



MINISTRY
COMMUNICATIONS AND DIGITAL TECHNOLOGIES
REPUBLIC OF SOUTH AFRICA

**KEYNOTE ADDRESS BY MINISTER KHUMBUDZO NTSHAVHENI AT
NASPERS/DCDT STAKEHOLDER SUMMIT ON 23 MARCH 2022**

Theme: Unlocking the Potential of South Africa's Digital Economy

SA CEO of Naspers, Phuthi Mahanyele-Dabengwa

Group CEO of Prosus & Naspers, Bob van Dijk

Your Excellency, Ambassador of the Netherlands

Deputy Minister of Higher Education, Science and Innovation, Mr Buti

Manamela

Prof Tshilidzi Marwala, VC – University of Johannesburg

Chairpersons and CEO's invited ICT-sector companies

Ladies and Gentlemen

Good morning

Programme Director,

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This Summit on ***Unlocking the Potential of South Africa's Digital Economy*** is taking place at the most opportune time. This is at the back of the successful conclusion of the auction of the high-demand spectrum last week. Yes, the R14,4 billion or US\$1 billion raised from the auction is much appreciated injection into the national fiscus but we are more focused on the impact the licensing of high demand spectrum will inject in our journey towards the digital economy. Of course, we have started to formulate proposals to the National Treasury on how some of the funds raised must be re-invested in the sector to grow its contribution to the economy. I must hasten to assure you that it will not take another 18 years to license another round of spectrum.

Allow me to contextualise it this way, the Department of Communications and Digital Technologies want to work with the sector to ensure that the digital economy (at a minimum) constitutes 30% of South Africa's economy by 2030. However, this digital economy that we are envisaging must be inclusive digital economy and therefore we have prioritised bridging the rural -urban digital divide. We have committed ourselves to play our part in ensuring that no South African is left behind. We have therefore set ourselves the following targets by the year 2024/25:

- Ensure that 80% of South Africans have access to the internet and this access must be achieved using Smart devices. To achieve this, we will soon commence with the implementation of Phase 2 of the South Africa/ SA Connect programme using a Cabinet-approved revised model. The revise model connects 44 000 government institutions and over 33 000 community Wi-Fi hotspots through a partnership of government and private sector including small and medium enterprise participation.

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- Digitise front/citizen-facing government services which should translate to at least 50% of government services rendered fully online. This will require a community/society including the poor and those in rural areas to have basic digital skills to access government services.
- Introduction of e-learning and e-health services (public sector). So, when the successful bidders are connecting the outstanding public schools (over 18 000) and public health facilities (over 5000 clinics and hospitals) as part of their social obligations for accessing the spectrum and these are part of the 44 000 SA Connect government institutions, I referred to earlier; government will be ensuring that at a minimum:
 - All learners in public schools, from Grade R to Grade 12 and those in community colleges have an email address with applicable security features and digital signatures. This will allow teachers to share educational content with the learners and some level of learning to take place online. However, this will require the development of e-learning content that will be led by the Departments of Education (Basic and Higher education) with SITA playing a supporting role.
 - We are working with the National Department of Health and CSIR on how to expand the EVDS that was introduced to manage the Covid-19 pandemic to become the base system for other public health-care management. At the back of these, we will commence the digitisation of public healthcare records to make the records portable. Portable health records will assist with effective healthcare as patients will be able to grant access to their health provider irrespective of whether they are treated in the private and public sector.

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- Introduce and expand 5G networks and technologies in all major cities, secondary cities, and key rural towns, which will boost the Municipal Connect programme which will be implemented with the Department of COGTA and SALGA. This will allow us to usher real Smart Cities in South Africa and to this end, several municipalities have approached us for partnership and support towards the implementing their smart city plans. Equally, we will soon finalise plans together with the Department of Human Settlements to ensure that planned and new settlements have broadband connectivity as part of primary utility networks. In addition, these 5G Networks and technologies must extend to at least 3 vertical industries over the same period.

Ladies and gentlemen,

All these plans will only make the necessary impact if the cost of data is significantly reduced. To this end, in the next few months, we will finalise South Africa's Framework and Plan towards a Digital Economy and Beyond by 2050 for public comments, so in the next few weeks, we will commence consultations with key players at the drafting level. Part of this plan is how government envisages to ensure that each household have access to free basic data

Equally, these plans mean the explosion of content and thus we are positioning ourselves as Africa's Content Hub, for we cannot afford to be mere consumers of content from other shores. We are also positioning ourselves of the e-Commerce Hub and Integrator in our continent.

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Government is committed to working very closely with the private sector in improving the lot of every South African. This is the spirit of the new consensus the President spoke of in his State of the Nation Address of 2022.

We are holding this Summit on the eve of the 4th South African Investment Conference in Sandton, Johannesburg. In 2018 the President set a target to mobilise R1,2 trillion in new investment over a five-year period. Following the first South Africa Investment Conference of 2018, the ICT Sector has accounted for R144 billion of the R776 billion investment commitments made as of 2020. This confirms the ICT sector's critical role in economic recovery. As a growing sector of the economy, I strongly believe that we can still do more. It is reason, we aspire and plan for Digital Economy constituting 50% of SA's economy by 2040.

I wish this event the best as we tap into the wisdom of this gathering on how best we will contribute to making our country a better and prosperous for all who live in it.

I thank you!!!!!!

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