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DEPARTMENT OF TELECOMMUNICATIONS AND POSTAL SERVICES: NATIONAL E-STRATEGY AND ICT SMME SUPPORT STRATEGY

1. INTRODUCTION

In April 2017, the Minister of Telecommunications and Postal Services, Mr. Siyabonga Cwele, published the proposed National e-Strategy in terms of Section 5(3) of the Electronic Communications and Transaction Act, 2002 (Act No. 25 of 2002). The fundamental question posed by the development of the National e-Strategy is how South Africa can use the latest technologies and the fastest data speeds to usher in a period of sustained economic, social and political development.¹ The National E-Strategy gives expression to the national policies and priorities that have been adopted to create conducive environment for the realisation of the country's developmental goals.

The National e-Strategy contains an e-government strategy that will define the parameters and forward-looking strategies for the use of the Information Communication Technologies (ICTs) in a government wide environment to deliver different services. Secondly, government must create the necessary environment for the different societal and economic sectors to grow in using the ICTs.

This paper will provides an overview of the National E-Strategy, E-government strategy and the ICT Small, Medium and Micro Enterprise (SMME) Support strategy which will be presented by the Department of Telecommunications and Postal Services (DTPS) to the Portfolio Committee on 22 August 2017.

2. NATIONAL E-STRATEGY

The purpose of developing the e-strategy is to articulate the vision for the development of an inclusive information society and knowledge economy for the country that is based on the needs of the citizens, business and public sector. The strategy aims to provide a well-coordinated and integrated roadmap that will guide all ICT initiatives by Government and the public sector. The National e-Strategy must be viewed as an overarching framework, with a common agenda that directs and guides all ICT intervention. The National Development Plan (NDP) mandates government to develop a national e-Strategy, which will underpin the development of an inclusive Information Society and Knowledge Economy. The e-Strategy provides for the development of the sectoral strategies linked to priorities identified by the different sectors, namely, energy, science, education, health and Government. The Integrated ICT White paper calls for the development of a digital society, with the focus on Digital transformation of government, digital access and digital inclusion.

¹ Department of Telecommunications and Postal Services (2017a)



2.1. The Vision

The vision of the e-Strategy is to make technology work for South African citizens and to build a digital future for all.

2.2. Mission

Flowing from the above vision, the mission of the e-strategy is to develop a people centric caring knowledge based society, transforming the South African society and the economy based on access and utilisation of modern information communication technologies.

2.3. Strategic Objectives

The 6 strategic objectives of the national e-Strategy in the short to medium term are to:

- Developing and implementing a comprehensive e-government strategy
- Develop and implement E-strategy sectoral plans
- Fast tracking the roll-out of broadband infrastructure to build smart digital communities
- Developing a Cybersecurity programme to safeguard the networks, platforms, mission critical systems
- Developing frameworks for e-commerce, m-transactions and electronic payments
- Increasing the contributions of ICTS in the national economy and supporting SMMEs, South African software and hardware businesses

3. NATIONAL E-GOVERNMENT STRATEGY AND ROADMAP

As stated above, the Integrated ICT White paper calls for the development of a digital society, with the focus on Digital transformation of government, digital access and digital inclusion, with a whole of government approach. The purpose of the National e-Government strategy and roadmap: digitising government services “is to guide the digital transformation of public service in South Africa into an inclusive digital society where all citizens can benefit from the opportunities offered by digital technologies to improve their quality of life.”

The National e-Government strategy seeks to address the following issues:

- Rising public service costs and backlogs in service delivery
- Fragmentation of e-government initiatives and uncoordinated implementation thereof
- Duplication of processes, large-scale system incompatibilities and inefficiencies
- Lack of easy access to government services
- Increasing digitally demanding citizens and demands for digital transformation stakeholders.

The vision is to digitise government services.



