



UNIVERSAL SERVICE AND ACCESS FUND

ANNUAL PERFORMANCE PLAN: 2025/26

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ACCOUNTING AUTHORITY AND ACCOUNTING OFFICER STATEMENT

The Board of the Universal Service Access Fund (USAF) is delighted to present the 2025/26 Annual Performance Plan for the Fund. USAF is a Chapter 9 institution, established under Sections 80 – 91 of the Electronic Communications Act (36 of 2005), with a mandate to advance the goal of universal access and service across South Africa. The Fund's primary objectives is to provide financial support for network development in underserved areas.

In executing its mandate, USAF/USAASA is committed to addressing the digital divide between urban and rural South Africa, which is also a key priority of government. The Fund operates in alignment with the government's Medium-Term Development Plan (MTDP), previously known as the Medium-Term Strategic Framework (MTSF), which serves as a roadmap for public service delivery focused on reducing poverty, inequality, and unemployment. The MTDP is further guided by the National Development Plan (NDP), which outlines the long-term vision for the country's socio-economic growth, aiming for a more inclusive and prosperous society by 2030. USAASA's/USAF's strategic priorities are directly informed by these national frameworks, ensuring that its efforts contribute to broader development goals.

Over the medium-term (2025/26 to 2027/28), USAF/USAASA will focus on key outcomes that will drive the Fund's transformation and effectiveness. Further priorities for USAF/USAASA over the next few years are improvements in stakeholder engagement in addition to brand and reputation management. By fostering open communication and collaboration with stakeholders, including government departments, industry players, and local communities, USAF/USAASA aims to create a trustful and cooperative environment that supports its mission. Additionally, the Fund will invest in strengthening its research, monitoring, and evaluation functions to ensure that decisions are evidence-based, and that performance is continuously measured and improved. This data-driven approach will enable USAF/USAASA to track progress, identify challenges, and make informed and timeous adjustments to its programmes and strategies.

It is anticipated that the successful implementation of USAF's/USAASA's strategic priorities will not only enhance organisational effectiveness but also contribute to supporting South Africa's broader development objectives. Through its work, USAF/USAASA is committed to ensuring that all South Africans – irrespective of their geographic location or socio-economic status – have access to information and communication technologies that are essential for personal, social, and economic empowerment.



Mr. Mandla Mnisi
INTERIM CHAIRPERSON OF THE BOARD

OFFICIAL SIGN-OFF

It is hereby certified that this 2025/26 Annual Performance Plan (APP):

- 1) Was developed by the management team of the Universal Service and Access Fund, under the guidance of the Minister.
- 2) Takes into account all the relevant policies, legislation and other mandates for which the Universal Service and Access Fund is responsible.
- 3) Accurately reflects the Impact and Outcomes which the Universal Service and Access Fund will endeavour to achieve over the period 2025/26.


Ms. Chwayita Madikizela

Date 31/01/2025

EXECUTIVE MANAGER OPERATIONS


Mr. Sidney Mongala

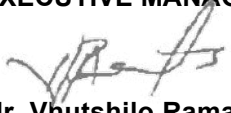
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Date 31/01/2025

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APPROVED BY:



Mr. Mandla Mnisi

Date 31/01/2025

INTERIM CHAIRPERSON OF THE BOARD

ABBREVIATIONS AND ACRONYMS

APP	Annual Performance Plan
AU	African Union
B-BBEE	Broad-based Black Economic Empowerment
CEO	Chief Executive Officer
DCDT	Department of Communications and Digital Technologies
DPME	Department of Planning, Monitoring and Evaluation
ECA	Electronic Communications Act
ICASA	Independent Communications Authority of South Africa
IDA	Infrastructure Development Act
ICT	Information and Communication Technology
M&E	Monitoring and Evaluation
NDP	National Development Plan
PFMA	Public Finance Management Act
RFSPAPP	Revised Framework for Strategic Plans and Annual Performance Plans
SDG	Sustainable Development Goal
SIP	Strategic Integrated Projects
SITA	State Information Technology Agency
SMART	Specific, Measurable, Achievable, Realistic and Time-bound
TIDS	Technical Indicator Descriptions
UN	United Nations
USAASA	Universal Service and Access Agency South Africa
USAF	Universal Service and Access Fund

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PART A: OUR MANDATE

1. LEGISLATIVE AND POLICY MANDATES

USAASA/USAF draws its legislative mandates from Sections 80-91 of the Electronic Communications Act (ECA, 36 of 2005), which indicates that the primary mandate and functions of USAASA are, among others, to:

- Provide policy and regulatory advice to both the Minister and the sector regulator on any matter relating to universal access and universal service.
- Manage USAF in accordance with the provisions of the ECA and strive to promote the goal of universal access and universal service.
- Encourage, facilitate and offer guidance in respect of any scheme to provide universal service and access, services or telecommunication services;
- Foster the adoption of innovation, specifically the use of new methods of attaining universal access and universal service;
- Make recommendations to enable the Minister to determine what constitutes universal access, universal service and underserved areas;
- Conduct research into and keep abreast of developments in the Republic and elsewhere on ICT, electronic communications services and electronic communications facilities;
- Continually survey (monitor) and evaluate the extent to which universal access and service have been achieved;

The main aim of USAASA is to promote universal access to telecommunications and digital services, especially in underserved and rural communities. The key legislative mandates guiding USAASA/USAF's operations can be summarised as follows:

The Electronic Communications Act (ECA) of 2005

- The ECA provides the legal framework for USAASA to promote universal service and access to electronic communications services.
- It mandates USAASA to ensure affordable and accessible digital services in underserved areas.
- The ECA also created the USAF, which is managed by USAASA to fund initiatives that improve digital infrastructure and access.

