

NOTICE 404 OF 2014

Independent Communications Authority of South Africa
Pinmill Farm, 164 Katherine Street, Sandton
Private Bag X10002, Sandton, 2146

**INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA
(ICASA)**

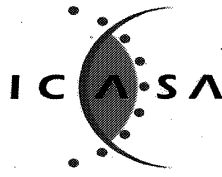
GENERAL NOTICE – NEOTEL AMENDED UNIVERSAL SERVICE OBLIGATIONS

1. The Independent Authority Communications Authority of South Africa , under sections 10 (1)(f)(g)(i-ii) of the Electronic Communications Act, 2005 (Act No. 36 of 2005), publishes Neotel (Pty) Ltd's Amended I-ECNS Licence Universal Service Obligations.
2. In 2008/2009 the Authority decided to review the obligations imposed on Neotel (Pty) Ltd "Neotel". On 27 November 2013 a Draft Amendment of Universal Service and Access Licence obligations was published on Gazette no. 37190 for public comment. Subsequently the Authority on 20 December 2013 published an Extension for Submission on the Draft Amendment of Universal Service and Access Licence Obligations inviting interested parties to submit written comments by 21 January 2014.
3. The Authority has established that it is necessary for internet access obligation to be amended in order for school connectivity to be implemented and carried out effectively. The proposed amendments includes:
 - i. Reducing number of public schools to be connected for Neotel;
 - ii. The Authority will allocate schools for Neotel to connect; and
 - iii. Neotel is obligated to provide internet access 'schools connectivity' as stipulated in the amended licence obligation.
4. On 18 March 2014, the Authority approved the amendment of Universal Service Licence obligation to be implemented by Neotel (Pty) Ltd.
5. Neotel's Amended Universal Service Obligations are effective from 01 April 2014.

A handwritten signature in black ink, appearing to be 'Dr. Stephen Mncube', written over a horizontal line.

CHAIRPERSON

DR STEPHEN MNCUBE



Independent Communications Authority of South Africa
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**NEOTEL (PTY) LTD I-ECS AND I-ECNS LICENCES' UNIVERSAL SERVICE
OBLIGATIONS AS AMENDED**

1. OBLIGATIONS

- 1.1 The licensee shall continue to maintain previously implemented Universal Service Obligations until reviewed by the Authority in terms of sections 82, 88, 89 and 90 of the ECA.
- 1.2 The licensee shall continue to implement Universal Service Obligation in the licence until reviewed by the Authority in terms of sections 82, 88, 89 and 90 of the ECA.
- 1.3 The attached Annexure "A" contains the current obligations referred to 1.1 of this schedule.
- 1.4 It is recorded that the licensee has, in fulfilment of the original universal service and access obligations:
 - 1.4.1 provided connectivity to 51 public schools and FET schools; and
- 1.5 The universal service and access obligations to be fulfilled by the licensee with effect from the effective date are set out in Annexure "A".

