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## GENERAL NOTICE

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### NOTICE 938 OF 2014



Universal Service and Access Agency of South Africa

### QUALIFYING CRITERIA FOR THE SET-TOP-BOX SCHEME OF OWNERSHIP AND SUPPORT

**UNIVERSAL SERVICE AND ACCESS AGENCY OF SOUTH AFRICA****NOTICE IN TERMS OF SECTION 88(1A) AND SECTION 88(4) OF THE ELECTRONIC COMMUNICATIONS ACT, 2005 AS AMENDED INVITING PUBLIC COMMENT IN RESPECT OF THE QUALIFYING CRITERIA FOR THE SET-TOP-BOXES SCHEME OF OWNERSHIP AND SUPPORT**

The Universal Service Agency of South Africa (USAASA) hereby gives notice of its intention to make recommendations to the Minister of Telecommunications and Postal Services (DTPS) in respect of the qualifying criteria of the poor TV-owning households in terms of section 88(4) of the Electronic Communications Act, 36 of 2005 as Amended (ECA).

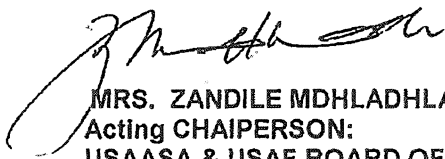
All interested and affected parties including the general public are hereby invited to submit written comment on the proposed Qualifying Criteria for the Set-Top-Box Scheme Support within 30 calendar days of the date of publication of this notice at any of the following addresses:

For attention: Mr. Sipho Selby Mngqibisa  
Building 1 Thornhill Office Park  
94 Bekker Street  
Vorna valley, Midrand  
1686

Fax to: 011 564 1629 or email to: [comments@usaasa.org.za](mailto:comments@usaasa.org.za)

Please note submissions received after closing date may be disregarded.

Mr. Sipho Mngqibisa can be reached at telephone number: (011) 564 1675 or 082 266 4000



**MRS. ZANDILE MDHLADHLA**  
Acting CHAIRPERSON:  
USAASA & USAF BOARD OF DIRECTORS  
2014.10.

## 1. BACKGROUND

- 1.1. Cabinet approved the Broadcasting Digital Migration Policy of South Africa in August 2008. The policy required Government to assist poor TV-owning households in gaining access to STBs to enable reception of digital signals and access to digital broadcasting services.
- 1.2. As part of the Broadcasting Digital Migration (BDM) Programme and as per the SOS Rollout Framework (*Scheme of Ownership Support of Set-Top-Box Rollout Framework, February 2012*), the Universal Service and Access Agency of South Africa (USAASA) is required to manage the disbursement of Set-Top-Box (STB) subsidies to needy TV-owning households located throughout the country.
- 1.3. To ensure that these subsidies are adequately distributed, USAASA must recommend to the Minister, under Section 88 (4) of the ECA, criteria by which TV-owning households will qualify for subsidies. USAASA must, for purposes of payment of these subsidies, determine the manner in which applications must be made and the manner in which subsidies will be paid under Section 88 (1A) of the ECA.
- 1.4. The purpose therefore of this document is to provide the qualifying criteria, which USAASA, will use in determining households that qualify for STB subsidies and how these households can acquire STBs.
- 1.5. A household qualifying for a STB subsidy is deemed a needy person as contemplated in Section 88 (1) (a) of the ECA.

## 2. OBJECTIVES

- 2.1. The key objectives of the qualifying criteria outlined herein is to provide clarity to all South African TV-owning households with regards to:
  - 2.1.1. The type of households that qualify for STB subsidies;
  - 2.1.2. The manner in which households are required to apply for STB subsidies; and
  - 2.1.3. The manner in which qualifying households may acquire STBs as part of migrating to the digital television platform.

## 3. STB QUALIFYING CRITERIA CONSIDERATIONS

- 3.1. In developing a qualifying criteria for the purpose of identifying households that are deserving of the STB subsidy, a number of considerations were taken into account and some assumptions had to be made, as depending on the data acquired.



### 3.2. Scheme of Ownership Support (SOS) of Set-Top-Box Rollout Framework Considerations

- 3.2.1. In accordance with the SOS Rollout Framework (*Scheme of Ownership Support of Set-Top-Box Rollout Framework, February 2012*), revised Subsidy STB Model by National Treasury in 2013 and in line with the Broadcasting Digital Migration Policy, five (5) million TV-owning households have been approved as households deserving of a STB subsidy, at a subsidy level of:
- 3.2.2. Up to 66% of the price of a DTT STB and up to 77% of the price of DTH STB will be considered for subsidy.