Broad-Based Black Economic Empowerment (B-BBEE) Act

- While not specific to telecommunications, this act encourages USAASA to support digital initiatives that contribute to socio-economic development, including empowering historically disadvantaged communities.

Public Finance Management Act (PFMA)

- The PFMA governs the financial management of USAASA, ensuring transparency, accountability, and effective use of public funds.

Independent Communications Authority of South Africa (ICASA) Act

- USAASA collaborates with ICASA, which regulates the broader telecommunications industry, to align on goals for universal service.

These legislative mandates within which USAASA/USAF operates aim to bridge the digital divide in South Africa by enabling USAASA to develop and fund initiatives that promote digital inclusion and economic growth through access to ICT and digital infrastructure. Other legislation impacting on the mandate of USAASA/USAF includes:

- *The Infrastructure Development Act (IDA)*, 2014 (23 of 2014), as amended.
- *The Electronic Communications and Transactions Act* (25 of 2002), as amended,
- *The State Information Technology Agency (SITA) Act* (88 of 1998), as amended.

2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

USAASA is responsible for promoting universal access to ICT services in underserved and rural areas across South Africa. Its corresponding institutional policies focus on achieving equitable access to digital and communication services aligned with the following policies at a global, national, and regional level:

2.1 United Nations Agenda 2030 and the African Union's Agenda 2063

The United Nations (UN) Agenda 2030 and the African Union's (AU) Agenda 2063 (although their discourse is often in terms of a 2063 horizon, rather than 2060) both emphasise digital infrastructure access as a pathway to sustainable development and economic transformation. For instance, the following Sustainable Development Goals (SDGs) in the UN Agenda 2030 also inform the work of USAASA/USAF:

- *Goal 9: Industry, Innovation, and Infrastructure*
This goal specifically promotes building resilient infrastructure, fostering innovation, and increasing access to ICT.
- *Goal 4: Quality Education*
This goal includes supporting digital literacy and access to technology in education to improve learning outcomes and equip students with the ICT skills, that are necessary for the future workforce.

In addition, the AU Agenda 2063 document outlines several aspirations with priority areas focused on a prosperous, inclusive, and technologically advanced Africa. Some of the key sections that address digital access include:

- A Prosperous Africa Based on Inclusive Growth and Sustainable Development.
- Aims for a 'world-class infrastructure that crisscrosses Africa', emphasising regional connectivity and digital infrastructure to support economic growth and integration. This includes affordable internet access and modern communication networks.
- Expanding ICT networks to enhance connectivity and ensure affordable internet access across Africa, and,
- Emphasises the role of youth and women in digital transformation, with goals that promote access to ICT skills, entrepreneurship in the digital economy, and a technologically literate workforce to drive economic change.

The above UN and AU frameworks together stress the importance of digital infrastructure to bridge socio-economic divides, foster economic growth, and drive innovation across Africa and the world. These frameworks view ICT as essential for sustainable development, equitable access to information, and creating opportunities for all segments of society.

2.2 National Development Plan (NDP)

The NDP (Vision 2023) articulates and outlines goals related to digital access, ICT, and infrastructure as highlighted in the following specific chapters:

- *Chapter 4: Economic Infrastructure*

This chapter discusses the development of robust infrastructure to support the economy, including digital and ICT infrastructure. It addresses universal broadband access, the expansion of digital networks, and the role of ICT in promoting economic growth and reducing inequality. This is reflected in and aligned to USAASA's objective of universal service and access to digital infrastructure for all.

- *Chapter 9: Improving Education, Innovation, and Training*

This chapter emphasises the need for digital literacy and ICT skills development to build a knowledge-based economy. It includes goals for improving access to technology in schools, training for digital competencies, and fostering innovation through digital resources. It is vital to note that one of the areas USAASA is required to address is the lack of infrastructure in government facilities, therefore there is a specific need to install digital infrastructure in schools, health facilities and other public facilities.

- *Chapter 10: Promoting Health*

While focused on health, this chapter also highlights the importance of e-health and telemedicine services, which rely on ICT infrastructure for improving healthcare delivery, especially in rural and underserved areas.

- *Chapter 13: Building a Capable and Developmental State*

This chapter addresses e-government services and the use of ICT to improve government efficiency, transparency, and accessibility. It aligns with the NDP's goal of making government

services more accessible through digital means.

- *Chapter 15: Nation Building and Social Cohesion*

This chapter supports digital inclusion as a means to connect communities and promote social cohesion. The NDP recognises that ICT can help bridge gaps across socio-economic and geographic divides, fostering a more inclusive society.

