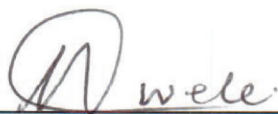

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF TELECOMMUNICATIONS AND POSTAL SERVICES**NO. 225****04 MARCH 2016****ELECTRONIC COMMUNICATIONS ACT, 2005
(ACT NO. 36 OF 2005)****POLICY DIRECTION TO THE INDEPENDENT
COMMUNICATIONS AUTHORITY OF SOUTH AFRICA ON
EFFECTIVE COMPETITION IN BROADBAND MARKETS AND
THE REDUCTION OF DATA COSTS**

I, Dr Siyabonga Cyprian Cwele, Minister of Telecommunications and Postal Services, hereby issue the Policy Direction in the Schedule to the Independent Communications Authority of South Africa in terms of section 3(2) of the Electronic Communications Act, 2005 (Act No. 36 of 2005).



Dr Siyabonga Cyprian Cwele, MP
Minister of Telecommunications and Postal Services

SCHEDULE

POLICY DIRECTION ON EFFECTIVE COMPETITION IN BROADBAND MARKETS AND THE REDUCTION OF DATA COSTS

1. Background

1.1 Government is committed to ensure effective competition in the broadband market. This is supported by the following:

1.1.1 The National Development Plan, 2030 (NDP) notes that “*The high domestic cost of broadband internet connectivity is a major hindrance*” to amongst other things, scientific and technological advancement.

1.1.2 The goals identified in the NDP include that of universal access and availability of a wide range of converged services at a “*cost and quality at least equal to South Africa’s main peers and competitors*”.

1.1.3 The National Broadband Policy (South Africa Connect) adopted in 2013, states that the high prices charged for communications services are identified as one of the primary factors hampering South Africa’s competitiveness. It further emphasizes that access to broadband must be affordable to lead to economic growth.

1.1.4 South Africa remains one of the most expensive countries in the African Broadband Price Index (*Research ICT Africa Broadband Policy Brief No. 3, June 2014*).

1.2 In order to realise the policy intent of Government as derived from both the NDP and SA Connect to make broadband more

affordable for end users, effective competition in broadband markets is necessary.

1.3 The Minister has the authority in terms of the Electronic Communications Act, 2005 (Act No. 36 of 2005) to issue policy directions to the Independent Communications Authority of South Africa (the Authority).

2. Policy Direction

2.1 The Authority is hereby directed, in terms of section 3(2) of the Electronic Communications Act, 2005 (Act No. 36 of 2005) to prioritize the commencement and conclusion of an inquiry and the prescription of regulations as contemplated in section 67(4) of the Electronic Communications Act to ensure effective competition in broadband markets.