iNeSI
Ikamva National eSkills Institute

e-Skilling South Africa

e-Skilling South Africa for equitable prosperity and global competitiveness

Presentation to be made to the Portfolio Committee of Telecommunications and Postal Services

8 July 2014

the doc
Department:
Communications
REPUBLIC OF SOUTH AFRICA

Strategic overview

1. **Vision**

2. **Mission**

3. **Situation Analysis**
   - Performance environment
   - Organisational environment

4. **Strategic objectives**
   - Programmes of the institute
   - Strategic goals and targets

5. **Identified Risks**

Vision and Mission

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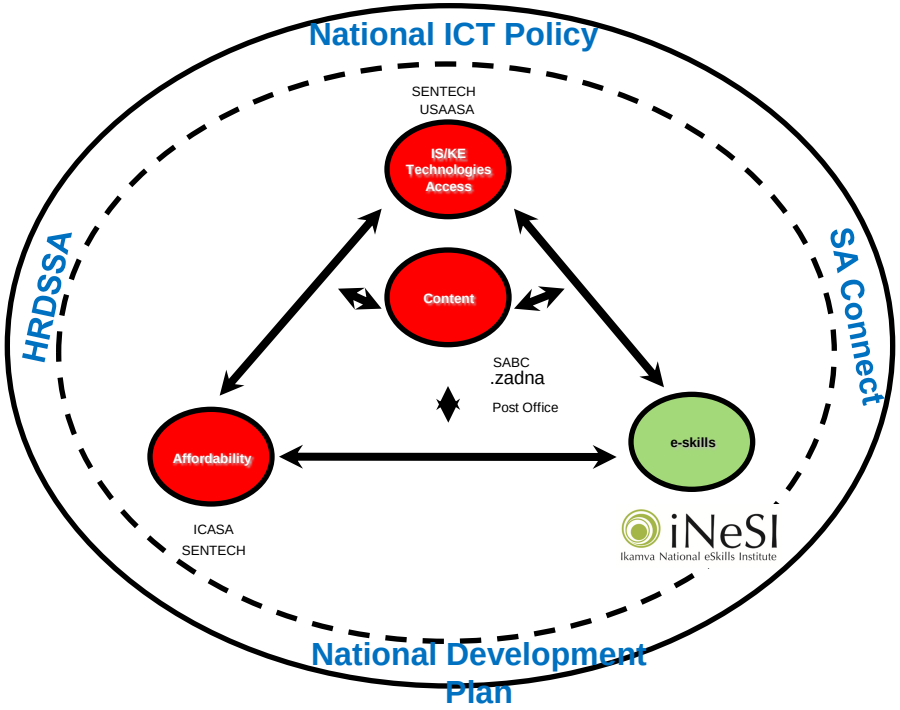
Mandate –

"To create a vibrant ICT sector that ensures that all South Africans have access to robust, reliable, affordable and secure ICT services in order to advance socio-economic development goals and support the African agenda and contribute to building a better world".



Programme 3: Policy, Research and Capacity Development

- Capacity Development provides direction for the advancement of e-Skills graduates and society in general to function effectively in the emerging information society.

iNeSI
Ikamva National eSkills Institute

Mandate: to promote e-skills human capacity in South Africa.
Vision: e-skilling the nation
Mission: To provide a national integrated e-competence development management system towards sustainable social economic development in South Africa.

Launched on 21 February 2014 as a national catalytic collaborator, facilitator and change agent for developing e-skills capacity in the country.

Responds directly to:
- SA Connect (Broadband Policy)
- National ICT Policy
- Human Resource Development Strategy of SA (HRDSSA)
- National Development Plan
- SA's Global e-Readiness Ranking

Situation Analysis

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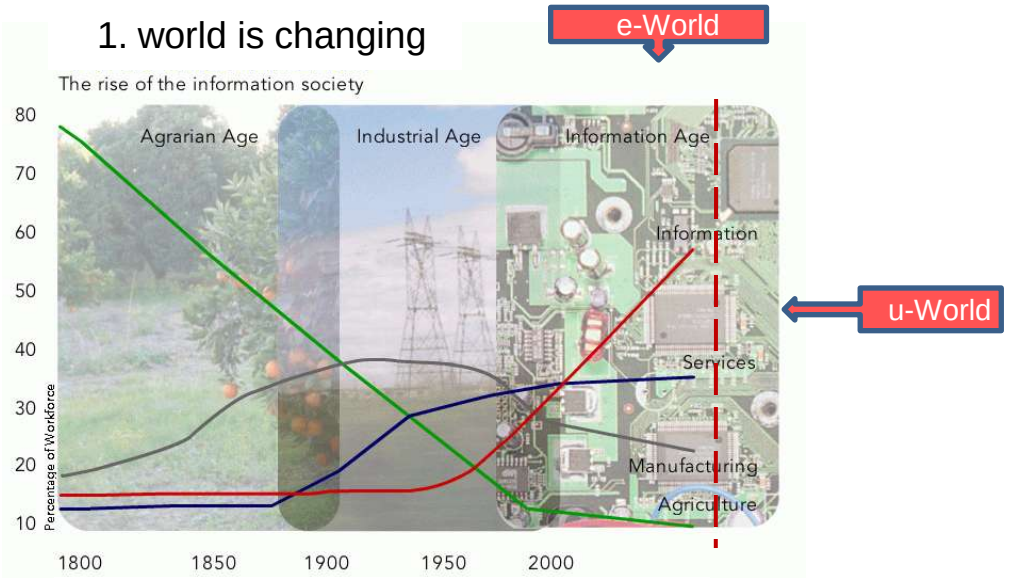
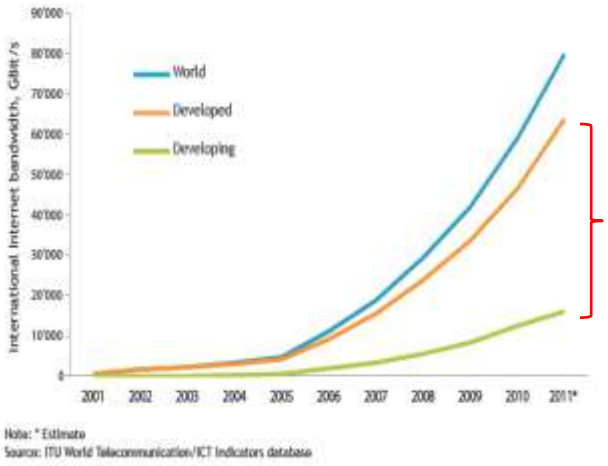
positioning SA as an information society & knowledge economy