All these chapters collectively reflect the NDP's commitment to building a digitally enabled South Africa, focusing on infrastructure, skills development, and service delivery.

2.3 The Electronic Communications Act (ECA)

The ECA aims to make electronic communications services available to all South Africans, including underserved and rural communities. It establishes USAF, which helps to finance projects that expand digital infrastructure, including broadband and telecommunication services, to areas where private investment may not be sufficient. The ECA is foundational for expanding digital infrastructure access in South Africa. It promotes universal access, supports infrastructure sharing, encourages competition, and enforces regulatory standards, all of which help make digital services more widely available and affordable. The ECA plays a crucial role in driving digital inclusion, helping South Africa move toward its goals for digital transformation and equitable connectivity.

2.4 National Integrated ICT Policy White Paper

The National Integrated ICT Policy White Paper (2016) and the role of USAASA are key components of South Africa's strategy to improve access to digital infrastructure and promote universal service in ICT. Some of the key pillars of the White Paper are:

- Prioritising universal access to digital infrastructure, emphasising that all South Africans should have affordable access to broadband and other ICT services. This aligns with the broader goal of achieving digital inclusion, especially for people in rural, underserved, and disadvantaged communities.
- The promotion of an open access network. The government advocates for an open-access model where telecommunications infrastructure is shared among service providers to avoid duplicative investment, reduce costs, and improve service coverage.
- Setting broadband and connectivity targets which include providing universal broadband access by specific dates to meet national goals for digital connectivity.

The above initiatives as articulated in the White Paper are intended to reduce the digital divide, enable economic opportunities, and make digital services accessible for all South Africans, fostering a more inclusive digital economy.

2.5 Infrastructure Development Act

The primary focus of the IDA (2014) is to expedite and coordinate infrastructure projects across

sectors in South Africa. This includes among others, energy, water, transport, and ICT. Although it is a broad legislative framework, it incorporates provisions that indirectly support access to digital infrastructure. Some of the ways in which the IDA addresses digital infrastructure access are:

- Establishing a framework for Strategic Integrated Projects (SIPs), which are large-scale infrastructure initiatives that aim to address economic and social infrastructure gaps. Some SIPs directly address digital infrastructure, particularly projects focused on ICT networks, broadband expansion, and communications technology. These SIPs help prioritise funding, streamline approvals, and accelerate timelines for essential digital infrastructure.
- The IDA also mandates streamlined processes for approvals, permits, and licenses. This is critical for digital infrastructure projects, such as expanding broadband, building data centres, and setting up ICT hubs, as it reduces delays associated with regulatory and environmental clearances. By facilitating quicker implementation, the IDA helps to ensure faster deployment of digital infrastructure across South Africa.
- The IDA also encourages partnerships between government and the private sector, which are essential for financing and deploying digital infrastructure. Private investment can play a major role in extending ICT networks, especially in areas where government resources may be limited. Through these partnerships, digital infrastructure projects can access technical expertise, innovation and funding, making digital technology more accessible.
- The IDA further focuses on socio-economic development as it recognises infrastructure as a means to drive socio-economic development, which includes enabling digital access that can support education, healthcare, job creation, and business innovation. By promoting digital infrastructure, the IDA contributes to broader economic goals, including creating opportunities for digital entrepreneurship and improving quality of life through accessible technology.
- And lastly, in terms of alignment, the IDA indirectly supports the NDP (Vision 2030) goals for digital access by enabling infrastructure projects that align with national development priorities, including universal broadband access and digital transformation. The NDP calls for robust digital infrastructure as a foundation for inclusive economic growth, and the IDA provides the legislative mechanism to prioritise and develop this infrastructure.

While the IDA does not focus solely on digital infrastructure, it establishes a legal and regulatory framework that enables the prioritisation, coordination, and acceleration of digital projects. This support is essential for advancing equitable digital access, closing the digital divide, and building an economy that can leverage digital transformation for broader development in South Africa.

2.6 State Information Technology Agency (SITA) Act

The SITA Act (1998) outlines USAASA's role in managing and promoting access to digital technology within government institutions, primarily focusing on enhancing IT service quality,

security, and affordability across public entities. Some key focus areas that align with USAASA are:

- *Affordable Access to Digital Technology:* SITA is tasked with ensuring that public sector entities receive cost-effective access to IT infrastructure and services. The agency is responsible for procuring and maintaining digital technologies that support government functions, making sure they are accessible at an affordable rate, thus reducing overall costs for government technology investments.
- *Promoting Efficient Use of ICT:* The SITA Act emphasises the role of ICT in enhancing service delivery, with SITA responsible for creating systems that support efficient, secure, and effective communication within government bodies. This includes developing ICT policies, implementing best practices, and supporting digital transformation across government services to improve accessibility for citizens.
- *Supporting E-Government Initiatives:* SITA plays a key role in South Africa's e-government strategy, which aims to make government services more accessible to the public through digital platforms. The SITA Act empowers SITA to support e-government services, which include online access to public information, electronic filing, and digital platforms that citizens can use to interact with government services more conveniently.

