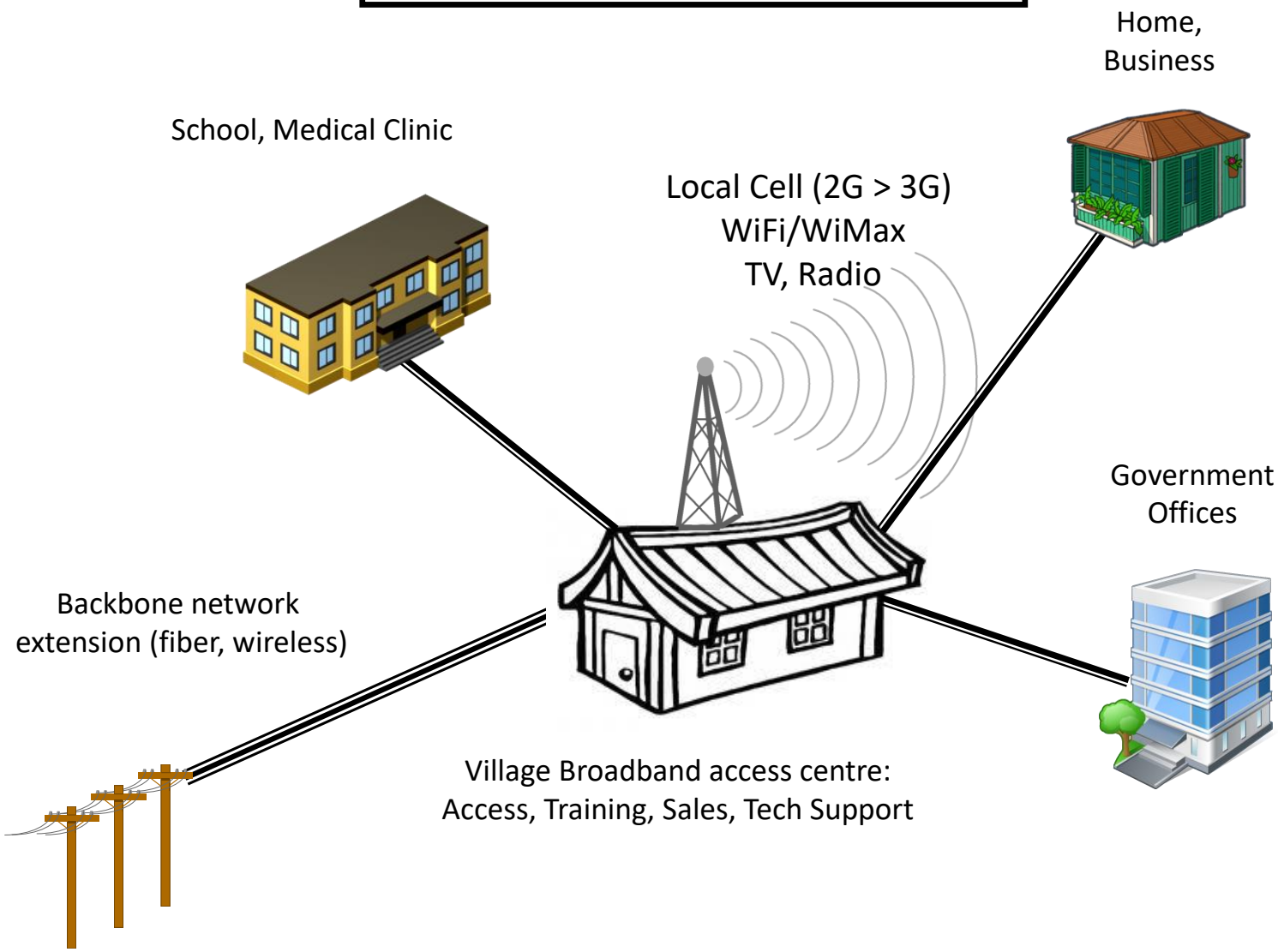
Backbone Networks



Village Connectivity



Village Broadband Network



Broadcasting Digital Migration

TARGET

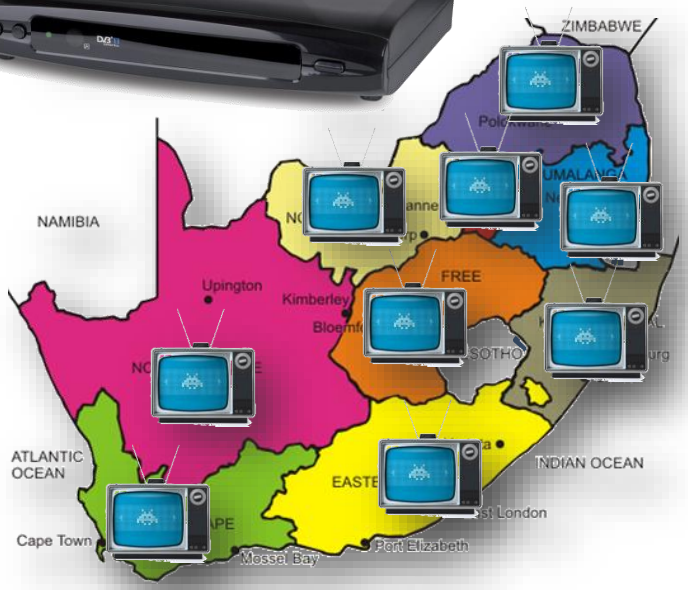
5, 000, 000 STBs & antennas installed at in in approved households per Cabinet

