

https://dspace.org/

Monitoring and evaluation of universal service obligations for mobile network operators in South Africa.

Ncgobo, Victor Mandla

2013-06-04
http://hdl.handle.net/10539/12764

Downloaded from a DSpace repository. https://dspace.org/

MONITORING AND EVALUATION OF UNIVERSAL SERVICE OBLIGATIONS FOR MOBILE NETWORK OPERATORS IN SOUTH AFRICA

Victor Mandla Ngcobo

A research report submitted to the Faculty of Commerce, Law and Management, University of Witwatersrand, in partial fulfilment of the requirements for the Master of Management in the field of ICT Policy and Regulation.

March 2012

ABBREVIATIONS/ ACRONYMS

ANC	African National Congress
CSTs	Community Service Telephones
DoC	Department of Communications
ECA	Electronic Communications Act
ECS	Electronic Communications Services
ECNS	Electronic Communications Network Services
GSM	Global System for Mobile Communications
IBA	Independent Broadcasting Authority
ICASA	Independent Communications Authority of South Africa
ICT	Information Communication Technology
ISPA	Internet Service Providers Association
ITA	Invitation To Apply
ITU	International Telecommunications Union
JED	Joint Economic Development
M&E	Monitoring and Evaluation
MHz	Megahertz
MNO	Mobile Network Operator
MTN	Mobile Telephone Network
NEPAD	New Partnership for Africa's Development
OECD	Organisation for Economic Cooperation and Development
RDP	Reconstruction and Development Programme
RIA	Regulatory Impact Assessment
SATRA	South African Telecommunications Regulatory Authority
SIM	Subscriber Identity Module
UNDP	United Nations Development Programme

USAO	Universal Service and Access Obligations
USF	Universal Service Fund
USO	Universal Service Obligations

ABSTRACT

Universal Service Obligations (USOs) have been used, for over a decade, as a regulatory mechanism to bridge the digital divide in South Africa. For USOs to be effective and efficient in bridging the digital divide, it requires close coordination between various impacted and interested stakeholders, such as mobile network operators (MNOs), the ICT regulatory authority (the Independent Communications Authority of South Africa), and the Universal Service and Access Agency of South Africa in order to extend the number of beneficiaries of the USOs. Furthermore, this requires stakeholders to understand the full impact, as well as the costs and benefits (financial and non financial) before imposing the USOs. The evidence from this research confirms that there was no monitoring and evaluation of USOs for MNOs during their implementation. More importantly, the Regulatory Impact Assessment (as a regulatory tool) was never used by ICASA in respect of the USOs initiative. This led to the failure of the initiative in achieving most of its objectives. Such failure can be attributed to lack of understanding by ICASA of the general impact of imposing the USOs upon MNOs, given that no impact assessment was done before such imposition. Recommendations arising from the research include the need for a shared vision on the USOs initiative, the need for clearly identified and defined roles for all stakeholders with an interest in the initiative, the need for a properly analysed and know ICT access gap, the need to balance the use of market and non market mechanisms in respect of USOs, the to ensure a proper funding mechanisms for USOs, and the need to identify effective regulatory governance in respect of USOs.

DECLARATION

I declare that this report is my own, unaided work. It is submitted in partial fulfilment of the requirements of the degree of Master of Management (in the field of ICT Policy and Regulation) in the University of Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in any other University.

Signature:..... Date:.....

(Mr. Victor Mandla Ngcobo)

DEDICATION

To my wife Nombulelo, thanks for your continued understanding and support during this project. Without giving out much, order will now be restored in your house

To my son and daughter – Phiwe and Khethelo

To my mother and late father

ACKNOWLEDGEMENTS

A big thank you goes to my supervisor, Mr. Charley Lewis, for his guidance throughout this research process. Your sacrifice and ability to allocate time for me given your busy schedule has finally paid off.

I also wish to express my gratitude to Luci Abrahams for her encouragement and assistance with the research proposal.

This study would not have materialised if the sampled group of interviewees, from the Department of Communications, USAASA, ICASA, Vodacom, MTN, Cell C, Pygma Consulting, and other experts was unwilling to participate in the study.

To Mr Gabriel Tenene and Mr Tumi Mokgoro, trustworthy friends, thank you for being study mates when the journey was lonely.