The strategic objectives of the National e-Government strategy are:

- To deliver integrated electronic services
- To harmonise legislative framework for e-government services
- To create and manage reliable, accessible and cost effective e-services
- Develop capacity and skills programme that will ensure sufficient service delivery
- To establish institutional mechanism for coordination of e-government services
- Empowering underserved communities using ICT

'E-Government' or 'digital government' is the innovative use of communications technologies (including mobile devices), websites, applications and other ICT services and platforms to link citizens and the public sector and facilitate collaborative and efficient governance. E-government includes:

- Government to Government programmes (G2G) – is concerned with interaction between different levels of government and collaboration with government agencies;
- Government to Citizen programmes (G2C) – involves an interaction between government and citizens
- Government to Employee programmes (C2G) – this involves the relationship between government and its employees. This form is considered as an effective way of bringing employees together and promoting knowledge sharing among them; and
- Government to Business programmes (G2B) – this is concerned with supporting business activities.²

4. ICT SMME SUPPORT STRATEGY

The South African government recognises SMMEs as the backbone of the economy, as SMME businesses account for approximately 14 per cent of total employment and contributes 42 per cent to the Gross Domestic Product (GDP) of South Africa. The NDP envisages that the small business sector will create 90 per cent of the expected 11 million jobs by 2030. The Strategy seeks to respond to challenges faced by the SMME sector with regards to the use of ICTs and develops key interventions to accelerate the development and growth of small enterprises in the ICT sector. The Strategy aims to facilitate increases in the levels of uptake and usage of ICTS by the general small business sector. Some of the challenges faced by the SMME sector with respect to ICTs include:

- High levels of concentration in the ICT market
- High cost to communicate
- Inhibiting policy and regulatory environment
- Limited commercialisation of innovation
- Constraints in access to finance
- Skewed deployment of infrastructure
- Market access

² Department of Telecommunications and Postal Services (2017b)



- Lack of appropriate skills and entrepreneurial capabilities
- No central comprehensive database for ICT SMMEs
- Lack of appropriate incentive schemes (move products from the R&D phase to commercialisation of innovation)
- No coordination and integration mechanism to drive and monitor ICT SMME related programmes and interventions.

The strategic objectives of the ICT SMME support strategy are:

- Facilitate the development and accelerated entry of SMMEs (particularly youth and women entrepreneurs) in the ICT sector;
- Increase levels of uptake and usage of ICTs by SMMEs across economic sectors; and
- Establish a coordinated and integrated planning mechanism for the development of ICT SMMEs.

The ultimate goal of the strategy is to unlock business opportunities and create an enabling business and administrative environment for SMMEs in the ICT sector to thrive and advance into successful and sustainable entities. The strategy aims to support start-up ICT small, medium and micro enterprises, strengthen existing enterprises and extend support programmes to potentially viable SMMEs.

5. ISSUES FOR CONSIDERATION BY PARLIAMENT

- Concerning the e-Government Strategy, how far has the upgrading of the Government network progressed? What regarding the SITA mandate needs to be reviewed? Will this require legislative amendments?
- The National e-Strategy is very ambitious. Over what time period does the Department envision the implementation of the strategy?
- How is the National e-Government Strategy assisting in streamlining service delivery? Especially with regard to integrating related systems, i.e. information from Home Affairs can be accessed by the Justice System, the Department of International Relations and Cooperation, or the South African Revenue Services. What is needed by government to enable this?
- In the e-Government Strategy, it envisages the Post Offices in rural areas to be Centres of Excellence or Digital Hubs to ensure access to e-Government services (slide 10). How ready are the rural Post Offices to fulfil this mandate?
- With regard to the ICT SMME Support Strategy, over what time period does the Department envision the implementation of the strategy?
- The successful implementation of the SMME Strategy relies on the successful coordination of several different actors, in government and in the private sector.



How will the Department ensure this coordination and cooperation among departments and the private sector?

- What is the Department doing to bring down the cost of data? This is one of the main problems faced by SMMEs with utilising the latest ICT opportunities and no mention is made of the high cost of data in South Africa as one of the problems facing SMMEs in the ICT SMME Support Strategy.

6. CONCLUSION

The National e-Government Strategy and Roadmap was developed with the Inter-Departmental e-Government Committee and consulted with SITA EXCO and the Government IT Officers (GITO) Council. The National e-Strategy and National e-Government Strategy and Roadmap was published in the Government Gazette for public consultations and comments in April 2017. Provincial consultations commenced on 08 May until 09 June 2017. The Department will present both the National e-Strategy and the National e-Government Strategy and Roadmap to Cabinet in the 2017/18 financial year.

The ICT SMME Support Strategy was published in the Government Gazette for public consultation and comments in March 2017. Provincial consultations commenced on 08 May until 09 June 2017. The DTSPS is currently finalising the SMME strategy and will be presented to the Economic Sectors, Employment and Infrastructure Development (ESEID) cluster on 13 September for approval. The Strategy will be presented to Cabinet for approval in the 2017/18 financial year.

7. REFERENCES

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