WILLIAM CURRIE
ACTING CHAIRPERSON

Date: 25/03/2014

ANNEXURE A

Schedule A

DEFINITIONS

1. In this Annexure:
 - 1.1 all words and expressions used shall, unless the context otherwise requires, have the same meanings as ascribed thereto in terms of the Act and/or;
 - 1.2 unless the context otherwise requires
 - 1.2.1 **"Allocation"** means the Authority shall on an annual basis distribute a list of schools to all licensees for implementation;
 - 1.2.2 **"Broadband Policy"** means the South Africa Connect: Creating Opportunities, Ensuring Inclusion South Africa's Broadband Policy as published on 6 December 2013, government gazette number 37119;
 - 1.2.3 **"DBE"** shall mean the Department of Basic Education;
 - 1.2.4 **"Department"** shall mean the Department of Communications;
 - 1.2.5 **"Effective Date"** shall mean 1 April 2014 unless authorized and or advised by the Authority;
 - 1.2.6 **"Hardware"** means any local area network equipment computers, printers, routers etc and as stated in the DBE Proposed ICT Solution for Schools as amended (**Annexure B**);
 - 1.2.7 **"Internet access"** means connecting a schools' Local area network to a dedicated electronic communication network provided by the licensee by means of any chosen technology providing the schools Local area network with the required minimum bandwidth and speed as stated in the National Broadband Policy as published.
 - 1.2.8 **"Institution of People with Disabilities"** means any Institution of learning that caters exclusively for persons or learners with any disability, including but not limited to Special Schools;
 - 1.2.9 **"Original universal service and access obligations"** means the obligations as set out in the licensee's original licence, contained in Government Gazette No. 27089 Notice 2798 of 9 December 2004.
 - 1.2.10 **"Public Schools"** shall mean Schools as defined in terms of the South African Schools Act No 84 of 1996;
 - 1.2.11 **"Service Provision Regulations"** means any regulations on service provision including but not limited to the End User Service Subscriber Charter as amended;

1.2.12 **"School"** shall mean Schools as defined in terms of the South African Schools Act No 84 of 1996;

1.2.13 **"USAASA"** means Universal Service Access Agency of South Africa;

1.2.14 **"Special Schools"** shall mean any public school referred to in the *"List of Special Schools by Province"* as prepared by the DBE nationally;

1.2.15 **"Schools of Connectivity"** means internet access provided to a school by the licensee to facilitate the flow of information and to support teaching and learning processes through a dedicated educational network and to external environment. It provides administrators, educators and learners with:

- a means of using social networking for teaching and learning; and access to the vast array of educational resources and services on the Internet in a protected environment.
- access to various information resources;
- services for education such as data transfer, e-mail, file transfer, file sharing;
- unlimited access to the Educational Portal;

Schedule B**1. PROVISION OF INTERNET ACCESS TO PUBLIC SCHOOLS "SCHOOLS CONNECTIVITY"**

- 1.1 The Licensee shall provide internet access to seven hundred and fifty (750) public schools as allocated and/or distributed by the Authority from time to time or when the need arises;
- 1.2 The licensee shall commence implementation of internet access provisioning as of the effective date, subject to the allocation of schools by the Authority
- 1.3 The licensee shall implement in full internet access to the seven hundred and fifty (750) public schools and one hundred and forty (140) Institutions of People with Disabilities (IPWD). The above seven hundred and fifty (750) shall include the one hundred and forty (140) IPWDs where a licensee can have such institutions to connect.
- 1.4 The licensee must complete connection of no less than one hundred and fifty (150) public schools as allocated in each year of the five (5) years as stated in 1.3, however in the event that Licensee can connect more than one hundred and fifty (150) public schools a further allocation may be provided;
- 1.5 Licensee must only connect public schools as allocated and/or distributed by the Authority. Failure to do so will be treated as non-compliance with the obligation requirement;

2. STANDARDS AND SPECIFICATIONS FOR THE OBLIGATION

- 2.1 The specifications required for the implementation of the schools connectivity obligation are as stated in Annexure "B" hereto);
- 2.2 The licensee must provide the hardware as specified in Annexure "B". The specifications listed are not brand specific however the RAM must be Intel Core until amended;
- 2.3 The installation of the Solution must be done by the Licensee. The licensee shall bear the obligation to resolve any maintenance and repair issues with regard to the implemented solution for the first three (3) months from day of completion, thereafter the maintenance will be provided for as per section 88 (1) (a) to (d) of the Act;
- 2.4 The licensee must maintain the network connection to the school in line with regulatory requirements on service provision as published. Failure to comply with the requirement will be regarded as non-compliance with 'service provision regulations' and obligation requirements;
- 2.5 The speed must be no less than speed that is specified in the Broadband Policy but shall be no less than 1 Mbps;

- 2.6 The licensee shall maintain the provision of internet access for the duration of its service licence period;
- 2.7 Annexure "B" will be subject to review every fifth (5th) year from date of provisioning and redeployment of the new stated specifications shall be as per section 88 (1) (a) to (d) of the Act.
- 2.8 Ownership of the deployed solution and hardware shall pass on to DBE on completion of installation by the licensee.