In brief, the SITA Act positions SITA as the core agency for advancing digital technology in South Africa's public sector, ensuring that government services are accessible, affordable, secure, and aligned with national ICT policies. Through this mandate, SITA contributes to South Africa's broader goals for digital transformation, aiming to improve both internal government efficiencies and public access to digital services.

3. RELEVANT COURT RULINGS

At the time of developing this Strategic Plan for 2025/26-2029/30, there were no specific court rulings that have a significant and/or ongoing impact on USAASA/USAF's ongoing operations or business obligations.

PART B: OUR STRATEGIC FOCUS

4. VISION

Inclusive, sustainable, and meaningful universal digital access and service for all.

5. MISSION

To provide citizen-centric and participatory universal access and service to digital communication, infrastructure and broadcasting services through:

- Increased deployment of sustainable and reliable digital communication, infrastructure and
- broadband services to underserved areas.
- Collaboration and partnership with relevant stakeholders.
- Conducting insightful research, monitoring and evaluation.
- Improved governance of USAF subsidies and funding.
- Creating a culture of performance and excellence.

6. VALUES

USAF subscribes to the following internal values which are in line with the *Batho Pele* principles:

Value	Description – What it means in practice
Batho Pele	We believe in providing excellent, efficient and effective service to all customers and stakeholders.
Integrity	We uphold high standards of trust, condemn bribery and corruption, and support honesty and respect in all interactions with stakeholders.
Accountability	We foster employee ownership and responsibility in ensuring quality service.
Innovation	We support employee creativity in delivering all our services.
Transparency	We encourage openness in all our activities.
Teamwork	We strive to create a harmonious work environment, where all employees and contributors are respected.

7. SITUATIONAL ANALYSIS

7.1 External Environment Analysis

7.1.1 Macro Economic Environment

Emerging from the strategic planning session the current PESTEL analysis for USAASA, which supports universal access to digital services and manages USAF is described in the table below. A PESTEL analysis examines the Political, Economic, Social, Technological, Environmental, and Legal factors in the external environment.

Dimension	Key Factors in the External Environment
Political	USAASA operates within the regulatory framework provided by the South African government, primarily under the ECA and related national policies. USAASA's initiatives align with the country's push for digital inclusion, overseen by the DCDT, to bridge the digital divide and promote social equity. However, possible changes in political leadership may affect the delivery models and modes. This can create instability in the organisation if not appropriately managed. Changes in political leadership also create uncertainties and obstacles in implementing the programmes of the agency. There are also uncertainties over the stability of the 7 th administration (second GNU) as there was no outright winner and this might delay certain decisions to be taken.
Economic	South Africa's economic constraints, including high unemployment, inequality, and low growth rates impact on USAASA's capacity to expand ICT infrastructure in underserved areas. Funding limitations and reliance on government budgets affect how USAASA pursues its mission, as economic downturns often lead to reduced allocations for the delivery of public services deemed 'non-essential'. Further budget cuts by the National Treasury may negatively affect the operations of the agency.
Social	USAASA's focus on reducing the digital divide supports South Africa's broader goal of social transformation. Expanding digital access is essential for education, healthcare, and job opportunities, especially in rural areas. The agency also plays a role in supporting affordable broadband access, which is critical for social inclusion and economic participation. Conflicting the needs of society, e.g. the need for water and electricity over the need for digital access, may adversely affect USAASA.
Technological	USAASA supports South Africa's readiness for the Fourth Industrial Revolution (4IR) by expanding ICT infrastructure. This includes facilitating digital broadcasting for underserved communities and enabling technological advancements in these areas. However, challenges like insufficient infrastructure in rural areas and the high cost of technology continue to limit widespread access. Also, the fast rate of technological changes/innovations leaves USAASA with the risk of rolling out obsolete technology.
Environmental	USAASA's ICT initiatives are delivered in the context of global debates on climate change. As such, the agency is faced with environmental concerns related to electronic waste management and the ecological impact of

	expanding ICT infrastructure. The agency's ICT expansion/accessibility mandate thus needs to be aligned with the country's environmental goals, especially given the rise in environmental consciousness globally.
Legal	USAASA is governed by strict legal frameworks, including mandates from the ECA and the PFMA. These provisions ensure transparency, accountability, and equitable delivery services. However, compliance with complex regulatory requirements can at times slow down project implementation. Such lags should be factored into project design and implementation. The agency's adoption and use of the Public Service Act while it is a public entity makes it less agile to deliver on its mandate. USAASA's history of litigation with service providers has implications for its financial resources, operational focus, and reputation. Strategies for effective dispute resolution and contract management are critical to mitigate the risks. Barriers to entry for SMME's in the deployment of infrastructure is a limiting factor in promoting SMMEs in the ICT space.

7.2 Internal Environmental Analysis

7.2.1 Analysis of Organisational Capacity and Capability (SWOT Analysis)

USAF has the following programme:

Programme	Sub-programme
Programme 1 – Business Operations	- Broadband infrastructure in underserved areas - Rapid deployment and connectivity - Broadcasting digital migration programme

This programme contributes to the achievement of USAASA's outcomes through programme level outputs, output indicators, and annual and quarterly targets.

