



Communications

COMMUNICATIONS

Pocket Guide to South Africa 2012/13

COMMUNICATIONS

It is estimated that the information and communications technology (ICT) industry in South Africa contributes close to 7% to the gross national domestic product.

The Department of Communications' mandate is to create a favourable ICT environment, ensuring that South Africa has the capacity to advance its socio-economic development goals and support development in Africa.

This mandate puts the department at the forefront of government initiatives to bridge the digital divide and provide universal access to ICT for all South Africans. South Africa's ICT industry accounts for 0,5% of worldwide ICT revenue.

The department has 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.

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 (DNA).

The South African Post Office (Sapo)

Sapo was established as a government business enterprise to provide postal and related services to the public. It was granted an exclusive mandate to conduct postal services in the country by the Postal Services Act, 1988.

By mid-2012, Sapo had a retail infrastructure of 2 487

service points, which deliver postal, courier, financial and Postbank services. Sapo is expected to open an additional 150 new points of presence by 2014/15.

The depositor's book is expected to grow to R5,2 million by 2014/15.

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. Sapo prints more than 380 million postage stamps a year. They not only reach every corner of South Africa, but also the rest of the world.

PostBank

The Postbank Limited Act, 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 (SABC)

The SABC has two operational divisions: public broadcasting

Pocket Guide to South Africa 2012/13

COMMUNICATIONS

services and commercial broadcasting services. As a national public service broadcaster, the corporation operates 18 radio stations and three television stations, reaching about 24 million people daily.

Telkom

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

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

Sentech provides broadcasting signal distribution for broadcasting licensees. It is responsible for migrating signal distribution infrastructure from analogue to digital in line with technological developments and agreements with the International Telecommunications Union for worldwide migration to digital. Sentech's activities will ensure that the digital terrestrial television network is ready in time to meet the December 2013 analogue switch-off deadline.

National Electronic Media Institute of South Africa (Nemisa)

Nemisa is a non-profit institute of education formed as part of a government initiative in 1998, in response to the *White Paper on Broadcasting Policy*. The institute's main purpose is to train previously disadvantaged individuals, particularly

women, to equip them with the necessary skills to play significant roles in the constantly changing broadcasting environment.

The institute offers hands-on training in electronic media, including content design and production, technical operations and content transmission. .

Universal Service and Access Agency of South Africa (Usaasa)

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 receives contributions from licensed telecommunications providers and broadcasters, which are used to fulfil universal access obligations in under-served areas.

The agency plays a key role in facilitating the achievement of 100% ICT penetration by 2020. Between 2008/9 and 2011/12, 54 access centres were established. In addition, 267 schools and 56 further education and training institutes were provided with Internet connectivity over the same period.

The fund expects to deploy 600 cyberlabs to under-served areas by 2014/15.

Independent Communications Authority of South Africa (Icasa)

Icasa is the regulator for the South African communications, broadcasting and postal services sector.

Enabling legislation empowers Icasa to monitor licensee compliance with licence terms and conditions, develop regulations for the three sectors, plan and manage the radio frequency spectrum, and protect consumers of these and services.

Icasa's functions include:

- licensing broadcasters, signal distributors and providers of telecommunications and postal services
- making regulations

Pocket Guide to South Africa 2012/13

COMMUNICATIONS

Community broadcasting remains an important project for the Department of Communications.

By June 2012, South Africa had 165 community stations, with some 8,6 million listeners a week, collectively. Their scope and reach varies enormously – from the 416 000 Johannesburgers who make up the audience of Jozi FM to, for example, the 32 000 people who listen to Overvaal Stereo in the farming communities of the Free State.

- imposing licence conditions
- planning, assigning, controlling, enforcing and managing the frequency spectrum
- ensuring international and regional cooperation
- ensuring the efficient allocation of numbers
- ensuring interoperability of networks
- receiving and resolving complaints.

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

In 2011/12, the Department of Communications prioritised key policy initiatives, the major one being a comprehensive policy review of the telecommunications, postal, broadcasting



and information technology policies. This process will lead towards the development of a *White Paper on Communications for South Africa*.

In April 2012, the department hosted a successful National ICT Policy Colloquium under the theme *Defining a new era in ICTs for all South Africans*. It served to unpack key issues to be confronted in plans to craft the country's digital future. The policy review addresses availability, accessibility and affordability of broadband.

Broadband Infrastructure Development

By May 2012, it was estimated that only 2% of the population had broadband access at home.

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 the fibre connectivity across the country to district level, is being finalised.

Broadband Infraco

Broadband Infraco sells high-capacity long-distance transmission services to licensed fixed and mobile network operators, Internet service providers and other value-added network service providers. It has a 13 600-km network of long-distance fibre and five open-access points of presence in key metropolitan areas – with an additional seven open access points of presence expected over the next few years.