3. COST AND USAGE

- 3.1 The licensee must provide service at discounted rate as stated under section 73 of the ECA, USAASA shall pay to the licensee the balance of the discounted rate as stated by section 73 of the ECA.
- 3.2 The cost of maintaining the network connection to the school shall be the licensee's responsibility;
- 3.3 The cost for the maintenance, repair, upgrade, replacement and security shall be as per section 88 (1) (a) to (d) of the Act;
- 3.4 The cost for any other infrastructure including building a classroom and/or shelter for computer lab, provisioning of electricity, security for housing the provisioned hardware shall be as per section 88 (1) (a) to (d) of the Act;
- 3.5 The licensee must bear the initial setup costs excluding items stated in 3.4;
- 3.6 The DBE shall facilitate the training of Education staff for teaching purpose and as per section 88 (1) (a) to (d) of the Act.

4. REPORTING AND MONITORING

- 4.1 The Licensee must report bi-annually according to the Authority's financial year; reports are due on or before 30 April and 31 October each year; the following information must be submitted:
- Number of Schools connected;
 - Names of schools, geographical coordinates, school I.D;
 - Average speed, data usage and bandwidth over period;
 - Average cost usage (Data) over period;
 - Downtime and uptime for all the network connection to school;
 - Number of faults reported to the licensee only network connection related (i.e. if connection of the local area network is down due to failure of licensee network) frequency, time to resolve;

- Type of technology used for connectivity per school; and
- Any other.

5. PROVISION OF INTERNET ACCESS FOR INSTITUTIONS OF PEOPLE WITH DISABILITIES

In compliance with the provision of internet access to institutions of People with Disabilities the Licensee shall:

- 5.1 Give first priority to institutions of People with Disabilities over any other public school;
- 5.2 And further give first preference to institutions of People with Disabilities located in rural, underserved or un-served areas over institutions of People with Disabilities located in urban and other areas;
- 5.3 Licensee shall provide access to no less than one hundred and forty (140) institutions of People with Disabilities.

6. CONTRAVENTION AND PENALTIES

- 6.1 Failure by the licensee to comply with, or to discharge, the obligation constitutes a breach of the license terms and conditions and may be subject to penalty of no less than One million rands (R1 000 000) and One million rands (R1 000 000) each month until such time licensee complies.

ANNEXURE B

1. Standards and Specifications

1.1. Hardware components

1.1.1 Servers for use for proxy service, mail services, web caching and software distribution.

1.1.2 Devices for administration, teaching and learning purposes as follows:

- One full PC or laptop;
- Multifunction laser printer; and
- Security lock.

1.1.3 Devices for learning and teaching purposes as follows:

- 26 devices (i.e. laptops or notebooks or tablets or desktop computers, 2 for teaching purposes and 24 for learning purposes);
- Multifunction laser printer;
- Interactive Whiteboard (optional); and
- Data projector.

1.1.4 Local Area Network- Interconnecting all workloads through a WI-FI access point to the server

1.1.5 Software

- An operating system (open source or proprietary);
- Anti-virus software; and
- Web browser

1.1.6 Desktop application software (open source or proprietary)

- Office suite (word, excel, outlook, power-point & access); and
- PDF reader/

2. Facilities Standards

2.1. Storage and security

2.1.1. The trolley should provide secure storage and ultra-safe-recharging for multiple laptops;

2.1.2. All laptops should be-able to charge simultaneously while housed in a secure metal cabinet in order to minimize theft whilst still remaining mobile;

2.1.3. Mobility of the laptops enables the sharing of resources for multiple applications;

2.1.4. The laptop trolley should be robust, secure and include a presentation platform and Built-in Audio speakers.

2.2. Charging

2.2.1. The trolley should be powered by one electrical outlet or by a solar solution depending on the circumstances;

2.2.2. The trolley should use a power rail to power the laptop's AC/DC power supplies;

2.2.3. Each power rail should be fitted with a trip switch, ensuring that the laptops are powered safely

2.3. Connectivity

2.3.1. As an interim measure, while the education network is still to be established, schools will be connected to the hosting operator until such a time when the education network will be operational then they will be migrated to it.