1. world is changing

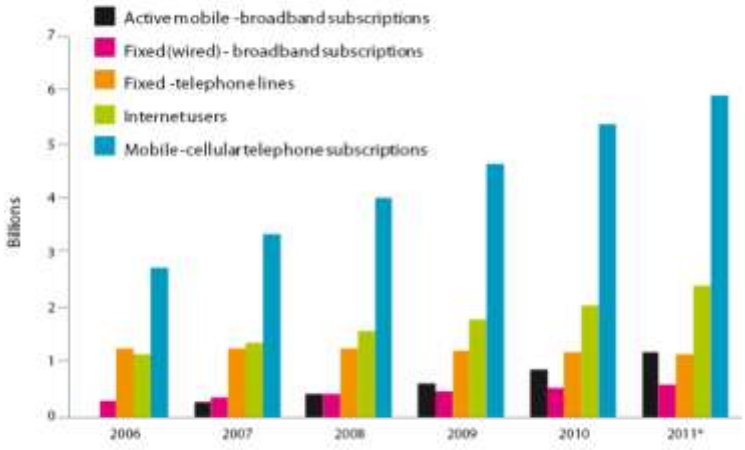


3. international Internet Bandwidth



The GAP is increasing

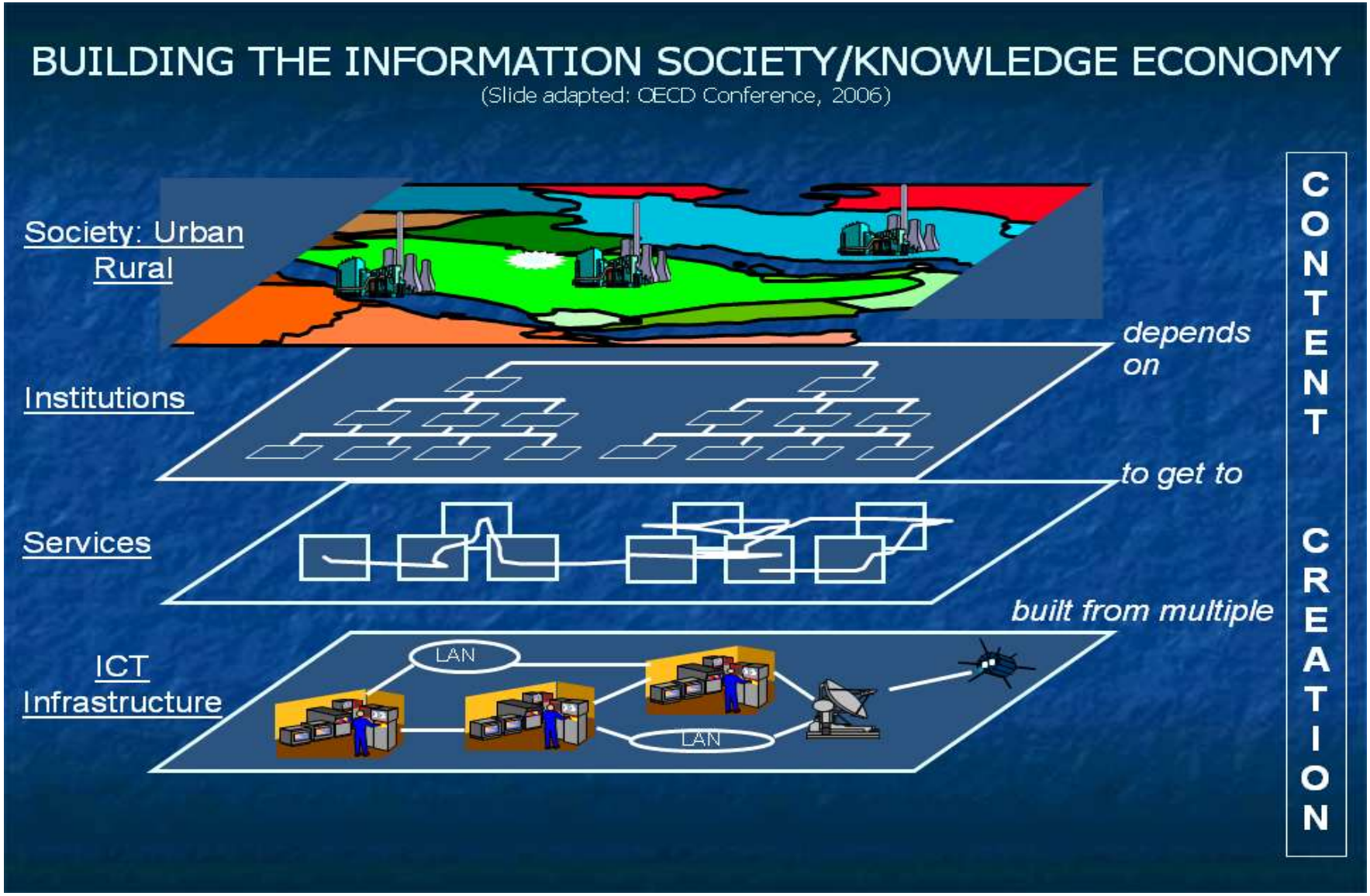
2. increase in mobile subscriptions



Big issue:

How to leverage ICT capabilities and tools to address our socio-economic needs and improve our human resource base of the country for equitable prosperity and global competitiveness.

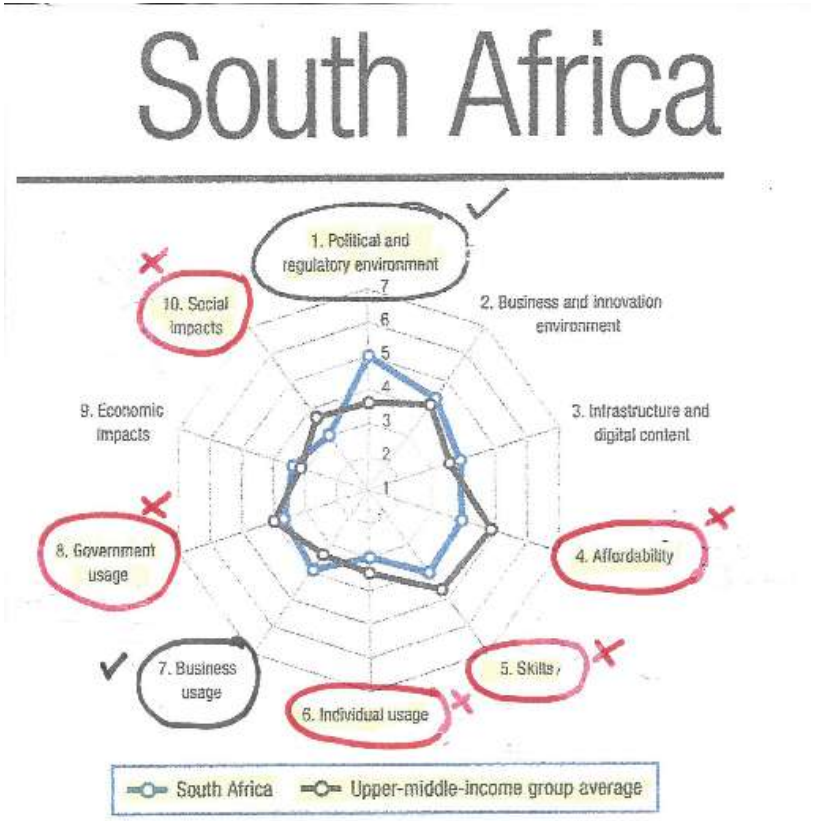
building the information society and knowledge economy



realignment, focus and international benchmark

the key building blocks: NeSPA 2010 & 2013

1. SA's e-readiness position with regard to its socio-economic contemporaries



2. the shift for greater alignment and focus of activities

5 - Skills
6 - Individual Usage
8 - Government Usage
10 - Social Impacts
11 - Affordability

3. strategic position of iNeSI into the future

The model of iNeSI and its current work has already been designed and mapped to address these areas e.g.