A SWOT analysis conducted during the USAASA/USAF strategic planning assembly identified the following internal strengths and weaknesses. The agency should capitalise on these strengths and address the weaknesses identified in Figure 1.

Figure 1: Strengths and Weakness of USAF/ USAASA	
Strengths	Weaknesses
The organisation has a clear mandate supported by political leadership, and autonomy and authority derived from the Constitution.	USAF/USAASA's high number of vacant, funded posts and acting leadership roles in addition to inadequate funding and a constrained operating environment.
The organisation has unity of purpose among	USAF/USAASA's centralised model of digital

employees, management and the Board.	infrastructure delivery hampers the wider reach and geo-specialisation in service delivery.
USAASA has autonomy and authority derived from the ECA to provide universal digital access and services to underserved areas.	Lack of sufficient integration between strategic planning, research, monitoring and evaluation (M&E) due to the absence of an M&E Business Unit with specialised skills in research and M&E.
The USAASA mandate is aligned with global, regional, and national socio-economic development priorities.	No documented business processes and standard operating procedures.
Guaranteed appropriation from National Treasury.	Poor and inadequate partnership with other stakeholders and lack of an implementation model leading to project delays and failures.
There is an established list of underserved areas to be connected for broadband programmes and for BDM households earning less than R3 500 per month.	Absence of a 'fit for purpose' organisational structure and resource capabilities aligned to USAASA's mandate.
The ECA is clear that the money to close the access gaps must be collected through levies from licenses.	Proposals to de-establish USAASA might cause uncertainties in the operations of the organisation.

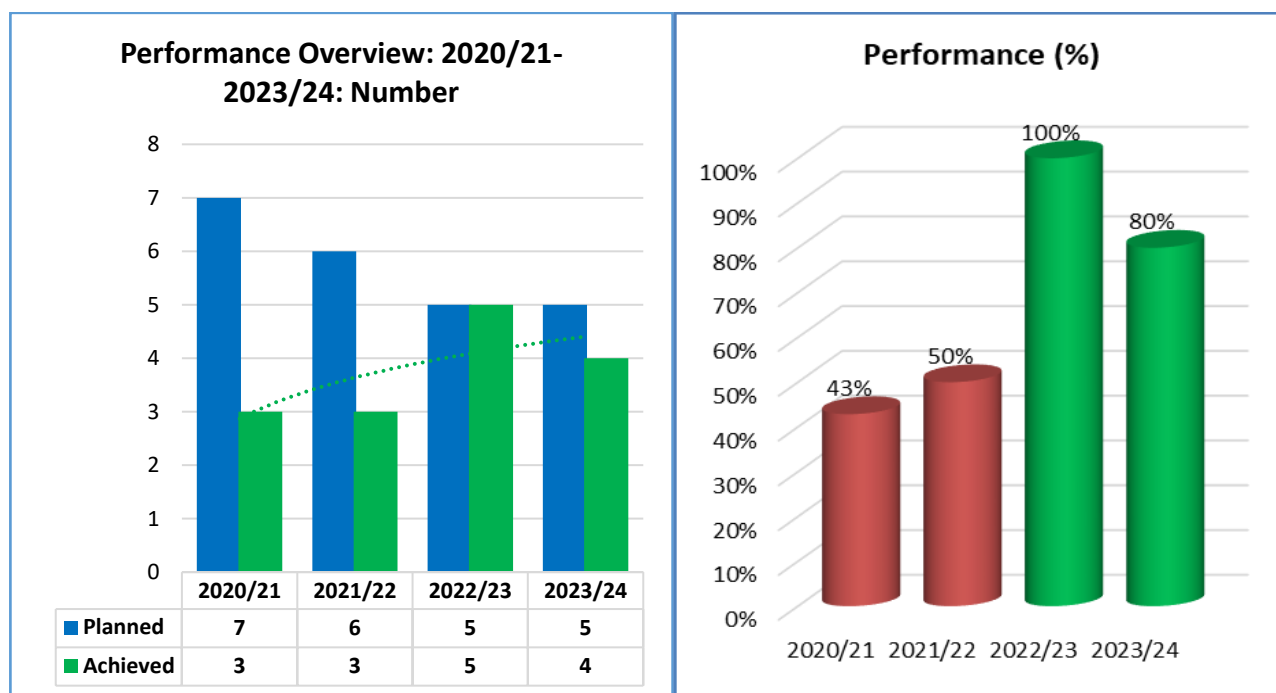
7.2.2 Analysis of Past Performance Against 2020 – 2024 Targets

USAASA/USAF's past performance must be contextualised in relation to the general challenges that affected South Africa during the period 2020-2024; one being the Covid-19 pandemic which required the closure of all non-essential government departments and entities for a specified period. Consequently, departments and government entities had to adopt new strategies to deliver on their performance targets. Amongst the new strategies was the adoption of hybrid work opportunities where time was divided between working from home (remote work) and office-based work. Despite the introduction of such hybrid working arrangements, the USAASA annual reports assessed between 2020 to 2024 show that the overall performance of USAASA on its mandate has been adequate. Despite the adverse impact of the Covid-19 pandemic on the operations of USAASA/USAF, the agencies succeeded in devising strategies to overcome the challenges emerging from the pandemic.