To enhance South Africa's international connectivity and the speed of broadband, Broadband Infraco 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 and was launched in May 2012. Broadband Infraco's investment in the WACS entitled it to 11,4% of the system's capacity, which would help South Africa meet its target of providing broadband connectivity to all who need it by 2020.

Pocket Guide to South Africa 2012/13

COMMUNICATIONS

Sentech and Broadband Infraco have also commenced with the broadband plan for the KwaZulu-Natal Pilot Project, and site surveys in three districts are complete.

Broadcasting Digital Migration

In February 2012, final amendments to the policy were published in the *Government Gazette* for various role players towards the implementation of the Broadcasting Digital Migration Policy.

Icasa has started the process of finalising the Digital Terrestrial Television (DTT) regulations.

The SABC, Sentech and Usaasa will play a key role in assisting the department to deliver digital broadcasting in the country. Sentech has already achieved digital signal coverage of more than 60% of the population on the DVB-T2 transmission standard.

The South African Bureau of Standards' standard, according to which locally manufactured set-top boxes will be built, was launched at the inaugural ICT Indaba in June 2012.

A DTT awareness campaign was launched in 2012 to educate the South African public about digital broadcasting and how to access it. The campaign is presented in different phases in all the provinces. By late 2012, 60% of DTT rollout coverage was achieved.

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.

The .za Domain Name Space is responsible for the .za DNA. The Department of Communications provides funding for the .za DNA and will continue its support and participation until the .za DNA is fully operational and sustainable.

New Partnership for Africa's Development (Nepad) e-Africa Programme

The Department of Communications provides support to the implementation of the Nepad e-Africa Programme. Nepad's e-Africa programme promotes Africa as a globally competitive digital society. Key initiatives include the ICT Broadband Infrastructure Network for Africa; a submarine cable system (Uhurunet); a terrestrial cable system (Umojanet); and the Nepad e-Schools Initiative.

Sixteen African countries have signed memorandums of understanding with the Nepad e-Africa Programme and a consortia of private sector companies to participate in the Nepad e-Schools demo project. By April 2013, over 80 demonstrations Nepad e-Schools have been implemented. The schools were connected to the Internet to enable them to access content and to communicate with the rest of the world.

Job creation

In line with government's New Growth Path, the department, together with the ICT sector, aims to facilitate the creation of over 150 000 direct and indirect jobs by 2020. An industry-wide committee will be established to identify opportunities, using a collective database to ensure effective monitoring and evaluation.

Communication platforms

Radio

In 2012, the SABC's national radio network comprised 18 radio stations. Fifteen of these were dedicated specifically to public-service broadcasting and included 11 full-spectrum stations, 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 people of the Northern Cape.

COMMUNICATIONS

The SABC has three stations in its commercial portfolio. These are 5FM, Metro FM and Good Hope FM. SABC Radio has 25,486 million listeners weekly in South Africa.

Channel Africa broadcasts live on three platforms: shortwave, satellite and the Internet. Its broadcasts are in Chinyanja, Silozi, Kiswahili, English, French and Portuguese.

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
- 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 television channels – all free-to-air. 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.

Community television

In 2007, Soweto TV was the first community television station to obtain a seven-year broadcasting licence from Icasa. Since then, five more seven-year licences have been issued. By April 2012, there were 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. By mid-2012, it was 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. The 24-hour news service is broadcast live in the United Kingdom 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.

Satellite broadcasting

In October 2012, DStv expanded its subscription satellite television bouquet by adding a new set of high-definition movie channels. The changes come as a result of MultiChoice's expanded capacity since the successful launch of the new Intelsat 20 (IS-20) satellite at the start of August 2012, giving the pay-television platform a massive boost in broadband capacity, which makes more television channels possible.

Internet

South Africa's Internet economy contributes 2% to the country's gross domestic product, according to a study by research consultancy World Wide Worx, released in May 2012. This contribution is rising by around 0,1% a year, meaning it should reach 2,5% by 2016.

South African e-commerce is growing at a rate of around

Pocket Guide to South Africa 2012/13

COMMUNICATIONS

30% a year, according to the study, with the growth showing no signs of slowing down.

The *SMME Survey 2012* found that 410 000 SMMEs in the country have a website – representing 63% of active, formal SMMEs. Approximately 150 000 SMMEs in South Africa would not be able to survive without their web presence. With SMEs accounting for about 7,8 million jobs in South Africa, this means as many as 1,56 million jobs would be in jeopardy were it not for the Internet.

Mobile penetration stands at about 80%, with 40 million South Africans using cellphones. Around 10 million phones are sold in South Africa every year, and it is expected that by 2013, smartphones will account for half of this number.

Broadband access

According to the *Internet Access in South Africa 2012* study by World Wide Worx, released in December 2012, broadband access in South Africa has more than doubled in the last two years, as mobile operators slashed the cost of data and network roll-out accelerated. World Wide Worx's research found that fixed-line broadband subscriptions are outnumbered eight to one by mobile broadband subscriptions.