No	Component	Description	Quantity
1	Servers	Server Tower 1TB HOD Space, 460W PSU, 16GB RAM, DVD/RW, Gigabit Ethernet Adaptor with 3 year onsite Warranty, as per SITA 153 Contract	1
2	Server OS	Open Source Operating system or proprietary Server Software	1
3	WAP Units	Wireless Access Point Units capable for radius of up to 200M - Non SITA Contract item	1
4	Teachers Notebooks/ laptops/ slate computers	Intel Core i5 4GB RAM 500GB HOD DVD/RW 14'0 HD Screen, CAM, Bluetooth, Wireless, Giga NIC, Windows 7 Pro, Carry Bag, 3 year onsite Warranty as per SITA 285/1 Contract	3
5	Security Lock for the admin PC/Laptop or notebook	A security lock which will used a first defence for theft prevention	1
6	Learners Notebooks/ laptops/ slate computers	<p><i>Specifications for PCs/notebooks/laptops</i></p> <p>Intel Core i3 4GB RAM 320GB HOD DVD/RW 14'0 HD Screen, Bluetooth, Wireless, Giga NIC, Windows 7 Pro, 3 year onsite Warranty as per SITA 284/1 Contract</p> <p><i>Specifications for tablets</i></p> <p>Operating system - Yes, android CPU-1 GHz - 1GHz Display Size - 10 inch Display resolution - 1024 RAM1 GB - 8 hours Onboard Memory - 8 GB Nandflash Battery Life - 8 hours Camera - Yes Adobe Flash - Yes HDMI-out optional - optional Video - Yes Multitasking - Yes Touch input - Capacity, Multitouch WIFI - Yes Other Connectivity - Bluetooth SD - Yes USB Interface - Yes Audio - Speaker, Headphone jack -</p>	24

		3. 5mm Other sensors :Gsensor, GPS - Optional Support for mouse/external keyboard - Optional Preinstalled tablet screen protectors - Yes Shock protector covers for the tablet - Yes	
7	Monitors	19" LCD Monitors as per SITA 285/1 Contract	1
8	Printers	Wireless Laser printer with 3 year onsite warranty as per SITA 285/1 Contract	2
9	Keyboard and Mouse sets	Wireless KB and mouse sets	1
10	Audio equipment	Multimedia surround speaker solution	1
11	Projectors	Multi Media Projector SVGA 4000 : 1 Contrast Ratio 2700 Lumens , Bag, 3 year warranty (1 year warranty on lamp) as per SITA 285/1 Contract	1

ANNEXURE C**ROLES AND RESPONSIBILITIES OF THE PARTIES**

Obligation	Licensee	ICASA	USASSA	DBE¹	DoC
1. Allocation of schools		✓			
2. Verifying School location	✓			✓	
3. Verifying School contact details	✓			✓	
4. Informing Principal of Project	✓			✓	✓
5. Determining if school has basic amenities e.g. electricity	✓		✓	✓	
6. Re-allocation or replacing of schools to be connected		✓			
7. Testing coordinates on google map for allocated schools	✓				
8. Determining IT literacy & Training needs			✓	✓	
9. Determine Bill of quantities	✓				
10. Installation of Solution	✓				
11. Testing Installation	✓		✓	✓	
12. Documenting Installation	✓		✓		
13. Handing over Installed solution	✓		✓	✓	✓
14. Cost of usage of Solution and Maintenance ²			✓		
15. Monitoring for Compliance		✓			

¹ DBE in this case also represents the school² See Annexure A, schedule B, 2.3