- **Skills**: Value proposition, NCCF, Aggregation model and Research agenda for e-skills etc;
- **Individual Usage**: building e-astuteness (e-literacy and life long learning);
- **Government Usage**: service delivery, e-government, e-governance;
- **Social Impacts**: delivering on the six pillars of the NDP and the digital opportunities pillar of SA Connect (Broadband Policy); and
- **Affordability**: input into national policies

WEF Global IT Report

e-readiness rankings

Overall & Sub index / Pillars	Rank 2013
Overall	70
A. Environment subindex	33
1. Political & regulatory environment	21
2. Business & innovation environment	55
B. Readiness subindex	95
3. Infrastructure & digital content	**59**
4. Affordability	**104**
5. Skills	**102**
C. Usage subindex	72
6. Individual usage	81
7. Business usage	33
8. Government usage	102
D. Impact subindex	92
9. Economic impacts	**51**
10. Social impacts	**112**

Key Points

1. Since 2007, South Africa's rankings:
   - 2007 – 47
   - 2008 – 51
   - 2009 – 52
   - 2010 – 62
   - 2011 – 72
   - 2012 – 70
   - 2013 - 72

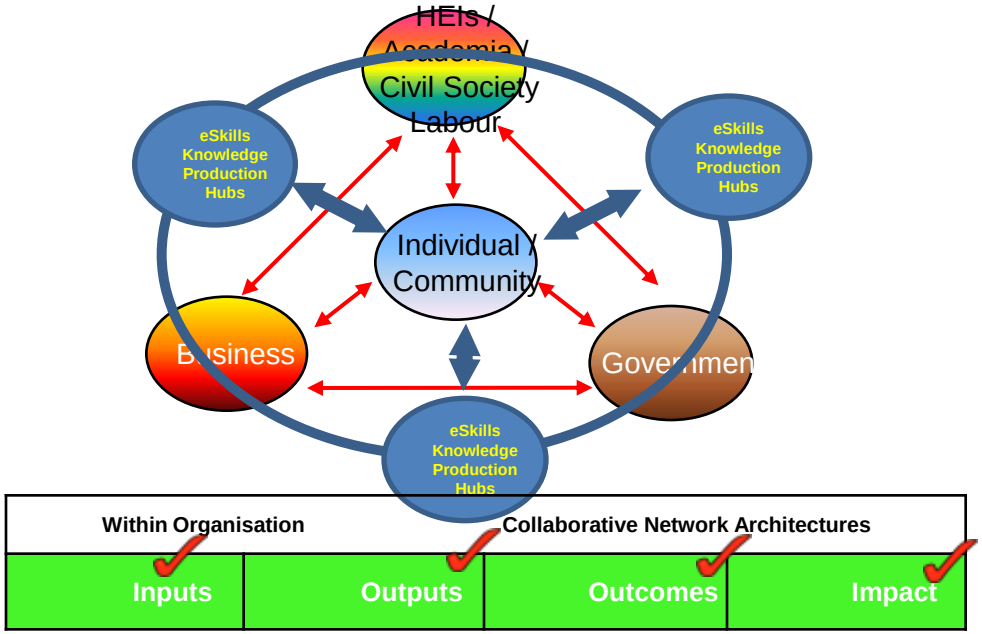
2. The major trends since 2007 have been a worsening of skills, social impact, individual usage, government usage and affordability relative to other countries in South Africa's socio-economic grouping.

3. Worse than this it is losing ground to countries in lower socio-economic positions. South Africa simply cannot improve its growth, its foreign direct investment, its job creation (especially in youth) with out a serious improvement in its networked e-readiness index.

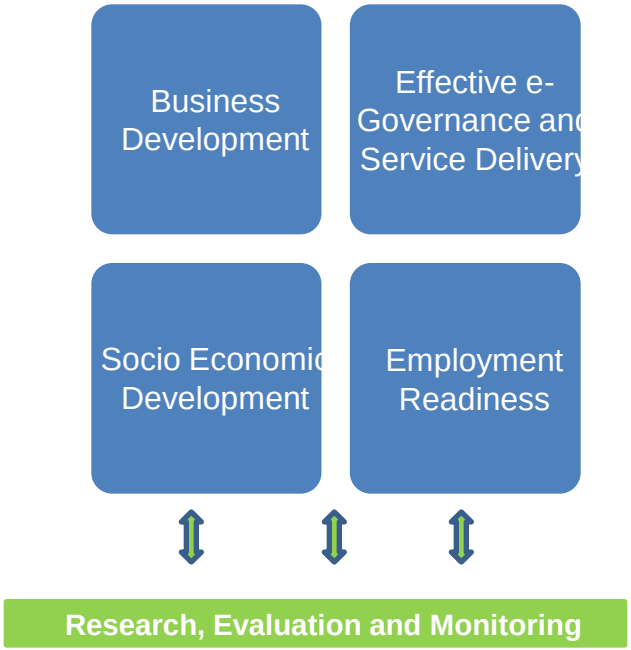
national response to challenges faced

the key building blocks: NeSPA 2010 & 2013

1. need for a coordinated effort across all stakeholders



2. adopt an integrated approach



3. national research network for e-skills

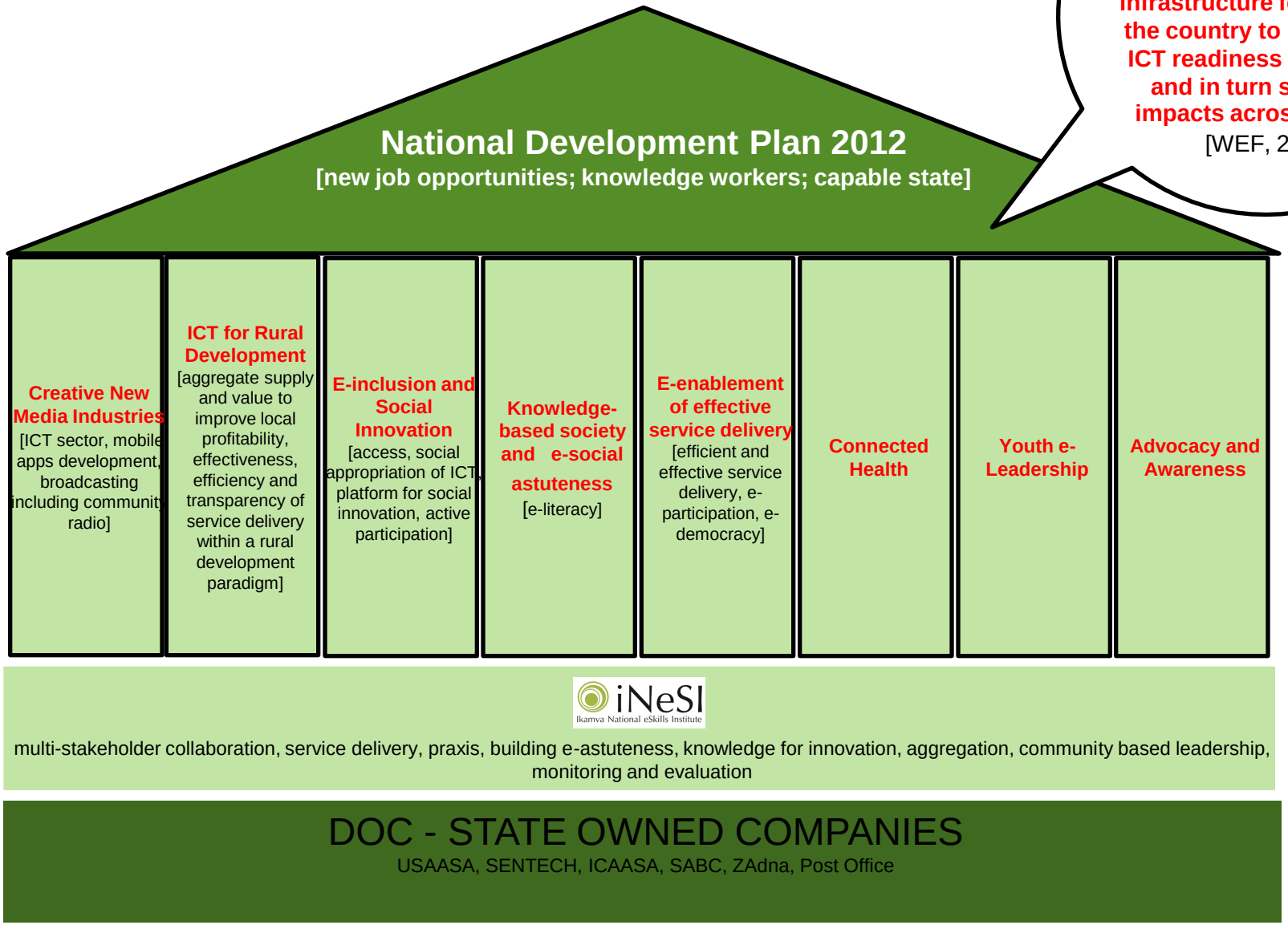
iNeSI

a decentralised model

iNeSI: *A national catalytic collaborator, facilitator and change agent for developing e-skills capacity in the country.*