A trends analysis of the USAASA's past performance extracted from annual reports and planning documents for the 2020/2021 to 2023/2024 period shows that USAASA has made considerable progress in maintaining strong governance through an unqualified audit opinion. However, more

data and tracking are needed to objectively assess progress towards other strategic outcomes such as the National Operations Centre and the production of annual reports on universal access and service. The graphs below (Figure 2) indicate how the Agency performed over the period 2020/21 to 2023/24.

Figure 2: USAF/USAASA's Performance Overview since 2020/21



Over the strategic period (2020-2024) USAF/USAASA showed improvements from 43% in 2020/21 to 100% in 2022/23, followed by a slight dip in 2023/24. Despite the dip in 2023/24, the Fund is performing strongly. This progress reflects a positive trend in meeting strategic outcomes, reducing the implementation gap and improving future performance.

In addition, the organisation has shown specific progress in key areas like risk management and geographic mapping for broadband service. However, there are recurring challenges, particularly in financial management and project execution. Addressing these issues will be critical for the Agency's continued success in delivering its mandate in future.

In general, the trend shows positive strides in strategic initiatives, especially from 2021/22 onwards. However, there were some missed opportunities in earlier years to track and address financial efficiency and organisational planning. Going forward, it is critical for USAF/USAASA to maintain focus on financial management, including the reduction of wasteful and irregular expenditure, while also continuing to strengthen its strategic planning and stakeholder engagement processes.

7.3 Stakeholder Analysis

USAF/USAASA undertook a series of engagements with the internal management, the Board and the entity's key stakeholders through virtual platforms between October, November 2024 and January 2025. These engagements were aimed at gathering perspectives, insights, and areas of collaboration to assist the USAF/USAASA in finalising the 2025-2030 Strategic Plan.

A two-fold approach was used to solicit insights/input. A questionnaire was circulated to the stakeholders to provide their responses regarding their observation of USAF/USAASA.

Figure 3 is a stakeholder matrix indicating stakeholder groups, their level of influence, areas of collaboration and expectations from USAF/USAASA.

Figure 3: USAASA/USAF Stakeholder Matrix			
Stakeholder Group	Level of Influence	Areas of Collaboration	Expectations
Department of Communications and Digital Technologies (DCDT)	High	Policy development, Governance and reporting	Partnership, Programme implementation and accountability
.ZADNA	Low	Domain name creation and email addresses for our customers	Digital identity of the schools and other service centres
Broadband Infraco (BBI)	High	Implementation of broadband	Partnership and broadband rollout
State Information Technology Agency (SITA)	Low	Hosting and managing the BDM portal/system	Partnership and Efficient and effective management systems
South African Post Office (SAPO)	Low	Management and storage of USAASA inventory, distribution and registration of BDM beneficiaries	Processing of the data and verification
Postbank	Low	Not defined	Not defined
National Education Multi-media Institute of South Africa (NEMISA)	High	Training and development, Communications, Research and publications	Funding

Figure 3: USAASA/USAF Stakeholder Matrix

Stakeholder Group	Level of Influence	Areas of Collaboration	Expectations
Sentech	High	BDM rollout	Installed STB's, Proper BDM installation
South African Broadcasting Corporation (SABC)	High	Awareness raising and Promotion of BDM, Increased registration of the BDM	Drive campaigns to increased citizens knowledge about BDM and other USAASA services
Films and Publications Board (FPB)	Low	Not defined	Not defined
Independent Communications Authority of South Africa (ICASA)	Medium	Updated list of under-served communities or municipalities	Sharing the list of under-served areas throughout the country
Provincial government and Municipalities in underserved areas	Low	Identification of underserved areas, protection of infrastructure against criminals	Awareness through community dialogues and authorities regarding the USAASA services

PART C: MEASURING OUR PERFORMANCE

8. INSTITUTIONAL PERFORMANCE INFORMATION

USAF has the following programme

Programme	Sub-programme
Programme 1 – Business Operations	• Broadband infrastructure in underserved areas • Rapid deployment and connectivity • Broadcasting digital migration programme

The APP deliberately reflects data positioned at a higher level to aid clear and strategic reporting, and excludes more operational processes and activities, which will be reflected in the relevant sub-programme operational plans for the period. These operational plans are aligned to internal working documents and inform the performance agreements of the relevant managers and employees.

The programme above contributes to the achievement of the outcomes through programme level outputs, output indicators, and annual and quarterly targets, as reflected in the sections below.

8.1 Programme 1: Business Operations

The purpose of USAF Programme 1, as per Section 82 of the ECA, can be summarised as that of a facilitator and playing a monitoring role to improve research capacity on universal service and access. It has a mandate to provide accurate and credible information on universal service and access gaps. Despite this clear mandate, growth in the South African ICT sector has not been accompanied by a realisation of the primary policy objectives of affordable access for all, to the full range of communications services that characterise modern economies.

