SONA DEBATE BY THE MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES, MS STELLA NDABENI-ABRAHAMS

"4IR and Spectrum"

18 FEBRUARY 2020

Madame Speaker,

Chairperson of the Council of Provinces

His Excellency, President Cyril Ramaphosa

Deputy President, David Mabuza

Ministers and Deputy Ministers

Honourable Members of Parliament

Fellow South Africans

Good Afternoon.

Panic, anxiety and excitement have become our daily 4IR dose – every day we wake up to read the headlines on diverging opinions on the 4IR. Jobs are being shed and some are not certain when their own jobs will come to an end.

Businesses are disrupted everyday whilst policy makers and regulators grapple daily with what they never anticipated.

Disrupting the disruption is the order of the day - scary animal indeed. However, this is not to say that the impact of the 4IR should only be measured in the inevitable shift that it will cause in the jobs economy.

Though widely regarded as the Fourth Industrial Revolution, countries around the globe have come up with their own definitions, what it means to them and its implications on socio-economic imperatives.

In South Africa, we have defined it as… *"an era where people are using smart, connected and converged cyber, physical and biological systems, smart technologies and business models to define and reshape the social, economic and political spheres."*

Honourable Members,
Preceding industrial revolutions moved humankind from relying on animal power to relying on machines. Mass production became a reality and digital technologies flourished.

The First Industrial Revolution which was powered by the steam engine, not only established the original factory floor through mechanisation and transformed the way people travelled, it permanently altered the market structure from agrarian to industrial, from farm to factory.

The Second and Third Industrial Revolutions, driven by electrification and digitisation respectively, gave birth to mass production and automation where processes that were ordinarily manually done by humans, were now performed by computers.

In South Africa specifically, these revolutions took place during an era of the plunder of land and mineral resources which explains the current racialised inequalities in our country.

Further, the Third Industrial Revolution unfolded at the peak of the apartheid system in the late 1960s and under the pariah state where South Africa was isolated from the global community due to sanctions and disinvestments.

Effectively, South Africans and Africans in general were broadly relegated to the consumption end of the spectrum. And as these revolutions occurred during the colonial era, the little that took place in Africa was almost all imported and managed by the colonial powers.

In the 4IR era, we have a unique opportunity to ensure that our people participate in the entire manufacturing and production value chain.

Madam Speaker,
In 1993, just before the democratic government came into power, the ANC made decisive interventions to ensure that the licensing of Vodacom and MTN was accompanied by obligations in an attempt to avoid perpetuating inequalities.

While there is still a lot of work to be done, our government has indeed succeeded in creating a communications industry that largely meets the needs of the majority.

We are, however, aware that there are still South Africans who do not have access to quality digital infrastructure. Plans to address that will be detailed in the budget vote.

With the advent of the 4IR, Mr President you have shown remarkable leadership in preparing South Africa to be one of the leading nations in taking advantage of the new innovations to address our social and economic realities.

Presidential Commission on the Fourth Industrial Revolution
Madam Speaker,
The Presidential Commission on the Fourth Industrial Revolution which was appointed in 2019 has, with less than one-year in office, submitted its diagnostic report, which entails the following amongst others:

- Establishment of the Artificial Intelligence Insitute
- Establishment of a platform for advanced manufacturing and new materials
- Incentives for future industries
- Development of laws that will be agile in order to place SA firmly in the 4IR
- Calls for a concerted and coordinated effort for all of us to be agents of change in order to harness our potential to unlock the future of our economy.
- Investment in Human Capacity development
- Building of 4IR infrastructure

The Commission will continue to engage with relevant stakeholders to solicit further inputs before finalising the report.

Licensing of High Demand Spectrum to enable economic development
Fellow South Africans,

As mentioned by the President during SoNA, plans to licence High Demand Spectrum are advanced. We await a conclusion that will enhance competition, transformation and empowerment as some of the core principles of this licensing process.

This will also be backed by our plan to ensure wall to wall broadband coverage including the rollout of fibre in many parts of our country including rural areas.

At the same time, we will start the policy process of the licensing of 5G, which is critical in enabling a digital economy which cuts across all sectors and opens up opportunities for small businesses throughout the value chain.

Madam Speaker,
It is said that South Africa has about 30 000 telecommunications towers and most likely needs more. What opportunities then exist in this space, especially for new entrants in the market?

We have identified that in terms of the Telecommunication Infrastructure Build Programme, opportunities exist to ensure localisation of components such as fibre optic cables, batteries, steel cabinets and Radio Frequency cables that are used in Base Transceiver Stations as these are currently being imported.

As we seek to implement the "one tablet per child" policy, with over 11 million learners in the public schooling system, we also note that there are about 1,2 million employees in national and provincial government. This presents an opportunity for local manufacturers to provide laptops and tablets.

In terms of the Digital Migration process being led by the department, an opportunity for local set-top-box and IDTV manufacturers is presented as there are a lot of households that still need to migrate to digital television.

Lastly, with over 11 million households with metering solutions, there is a case for a smart metering manufacturing to serve South Africa and Southern Africa.

It is now up to our social partners to choose whether to join us in our quest to reindustrialise the electronics industry or to continue to be spectators even in this revolution.

Digital government to enhance service delivery

Honourable Members,
Digital skills is another priority area that requires all role players to collaborate in massifying skills throughout society and not confine this important responsibility to academic institutions which in no doubt also play a huge role. In this regard, our department recently undertook a digital skills gap analysis to identify critical skills that are needed to fuel the digital economy.

This resulted in a Draft Digital Skills Strategy that will soon be submitted to the Human Resource Development Council and Cabinet.

In preparing young people for the future of work; we recently concluded a pilot programme with MICT SETA where 1000 young people were trained on data science and related skills.

This was highly successful and will be replicated.

With regards to government, we will prioritise the digitisation of front-end services throughout the three spheres of government.

The Department and SITA have completed the development of an e-services portal for this purpose, and we hope to unveil this to the public as soon as we have uploaded services for consumers, government to government and government to business.

More work still needs to be done to tap on other technologies especially as we integrate into Big Data enabled innovations.

SITA will also establish a framework and platform for tech start-ups and the innovator community to source digital government services such as applications and related tools.

Together with the Ministry of Social Development, we are working to resolve the challenges around social grants distribution, and as such, fellow South Africans, we assure you that we will continue to deliver social grants without fail.

Smart cities, smart communities, smart people….

Mr President,
The progress on the commitment to build a Smart City in Lanseria comes at an opportune time as we are seized with preparing South Africa for the licensing of 5G spectrum.

To enhance such efforts, we have prioritised the building of connected towns within the Pilot Districts identified in the District Development Model.

The development of smart cities and smart communities necessitates smart people who are equipped with the requisite skills and resources to be able to respond to the opportunities presented by the Fourth Industrial Revolution.

Fellow South Africans,

This occasion therefore enables us to always remember that our people were and will continue to be their own liberators under the leadership of the broader democratic movement led by African National Congress.

Today, we should reiterate that the solutions to the challenges we face as a nation will depend on all us working together, and the Fourth Industrial Revolution is not exceptional.

We stand face to face with unprecedented technological developments that have enabled things to behave as if they were humans.

We now have a choice to allow them to replace us or we leverage on them to change our economic and social status.

Aluta Continua!