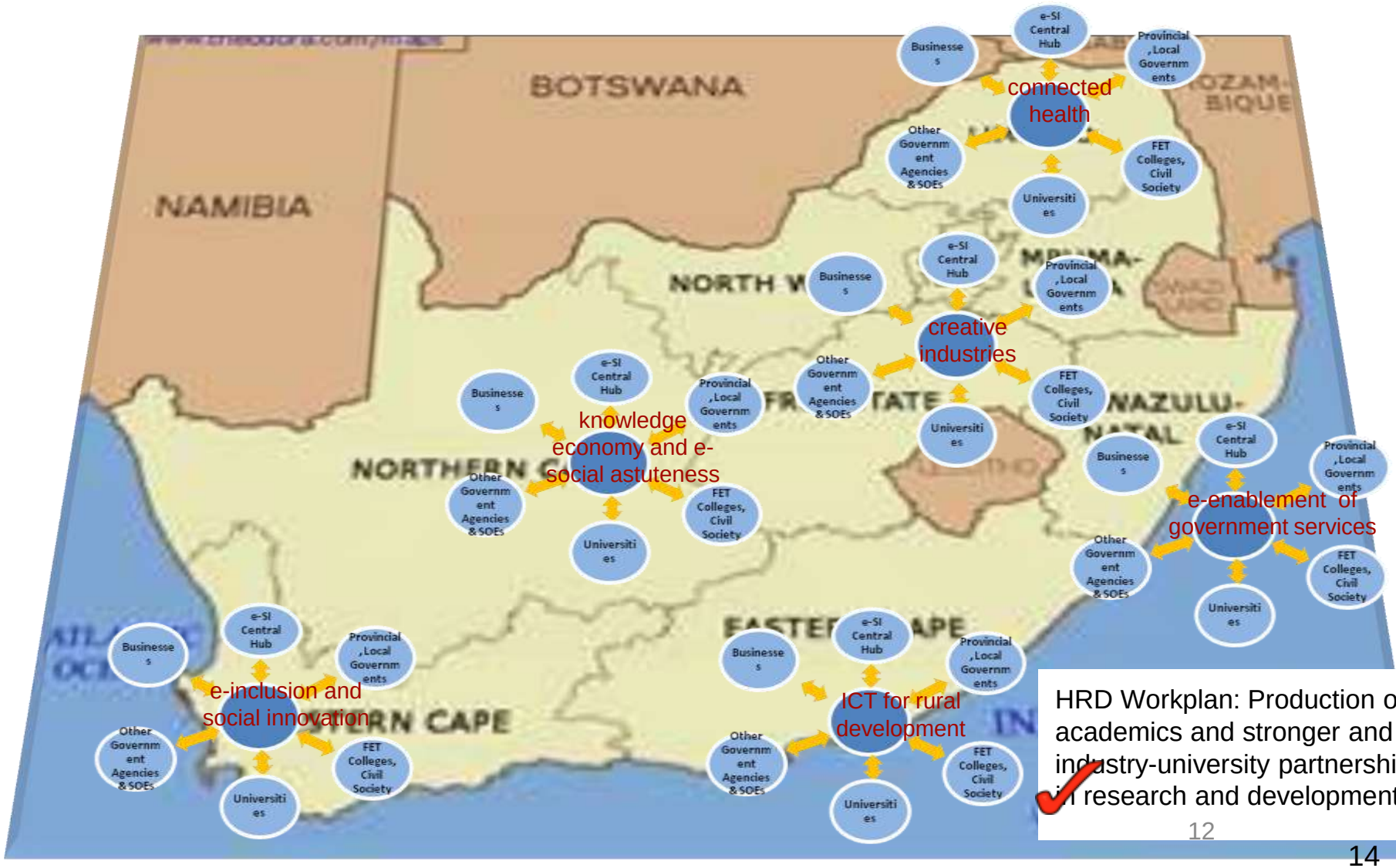
building an inclusive information society and knowledge economy

"Upgrading the overall skills at all layers of society and increasing efforts to build affordable infrastructure for all allows the country to increase its ICT readiness and uptake and in turn spread its impacts across society"
[WEF, 2012]



building e-skills capacity

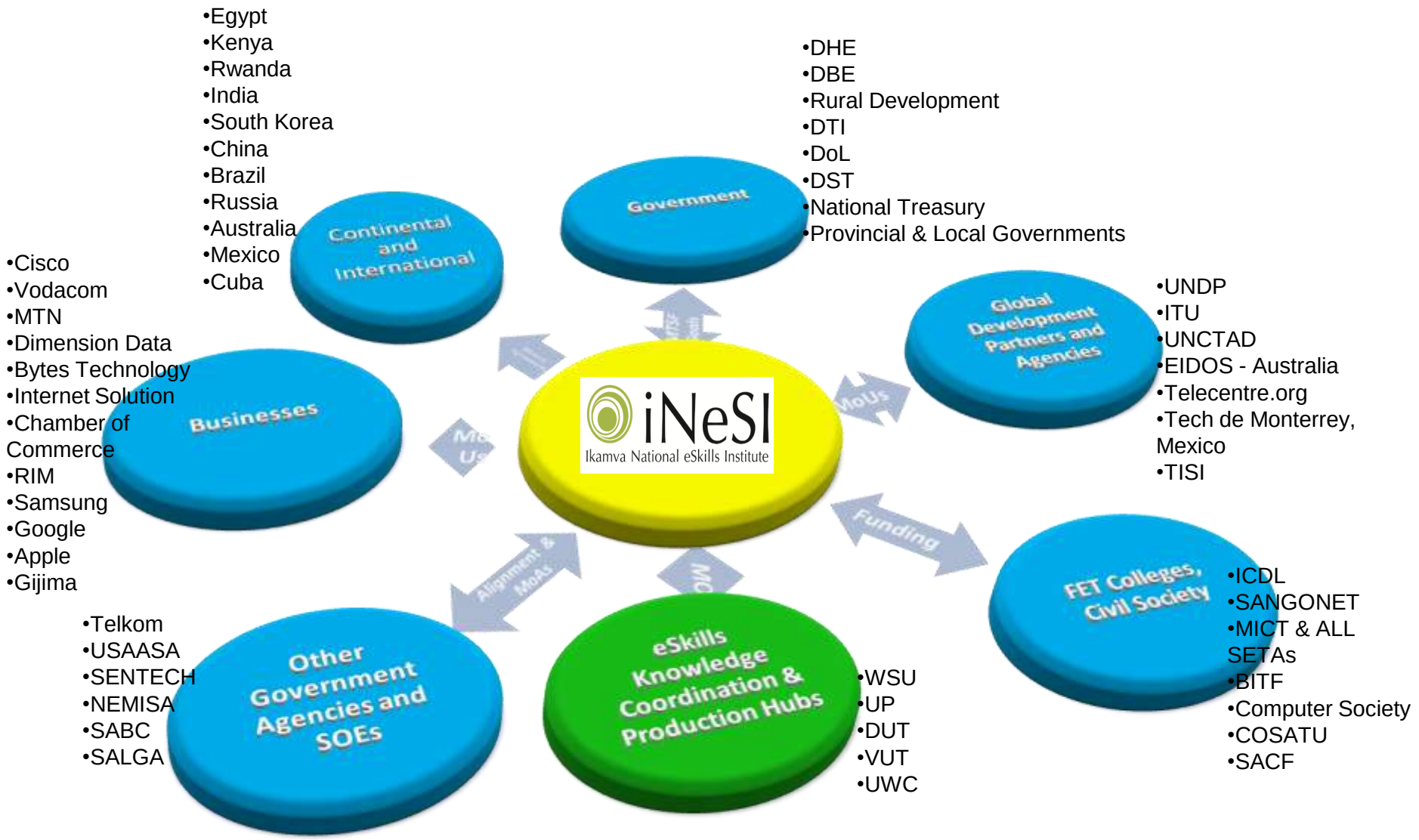
...ational e-skills model for impact (coordination, aggregation of demand and supply)