- *Community and Institutional Broadband Access* - the greatest need and opportunity for South Africans to take full advantage of ICT is to ensure widespread access to high-quality broadband networks and services in all towns and villages. This will be done by the establishment of high-capacity broadband end points within currently unserved towns and villages, with last-mile broadband connections to local schools, post offices, health clinics and government offices. This includes collaborative development of ICT facilities within each institution to ensure maximum public usage and benefit.
- *Universal Access to Broadcasting* - will support the transformation and expansion of the broadcasting sector, to complement the provision of universal access to multimedia forms of communication and information.

In contributing towards USAF's desired impact of "Improved meaningful universal access to digital infrastructure", the Business Operations Programme delivers against the following Outcomes

reflected in the Strategic Plan:

- **Outcome 1:** Increased deployment of sustainable and reliable digital communication, infrastructure and broadcasting services to underserved and remote areas.
- **Outcome 2:** Improved governance of USAF subsidies and funding

Key objectives and outputs detailed in this APP have been drawn from and aligned to the Universal Services and Access Strategy and focus in the main on following sub-programmes detailed in the Universal Services and Access Strategy.

8.1.1 Programme 1 Outcomes, Outputs, Output Indicators and Targets

In contributing towards USAASA's desired impact of the "progressive realisation of the goal of universal access and universal service in South Africa", the Business Support Programme delivers against the following Outcomes reflected in the Strategic Plan.

The 2025/26 performance plan of Programme 1 is then reflected in the log frame tables below.

Programme 1: Outcomes, Outputs, Output Indicators and Annual Targets

Outcome	Output	Output Indicator	Audited Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved governance of USAF subsidies and funding	Management of the Broadcasting Digital Migration funding model	Percentage compliance with the Broadcasting Digital Migration Funding Model	New indicator	New indicator	New indicator	New indicator	100% compliance with the Broadcasting Digital Migration Funding Model	100% compliance with the Broadcasting Digital Migration Funding Model	100% compliance with the Broadcasting Digital Migration Funding Model
	BDM installations subsidised in line with the approved BDM funding model	Percentage spent in line with the Broadcasting Digital Migration Funding Model	New indicator	New indicator	New indicator	20% cumulatively since the approval of the funding model	*22% (cumulative) spent in line with the Broadcasting Digital Migration Funding Model	*24% (cumulative) spent in line with the Broadcasting Digital Migration Funding Model	*26% (cumulative) spent in line with the Broadcasting Digital Migration Funding Model
	Management of the USAF funding manual	Percentage compliance with the Board approved USAF funding manual	New indicator	New indicator	New indicator	New indicator	Board approved USAF funding manual	100% compliance with USAF funding manual	100% compliance with USAF funding manual

USAF: Annual Performance Plan 2025/26

Outcome	Output	Output Indicator	Audited Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Increased deployment of sustainable and reliable digital communication, infrastructure and broadcasting services to underserved and remote areas	Additional under-served municipalities connected	**Number of underserved areas connected and sustained according to USAF sustainability model	New indicator	New indicator	New indicator	16 cumulatively from 2022/23	***2 underserved areas connected	2 underserved areas connected and sustained according to USAF sustainability model	2 underserved areas connected and sustained according to USAF sustainability model
	Continuous maintenance of connectivity in all verified sites	Monitoring percentage connectivity uptime on all funded sites	New indicator	New indicator	New indicator	New indicator	Monitoring 80% uptime connectivity on all funded sites	Monitoring 80% uptime connectivity on all funded sites	Monitoring 80% uptime connectivity on all funded sites

* Spending will be measured against R2 512 339 000.00 in the Cabinet approved BDM funding model

** Sustainability of connected local municipalities will start in the 2026/27 financial year

*** Connection of underserved areas means completion of installation of broadband equipment, the number of underserved areas to be connected is based on the approved budget for the period

Programme 1: Indicators, Annual and Quarterly Targets

Output Indicator	2025/26 Annual Target	Quarterly Targets			
		Q1	Q2	Q3	Q4
Percentage compliance with the Broadcasting Digital Migration funding model	100% compliance with the Broadcasting Digital Migration funding model	100% compliance with the Broadcasting Digital Migration funding model	100% compliance with the Broadcasting Digital Migration funding model	100% compliance with the Broadcasting Digital Migration funding model	100% compliance with the Broadcasting Digital Migration funding model
Percentage spent in line with the Broadcasting Digital Migration Funding Model	2% spent in line with the Broadcasting Digital Migration Funding Model	0.5% (cumulative) spent in line with the Broadcasting Digital Migration Funding Model	1% (cumulative) spent in line with the Broadcasting Digital Migration Funding Model	1.5% (cumulative) spent in line with the Broadcasting Digital Migration Funding Model	2% (cumulative) spent in line with the Broadcasting Digital Migration Funding Model
USAF funding manual developed	Board approved USAF funding manual	Sourcing of services for the development of the funding manual	Develop the first draft USAF funding manual and submit it for Board consideration	Develop the second draft USAF funding manual and submit it for Board consideration	Approval of the USAF funding manual by the Board
Number of underserviced areas connected	2 underserviced areas connected	Draft terms of reference and identify underserviced areas to be connected	Appointment of service provider Identification of the sites to be connected	Finalisation of the sites surveys Start infrastructure deployment of sites	2 underserviced areas connected
Monitoring percentage connectivity uptime on all funded sites	Monitoring 80% uptime connectivity on all funded sites	Monitoring 80% uptime connectivity on all funded sites	Monitoring 80% uptime connectivity on all funded sites	Monitoring 80% uptime connectivity on all funded sites	Monitoring 80% uptime connectivity on all funded sites

