

## Annexure A

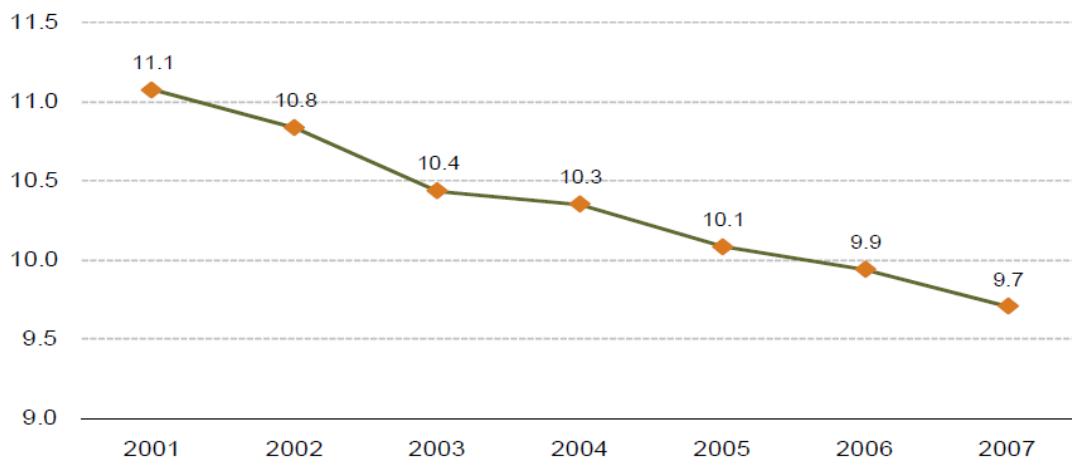
### Department of Communications contribution to Millennium Development Goals

The work of the Department of Communication is related to target 8F which calls for governments of the world to collaborate with the private sector to ensure that the benefits of Information Communication Technologies (ICT's) are made available to all citizens in their respective countries, by 2015.

Access to fixed line telephony has been declining over the past several years, rather than increasing. On a per capita basis, the number of fixed telephone lines has declined 12% from 2001 to 2007, as shown in Figure 1. To some extent this reflects a switch by consumers from fixed line to mobile telephony. Cell phones not only have the advantage of being mobile, but were also quicker to implement prepaid billing, which is more compatible with the earnings pattern of low income consumers.

However, the decrease in the number of fixed lines does not only reflect pull factors to mobile telephony, but also problems with the fixed line market.

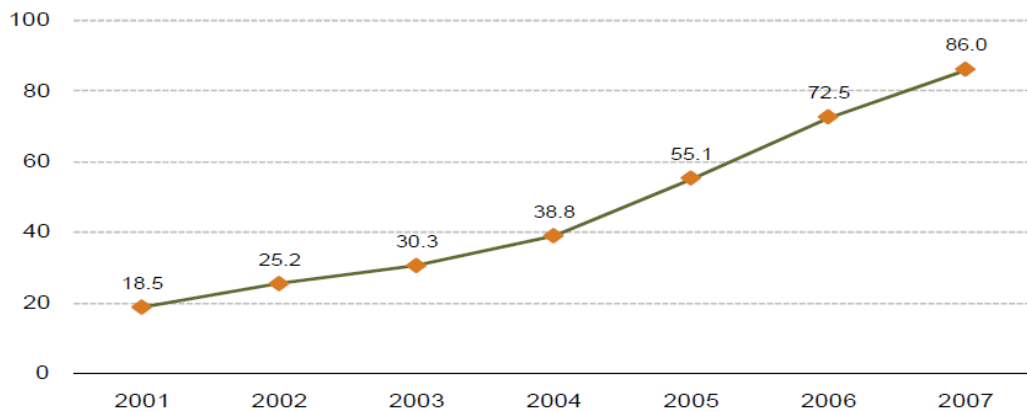
**Figure 1: Fixed Telephone lines per 100 population**



Source: *Development Bank of Southern Africa 2008 Infrastructure Barometer*

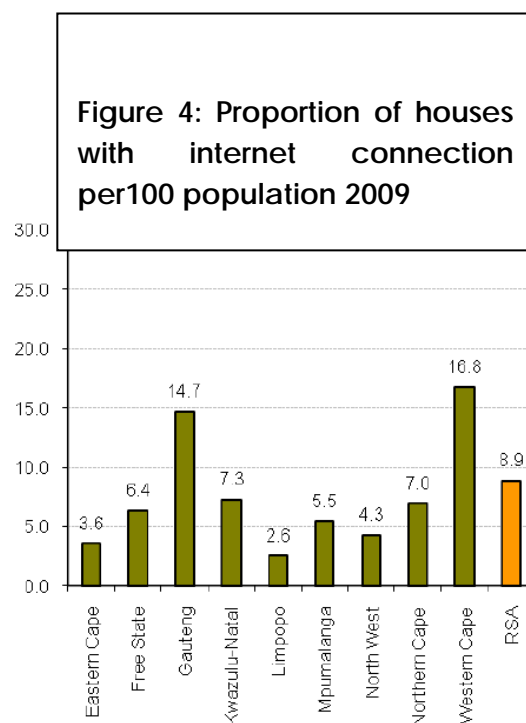
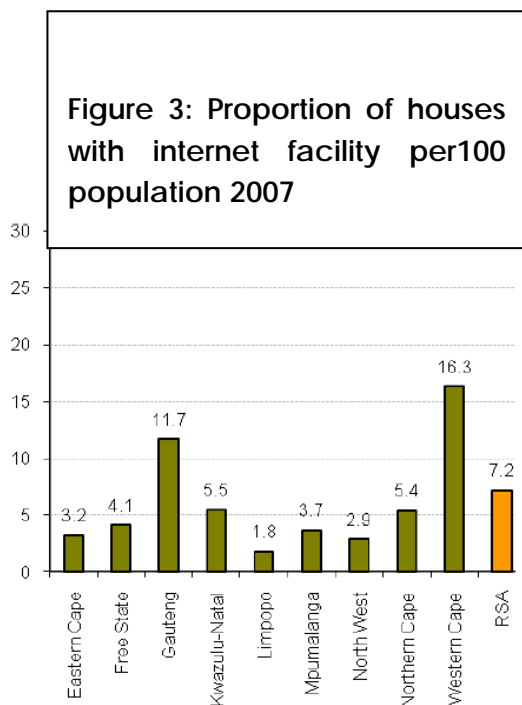
Although the performance of fixed line telephony penetration rates has been poor, growth rates in mobile telephony have been very strong, which has probably contributed to a net improvement in access to telephony over the period. As shown in Figure 2, over the period 2001 to 2007, per capita cellular subscriptions increased 364%. Mobile ICT methodologies are also commonly used to provide other forms of ICT services. ITU statistics suggest that in 2008, approximately 6 out of every 7 South African broadband subscriptions was via mobile rather than fixed technologies.

**Figure 2: Cellular subscribers per 100 population**



Source: Development Bank of Southern Africa 2008 Infrastructure Barometer

Progress in increasing access to the internet has been less successful than progress in access to mobile telephony. As shown in Figure 3 and 4, the proportion of homes/households with access to the internet has risen from only 7.2% in 2007 to 11.1% in 2009. The highest levels of access are clustered in areas of high per capita GDP, in particular the Western Cape and Gauteng. Homes/households in these provinces are around 8 times more likely to have internet access than those in Limpopo, the province with the lowest internet access levels.



Source: Community Survey - 2007 and General Household Survey – 2009