HRD Workplan: Production of academics and stronger and industry-university partnerships in research and development

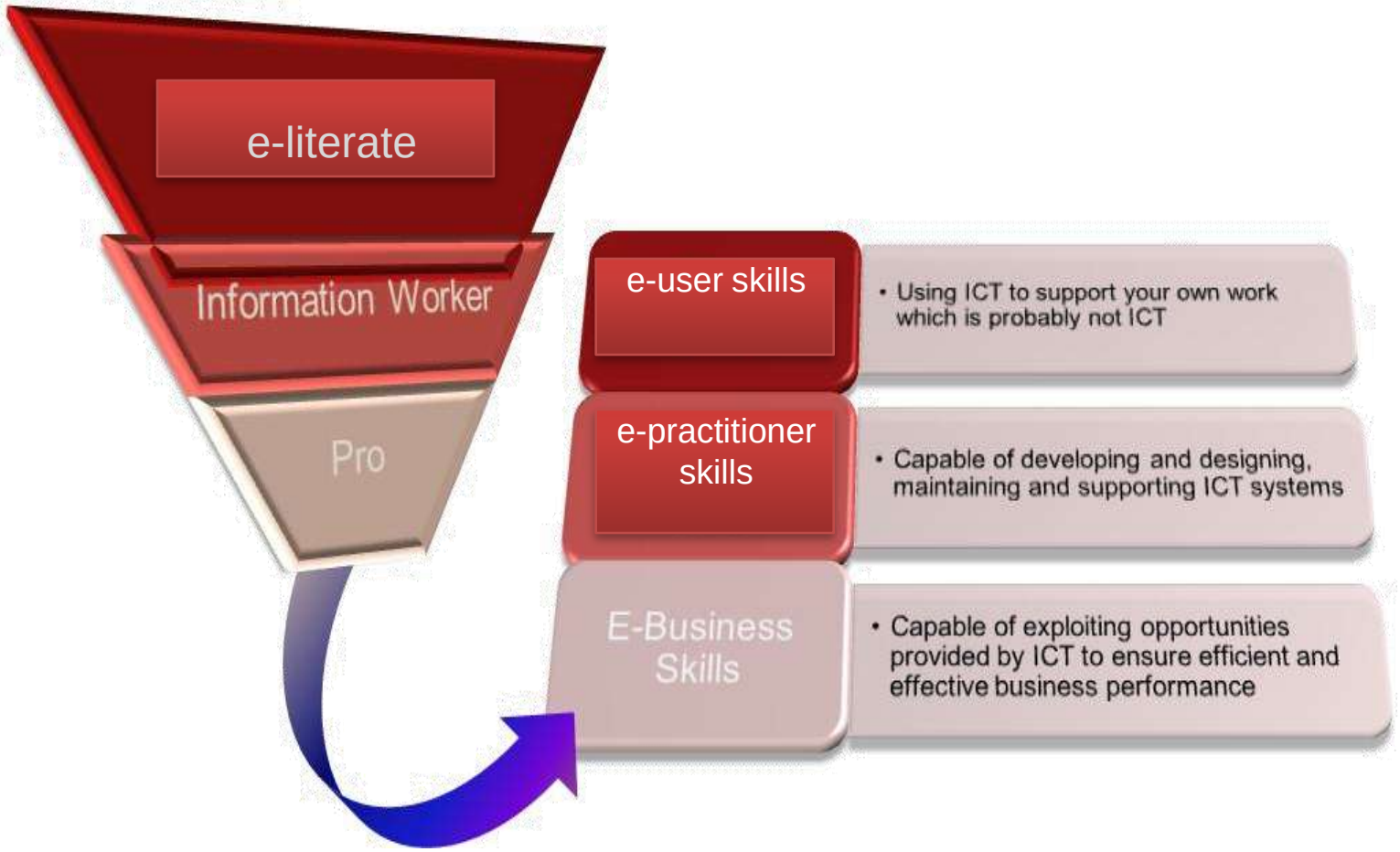
building e-skills capacity

national multi-stakeholder network model



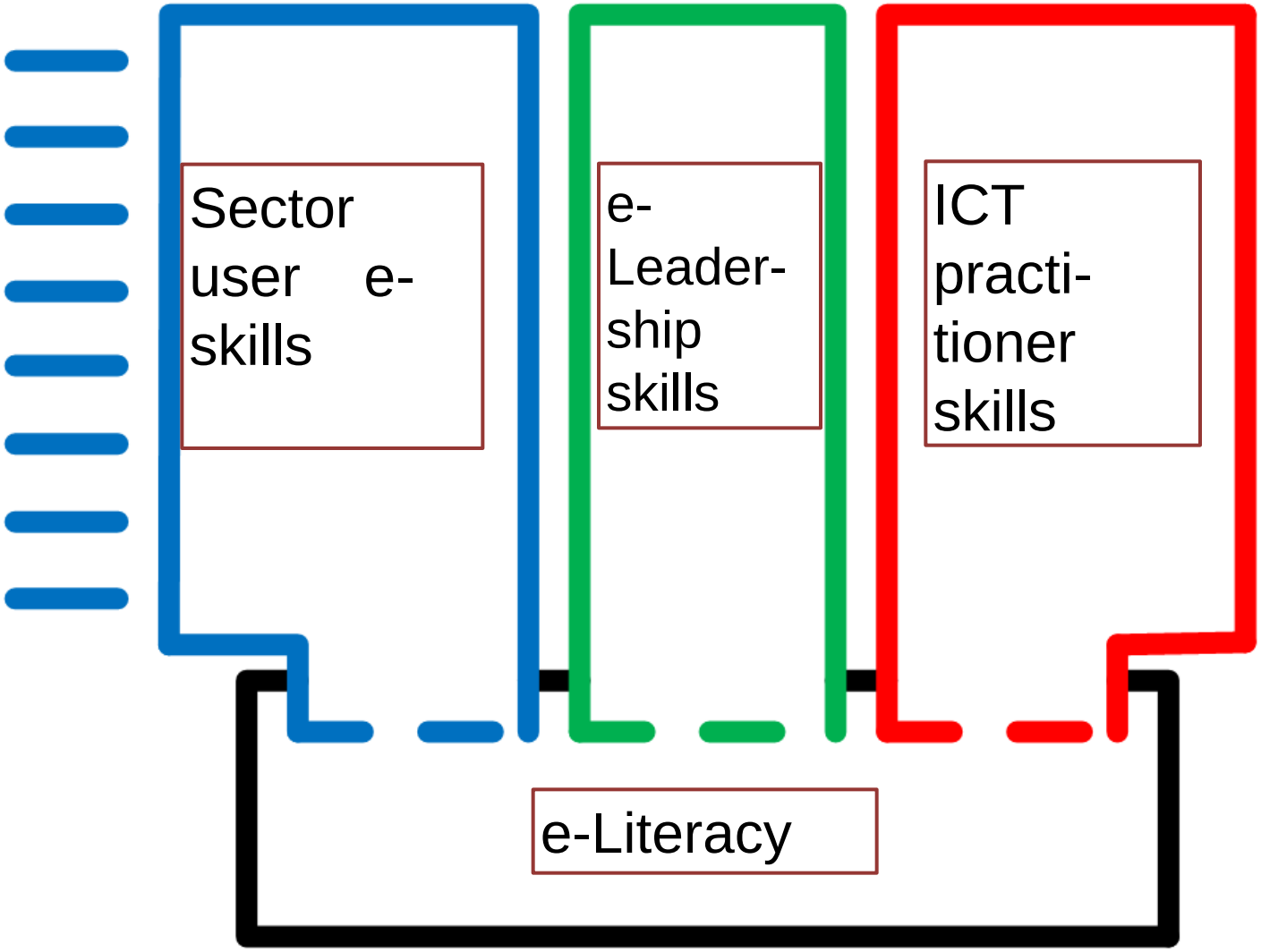