### 3.3. Coverage of the DTT Signal

- 3.3.1. Due to economic and topography factors in signal distribution, the terrestrial signal, as distributed by the national signal distributor and other signal distributors, will not be able to cover 100% of the population
- 3.3.2. In the Karoo region of the Northern Cape, where the SKA radio astronomy telescope is to be deployed, it is a Government policy requirement that the area be radio silent for radio transmitters transmitting signals between 50MHz and 30GHz, which therefore means that terrestrial television signals will require to be switched off in the area
- 3.3.3. These factors led to Government requiring that where there will not be any terrestrial transmissions, poor TV-owning households in those areas be provided a subsidy to acquire Direct to Home (DTH) Satellite STBs and antennae.

## 4. STB QUALIFYING CRITERIA

- 4.1 In view of all considerations that have been taken in developing this qualifying criteria, the following sliding scale STB subsidy will apply, based on household income, and therefore affordability level.

| Income Bracket [ R ] | DTT (Terrestrial) | DTH (Satellite) |
|----------------------|-------------------|-----------------|
| [0-1500]             | 66%               | 77%             |
| [1501-1999]          | 36%               | 57%             |
| [2000-2499]          | 15%               | 51%             |
| [2500-3200]          | 0%                | 29%             |

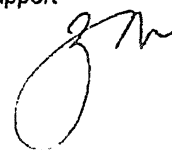
### 4.2 Proof of Eligibility

- 4.2.1 To ensure that only deserving households receive STB subsidies as part of the STB subsidy scheme, all of the following has to be provided as proof that the household is eligible to receive the STB subsidy:

- 4.2.1.1 **Proof of TV ownership:**
  - 4.2.1.1.1 A TV licence or concessionary TV licence
  - 4.2.1.1.2 An affidavit confirming ownership of a fully operational TV- set
- 4.2.1.2 **Proof of South African Citizenship:** The person applying for the STB subsidy is required to produce a valid South African green bar-coded Identity Document (ID) as proof of South African citizenship.
- 4.2.1.3 **Proof of Household Income:** The proof of income required is in the form of:
  - 4.2.1.3.1 A Payslip from the employer. For persons that do not receive a monthly salary slip, or a letter confirming employment from the employer. An affidavit from the SAPS in cases where there is no income;
  - 4.2.1.3.2 A bank-certified three months statement for persons with bank accounts. This is a compulsory requirement for all applicants.
  - 4.2.1.3.3 **Proof of Dependency on Social Grants:** Households that depend on either a child support grant, old-age grant and/or a disability grant are required to provide confirmation of receiving said social grants.

## 5 APPLICATION FOR STB SUBSIDY

- 5.1 Households that seek to apply for subsidies as part of migrating from their current analogue TV platform to the digital platform will be required to take the following steps when applying for subsidies.
  - 5.1.1 Households will be required to make their applications through the South African Post Office (SAPO), at their local Post Office branch.
  - 5.1.2 Applicants will be required to fill out a form, providing all relevant information required by the form and accompanying documentation. This accompanying documentation is specified in Section 4 above.
  - 5.1.3 Proof of Physical Address will be required, in the form of:
    - 5.1.3.1 A statement addressed to the applicant's address (Municipal Bill, Bank Statement, Retail Account, other); or
    - 5.1.3.2 An affidavit with a stamp from the SAPS or the Commissioner of Oaths; or
    - 5.1.3.3 A signed letter from the local Traditional House for households without documented physical addresses; or
    - 5.1.3.4 A signed letter from an employer; or



5.1.3.5 A signed letter or statement from the Landlord

5.1.4 The information provided through the application form, together with the accompanying documentation, will be captured and a receipt provided to the applicant.

5.1.5 The applicant's information will be verified and following verification, the applicant will be duly informed whether they have qualified for the subsidy or if their application was not successful.

5.1.6 If approved for the STB subsidy, the applicant

5.1.6.1 will be required to pay the difference of the subsidy to the SA Post Office

5.1.6.2 will receive a voucher for the installation of the STB and an installation will be scheduled by the Post Office.

5.1.7 If the application for a STB subsidy is not approved, the Post Office will provide reasons to the applicant why the application was not approved.

If the applicant feels aggrieved by the decision of the Post Office, the applicant may appeal against the decision to USAASA.

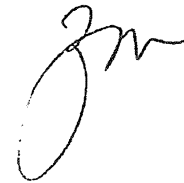
The grievances can be sent in writing to the

**The Administrator  
Digital Migration Subsidies  
Building 1, Thornhill Office Park  
94 Bekker Road, Vorna Valley, Midrand  
P.O. Box 12601, Vorna Valley, 1686  
t +27 11 564 1600 f +27 11 564 1629**

or via email: [BDMsubsidy@usaasa.org.za](mailto:BDMsubsidy@usaasa.org.za)

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