Social media

By July 2012, there were 5 119 620 Facebook users in South Africa, making it the country with the 31st most Facebook users in the world. It grew by more than 279 160 from the beginning of 2012. Over the period, South Africa registered over twice as many tweets (5 030 226) as the next most active country, Kenya (2 476 800).

Cybercrime and cybersecurity

A National Cybersecurity Policy Framework was approved by Cabinet in March 2012 – one of the few countries in Africa with a policy document.

There is a significant rise in hacking, security breaches, misuse of personal information, cybersecurity threats and cybercrime. In an attempt to ensure that South Africa

measures up to international best practice, the Minister of Communications, in October 2012, published the Electronic Communications and Transactions Amendment Bill.

Mobile communications

According to *Census 2011*, the proportion of households owning cellphones significantly increased from 31,9% in 2001 to 88,9% in 2011. The proportion using landlines decreased from 23,9% in 2001 to 14,5% in 2011. Research by web marketing company Xcellent Media found that there were 29 million cellphones in use in South Africa by June 2012.

The media

When South Africa became a democracy in 1994, the media was freed from all restrictions. According to the Bill of Rights, as contained in the Constitution, everyone has the right to freedom of expression.

Media Development and Diversity Agency (MDDA)

The MDDA is a statutory development agency for promoting and ensuring media development and diversity. By March 2012, the agency had trained over 1 764 people; and provided 247 bursaries to different radio and print media. It had created approximately 310 direct and indirect job opportunities.

Print

Newspapers

According to the Audit Bureau of Circulations' (ABC) *2012 Third Quarter Report*, newspaper distribution declined by 30 000 copies compared to the previous quarter. The daily newspaper category continued to decline in 2012, with several sharp drops in circulation, although growth in vernacular circulation continued.

Magazines

Figures for the third quarter of 2012, released in November

Pocket Guide to South Africa 2012/13

COMMUNICATIONS

2012, showed that overall consumer-magazine circulation declined sharply.

Online media

The February 2012 DMMA/Effective Measure website statistics reveal that News24 is the largest website in South Africa, followed by IOL and Howzit.MSN.

The February 2012 Effective Measure statistics reveal that South Africa produced 14 708 417 unique browsers registering 453 773 181 page views. This is an increase of 2% over the January 2012 statistics.

Media organisations and role players

Print Media South Africa (PMSA), administers individual bodies, namely the Newspaper Association of South Africa (the oldest communication organisation in South Africa, established in 1882), the Magazine Publishers' Association of South Africa and the Association of Independent Publishers (AIP). The PMSA represents more than 700 newspaper and magazine titles in South Africa. The PMSA is a member of a number of international bodies, such as the World Association of Newspapers and the Federation of Periodical Press. Allied to the PMSA, but not a constituent member, is the ABC, responsible for auditing and verifying print-media circulation figures.

The Association of Independent Publishers represents the interests of more than 250 independent publishers in southern Africa. The South African National Editors' Forum (Sanef) was conceived at a meeting of the Black Editors' Forum, the Conference of Editors and senior journalism educators and trainers in October 1996. Against the backdrop of positive political developments on the African continent, Sanef spearheaded the formation of the All Africa Editor's Conference. The Southern African Editors' Forum was subsequently formed in 2003.

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 was established in 1994 to protect and foster 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 adjudicates complaints from the public about programmes flighted by members who subscribe to its code of conduct.

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.

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 (AP)
- 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

Sanef's Nat Nakasa Award for Media Integrity was awarded to Press Ombudsman Joe Thloloe. Thloloe had been a journalist for more than 50 years, and had headed a number of media organisations, such as the SABC News and e.tv.

Pocket Guide to South Africa 2012/13

COMMUNICATIONS

The 2012 Media Development and Diversity Agency/Sanlam Local Media Awards included the inaugural Rantho/Letsebe Community Media Achievement Award. Rantho/Letsebe Community Radio Riverside won the Rantho/Letsebe Community Media Achievement Award. Other winners included:

- Best Community/Small Commercial Newspapers: *Alex Pioneer*
- Independent Emerging Newspaper (between two to five years): *EC Today (Eastern Cape Today)*
- Independent established newspaper: *Polokwane Observer*
- Best Free Paper: *Tygerburger*
- Best Paid Paper: *Lowvelder*
- Hultzer Trophy (circulation under 10 000): *Polokwane Observer*
- Cronwright Trophy (circulation above 10 000): *Lowvelder*.

- 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.

Advertising

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

The Advertising Standards Authority (ASA) is the protector of the ethical standards of advertising in South Africa, and protects consumers against manipulative advertising and unfair claims. It is an independent body established and funded by the marketing-communication industry to regulate advertising in the public interest by means of self-regulation and ensures that advertising content complies with the Code of Advertising Practice.