building e-skills capacity

e-skills curriculum and competency framework - teaching and learning

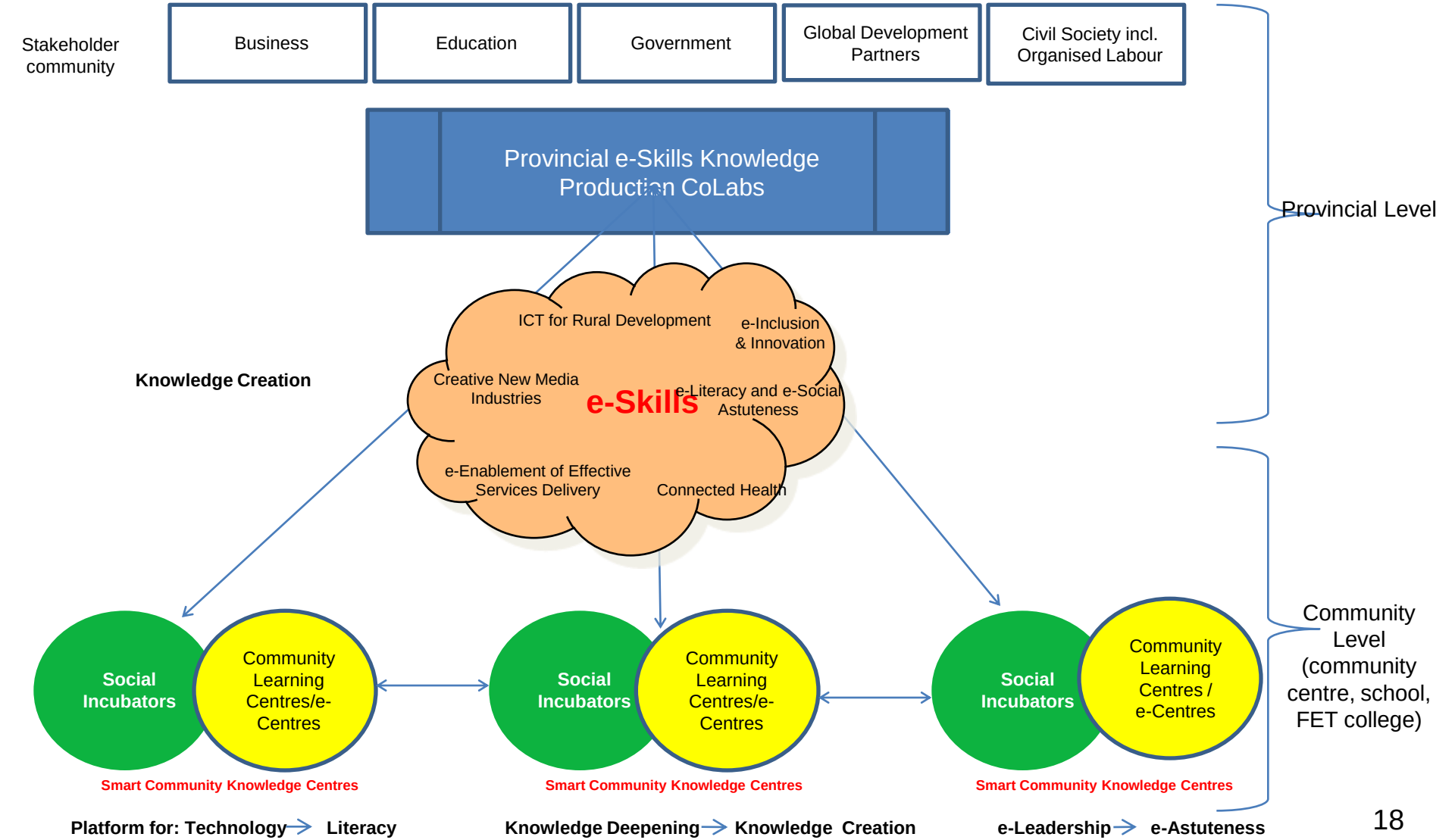


Supports the priority areas of the national HRD strategy work plan

Towards an e-skills framework (all-inclusive)