INTENT

Procure, & oversee the deployment of approved STBs and antenna as quickly and as efficiently as possible

Manage and oversee the procurement, logistics and uptake of product in accordance with accurate and interactive data maps and Sentech rollout

Reconcile project accounts against delivery.



**** SPECTRUM RELEASE CRITICAL FOR BROADBAND ****

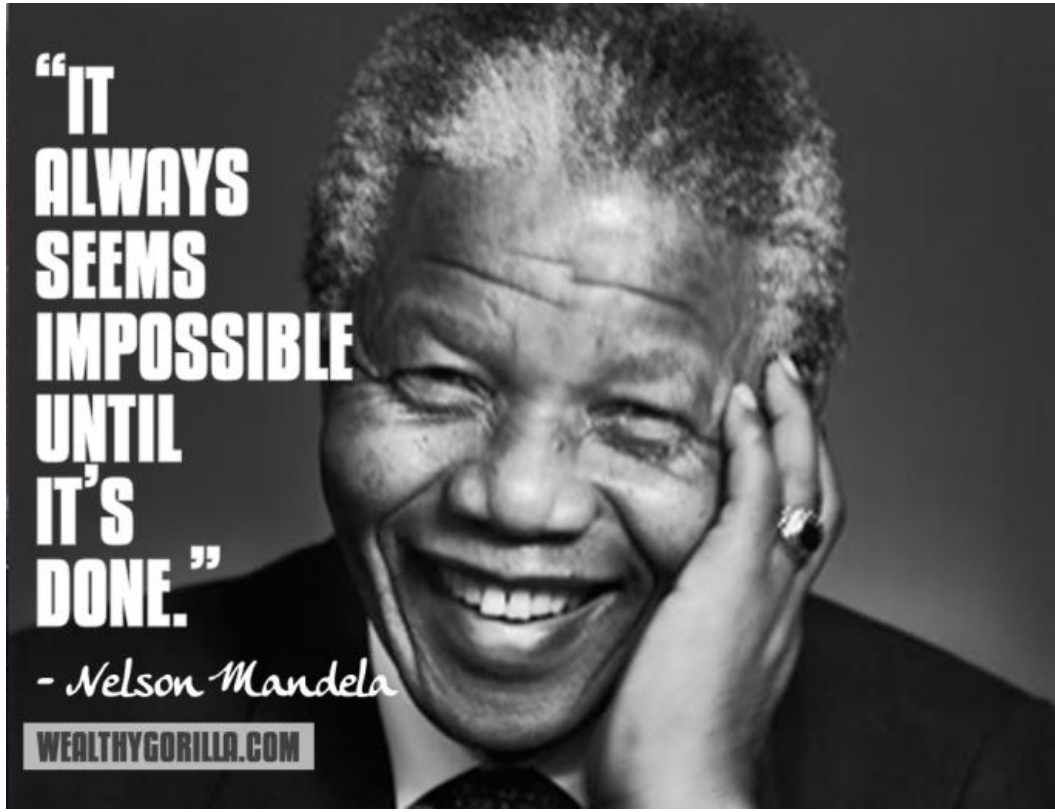
ICASA published Draft TV White Space Regulations

- TVWS are unused channels in the TV broadcast spectrum.
- Demand for wireless broadband capacity is outstripping the availability of new spectrum for supporting wireless infrastructure deployment.
- In 2015, companies such as Microsoft and Google, in partnership with the Council for Scientific and Industrial Research, tested TVWS in some underserved areas in SA.
- The advantage of TVWS is that low-frequency signals can travel further, making the technology well-suited to provide low-cost connectivity to rural communities with poor telecommunications infrastructure.
- The technology is also used for expanding coverage of wireless broadband in densely populated urban areas.

ICASA published Draft TV White Space Regulations

- TVWS projects had been deployed in more than 25 countries. These have focused on rural connectivity, connecting schools, medical facilities and community-focused projects.
- TVWS rules are in place in countries such as the US, UK, Singapore, South Korea and Canada. In many other countries, draft rules had been proposed or efforts were under way to draw up draft rules.
- TVWS frequencies are in the 470MHz-694MHz ultra-high frequency TV band.
- It is similar to Wi-Fi technology in that it is typically operated on an unlicensed or lightly licensed basis.
- The migration to digital TV from analogue will also free up more spectrum to be used for high-speed wireless technologies.

The ICT dream has been tested. It has triumphed.



THE END

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