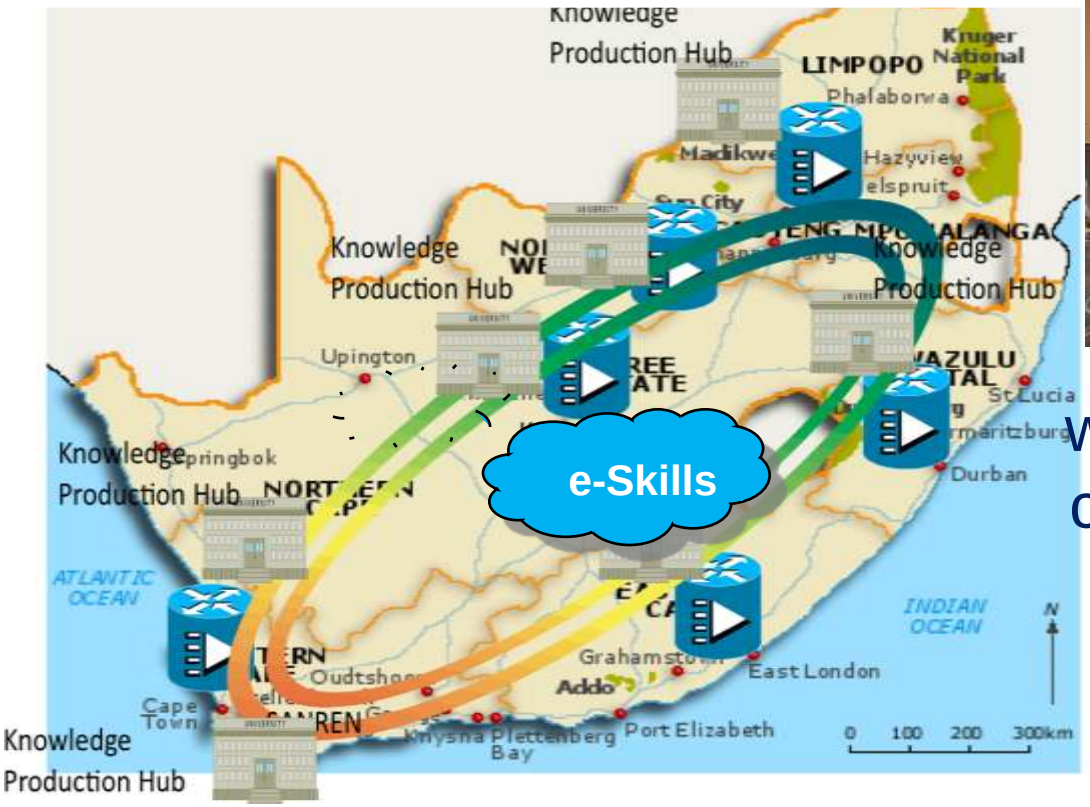


the architecture for knowledge creation



e-skills delivery model supported by ICT

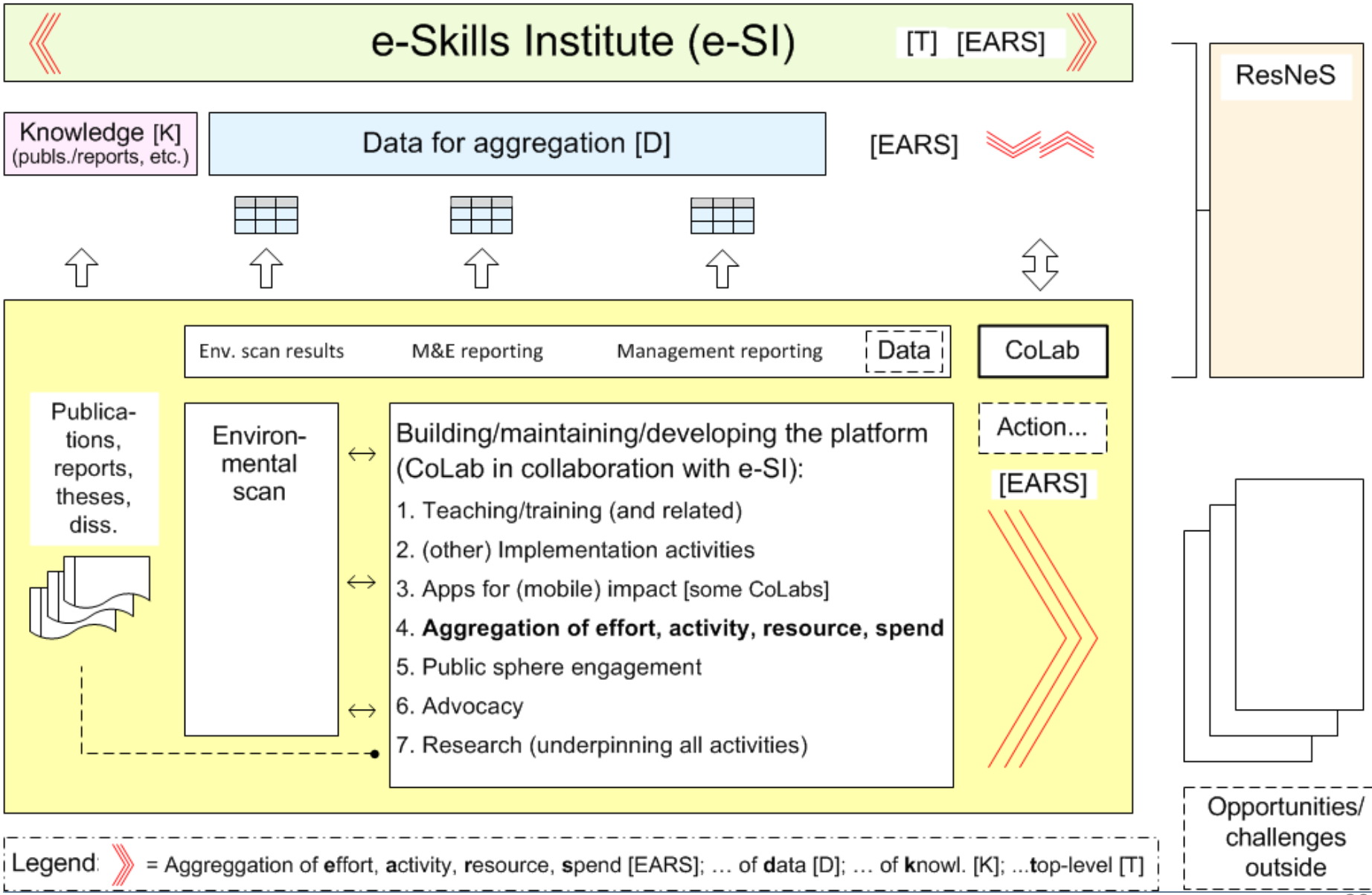
21st century e-skills virtual network for knowledge production & transfer



within a developmental context: There is a key role for ICT & the ICT sector

Aggregation Framework

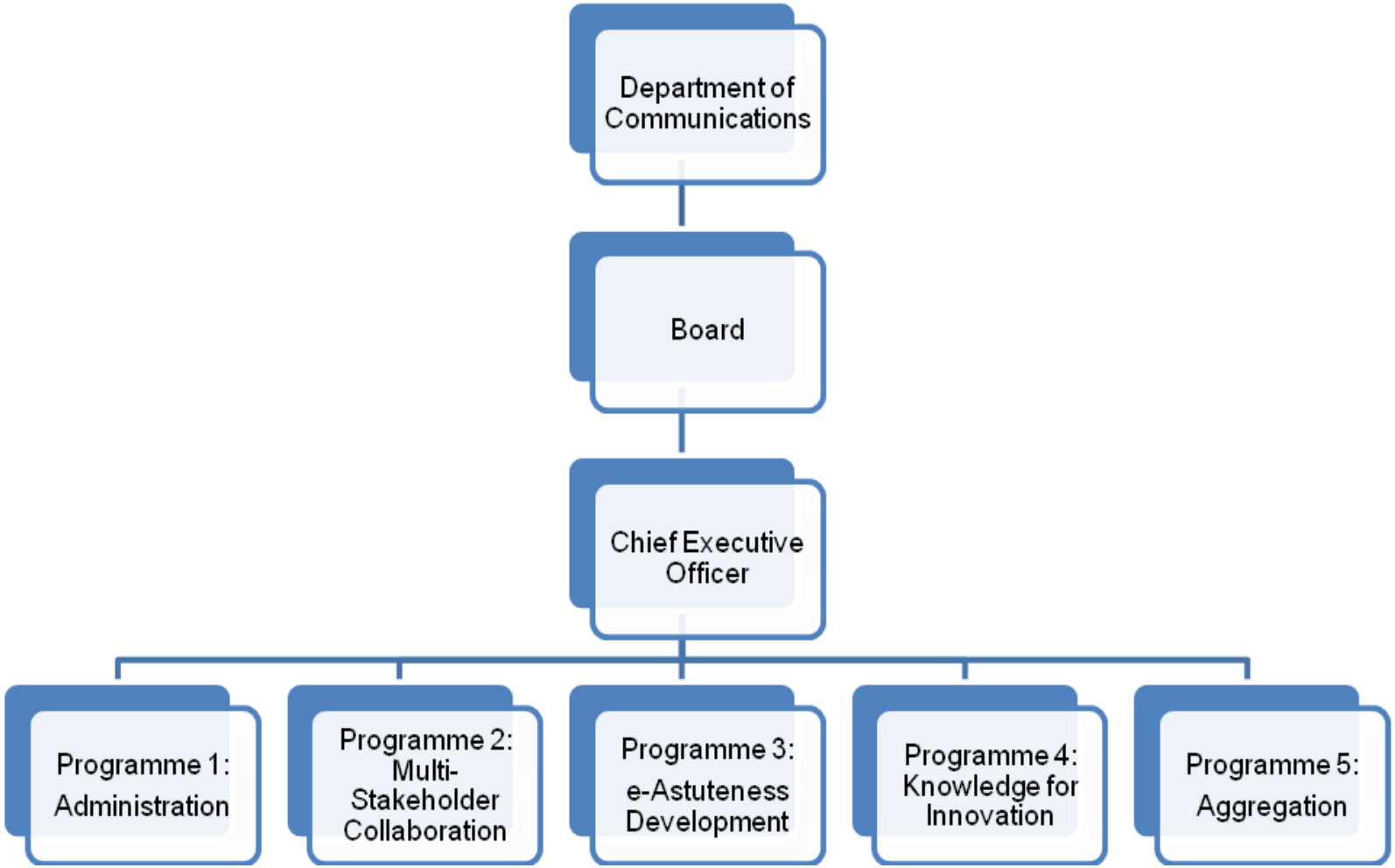
Annexure A Aggregation model



4. Strategic objectives

- programmes
- goals and targets

Programmes


Department of Communications
Board
Chief Executive Officer
Programme 1: Administration
Programme 2: Multi-Stakeholder Collaboration
Programme 3: e-Astuteness Development
Programme 4: Knowledge for Innovation
Programme 5: Aggregation

strategic outcome oriented goals

Strategic Outcome Oriented Goal 1:	**Build an Institute that will be responsive to the needs and demands of a knowledge and learning organisation**
Goal Statement	Ensure internal business excellence

Strategic Outcome Oriented Goal 2:	**Formalised multi-stakeholder collaborative networks for e-competence development**
Goal Statement	Build a network of partnerships to stretch and combine resources to accomplish projects and objectives of mutual interest and benefit

Strategic Outcome Oriented Goal 3:	**Develop e-Astuteness for socio-economic opportunities in a knowledge driven-economy**
Goal Statement	Ensuring ICT education and training expertise, infrastructure and courses to deliver the requisite e-competence development the society and economy need

Strategic Outcome Oriented Goal 4:	**Create knowledge for innovation**
Goal Statement	Provide a focus for continuous research and innovation in a trans-disciplinary manner to concentrate on new ways to embed ICT into peoples lives for socio-economic benefit

Strategic Outcome Oriented Goal 5:	**Ensure an effectual aggregation framework for e-competence development**
Goal Statement	Provide strategic direction for e-competence development and a monitoring and evaluation framework to measure impacts

e-skills targeted delivery for impact

human resource development for an inclusive information society and vibrant knowledge economy (e-literate society by 2030)

Over the next 5 years, the e-Skills Institute aims to deliver on:

..\The Institute\Strategic Planning session 2014-15\Annual Targets as per the Strategic Plan 2014.doc

envisaged impact

e-skiling 1 000 x 10 000

- the desired results for this intervention will be seen in:
  - its direct ***impact against the NDP 2012***;
  - the ***increase*** in the ***country's e-readiness rankings***;
  - the ***increase*** of life chances through the ***effective social appropriation of ICT;***
  - ***better application of ICTs across the society, organisations and service delivery structures***;
  - the ***increase*** in and ***integration of knowledge workers in all sectors***;
  - establish a peer ***driven youth leadership*** movement that can:
    - Grow enrollments in ICT focused education
    - Grow enrollments in the social appropriation of ICT for local benefit
    - Develop e-astuteness across the full socio-economic spectrum of youth
  - ***better analysis of mega data*** that influences ***policies around employment, innovation, productivity, inequity and skills development for an inclusive knowledge economy and capable state***;
  - the ***increase*** of ***research capacity*** aligned to incubation, job opportunities and that of a developmental state; and
  - **access to technology = LEADERSHIP, INCLUSIVE GROWTH AND EQUITY**

STATEMENT OF FINANCIAL PERFORMANCE

Statement of financial performance R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue							
Tax revenue	–	–	–	–	–	–	–
Non-tax revenue	**2 525**	**2 203**	**6 723**	**2 155**	**260**	**280**	**–**
Sale of goods and services other than capital assets	1 940	1 973	6 228	1 905	–	–	–
Sales by market establishment	1 940	1 973	6 228	1 905	–	–	–
Other non-tax revenue	585	230	495	250	260	280	–
Transfers received	**32 602**	**33 473**	**34 116**	**50 746**	**37 859**	**39 601**	**41 700**
Total revenue	**35 127**	**35 676**	**40 839**	**52 901**	**38 119**	**39 881**	**41 700**
Expenses							
Current expenses	**39 416**	**41 113**	**41 814**	**37 901**	**38 119**	**39 881**	**41 700**
Compensation of employees	11 905	17 488	16 930	16 723	21 738	22 912	24 148
Goods and services	24 703	20 950	22 930	18 701	14 597	15 285	15 988
Depreciation	2 808	2 675	1 954	2 477	1 784	1 684	1 564
Transfers and subsidies	–	–	–	**15 000**	–	–	–
Total expenses	**39 416**	**41 113**	**41 814**	**52 901**	**38 119**	**39 881**	**41 700**
Surplus/(Deficit)	**(4 289)**	**(5 437)**	**(975)**	–	–	–	–

STATEMENT OF FINANCIAL POSITION

Statement of financial position

	Audited outcome			Revised estimate	Medium-term estimate		
	2010/11	**2011/12**	**2012/13**	**2013/14**	**2014/15**	**2015/16**	**2016/17**
Carrying value of assets	7 619	5 247	3 812	8 463	8 912	9 295	9 788
of which:							
Acquisition of assets	(3 185)	(340)	(900)	(1 500)	(1 000)	(1 025)	(1 000)
Inventory	–	133	202	–	–	–	–
Receivables and prepayments	3 673	2 912	3 900	2 800	2 900	300	316
Cash and cash equivalents	4 287	9 794	5 034	4 277	4 345	4 353	4 584
Total assets	**15 579**	**18 085**	**12 948**	**15 540**	**16 157**	**13 948**	**14 687**
Accumulated surplus/(deficit)	9 403	3 966	3 966	3 966	3 966	3 966	3 966
Capital reserve fund	–	7 627	2 797	–	–	–	–
Deferred income	–	–	3 398	6 000	3 304	897	–
Trade and other payables	4 079	3 433	2 495	1 809	4 895	5 002	5 267
Provisions	2 097	2 539	1 803	1 765	1 992	2 083	1 680
Derivatives financial instruments	–	520	–	–	–	–	–
Total equity and liabilities	**15 579**	**18 085**	**14 459**	**13 540**	**14 157**	**11 948**	**10 914**

ALLOCATION PER PROGRAMME

PROGRAMMES	2014/2015
PROGRAMME 1 - ADMINISTRATION: To ensure internal business excellence within the Institute.	R 36 528 379
PROGRAMME 2 - MULTI-STAKEHOLDER COLLABORATION: to build a network of partnerships to stretch and combine resources to accomplish projects and objectives of mutual interest and benefit.	R 14 151 933
PROGRAMME 3 - BUILD E-ASTUTENESS DEVELOPMENT: to ensure ICT education and training expertise, infrastructure and courses to deliver the requisite e-competence development that the society and economy need.	
PROGRAMME 4 - KNOWLEDGE FOR INNOVATION: To improve and align stakeholder and partner relations both internally and externally.	
PROGRAMME 5 - AGGREGATION FRAMEWORK: Expand the accessibility and reach of NEMISA product offerings.	
TOTAL	**R 50 680 312**

- The breakdown per programme for programmes 2 to 5 has not yet been finalised. The allocation of funds to these programmes are made up of direct expenditure relating to current NEMISA students of R 2 137 814 as well as R 12 014 120 rolled-over from the 2013/14 financial year.

- Please note that the budgeted Statement of Financial Performance and Statement of Financial Position excludes the budget from eSkills and the ISSA branch, which is yet to be transferred to the entity.

- Transfer of Human Resource assets and funds from the Department of Communications will be finalised before the end of the 2014/15 financial year.

CURRENT PROJECTS

PROJECT NAME	PROJECT AMOUNT	COMMENTS
Moses Kotane project – Graphic Design and Radio Production project.	R 750 000	Project started in 2014/15
Department of Communications- Community radio project	R15 000 000	Project started in 2011/12