8.1.2 Programme 1: Explanation of Planned Performance

In fulfilling its purpose, the Business Operations Programme will continue to enhance its project management capacity and capability to realise key pillars of work, namely:

- Roll-out of adequate ICT infrastructure and services to enable universal access in underserved areas, with a focus on:
- Deployment of electronic communication infrastructure, which is crucial to delivering broadband services to South Africans, and to overcoming the so-called "digital divide" between connected urban citizens and those living in rural areas. To mitigate these issues, it is critical that electronic communication infrastructure is delivered and thereafter monitored; and
- Facilitation and enabling of access to broadband internet services in identified municipalities and areas, in order to promote universal provision of electronic communications connectivity

Increased access to Digital Broadcasting Services for needy households in South Africa, with a focus on:

- Ensuring that the set-top boxes that were procured in previous financial years are installed at the qualifying households that have applied for the services; and
- Ensuring that vouchers are issued to qualifying households through the Universal Service and Access Fund, as part of the assigned responsibility to enable qualifying needy households to receive set-top boxes free.

9. FINANCIAL PLAN AND ANNUAL BUDGET FOR 2025/26 AND THE MTEF

9.1 Projected Balance Sheet for 2025/26

Financial position				
	Approved budget		Medium-term estimate	
	2024/25	2025/26	2026/27	2027/28
Carrying value of assets	–	–	–	–
<i>of which:</i>				
Inventory	928,682	835,913	835,538	668,430
Accrued investment interest	25,653	13,169	11,712	12,250
Cash and cash equivalents	2,890,021	2,993,274	2,993,274	3,130,964
Total assets	3,844,356	3,842,356	3,840,524	3,811,644
Accumulated surplus/(deficit)	3,800,691	3,800,691	3,800,691	3,779,778
Trade and other payables	43,665	41,665	39,833	31,866
Total equity and liabilities	3,844,356	3,842,356	3,840,524	3,811,644
Contingent liabilities	5,000	1,000	–	–

Statement of financial performance					
R thousand		Approved budget	Medium-term estimate		
		2024/25	2025/26	2026/27	2027/28
Revenue					
Transfers received		52,629	54,987	57,506	60,151

USAF: Annual Performance Plan 2025/26

Statement of financial performance	Approved budget	Medium-term estimate		
	2024/25	2025/26	2026/27	2027/28
R thousand				
Total revenue	52,629	54,987	57,506	60,151
Expenses				
Current expenses	12,930	3,039	3,000	3,138
Goods and services	12,930	3,039	3,000	3,138
Transfers and subsidies	2,146,456	815,531	54,506	57,013
Total expenses	2,159,386	818,570	57,506	60,151
Surplus/(Deficit)	(2,106,757)	(763,583)	-	-

9.2 Operational Budget Projections for 2025/26

	Approved budget	Medium-term estimate		
	2024/25	2025/26	2026/27	2027/28
R thousand				
Administration	12,930	3,039	3,000	3,138
Broadband infrastructure and connectivity to underserved and unserved areas	564,433	324,531	54,506	57,013
Broadcasting digital migration programme	1,582,023	491,000	-	-
Total expense	2,159,386	818,570	57,506	60,151

10. UPDATED KEY RISKS

As this Annual Performance Plan is for the first year of the five years' defined in the Strategic Plan, and was developed at the same time, there are no updates to the key risks at this time. In the following years, the updated risk register will be presented and discussed in this section.

Outcome	Risk	Mitigation
Increased deployment of sustainable and reliable digital communication, infrastructure and broadcasting services to underserved areas	Unsustainable business models Infrastructure and technical challenges	Development of a sustainability BDM model Development of a sustainability BDM manual Partnership with stakeholders to support in infrastructure deployment and commercialisation.
Improved governance of USAF subsidies and funding	Poor organisational and employee performance and productivity	Implementation of change management strategy Employee engagement and active participation Practice USAASA values for improved organisational culture Clean audit opinion Establishment of leadership stability and governance

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Percentage compliance with the Broadcasting Digital Migration funding Model
Definition	This indicator is intended to enforce compliance with Broadcasting Digital Migration funding model
Source of data	Approved Broadcasting Digital Migration funding model
Method of Calculation/Assessment	Numerator – number of predefined entities services compliant with the funding model Denominator – total number of entities funded
Means of verification	Compliance report on the USAF broadcasting funding model Funding allocation records
Assumptions	There will be requirements for funding broadcasting digital migration in future There will be adequate funding to subsidise broadcasting digital migration
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	The target is specific to identified qualifying households, nationwide
Calculation Type	Cumulative (Year-to-date)
Reporting Cycle	Quarterly
Desired Performance	Equal the planned target for the period
Indicator Responsibility	Executive Manager Operations

Indicator Title	Percentage spent in line with the Broadcasting Digital Migration Funding Model
Definition	This indicator is intended to track spending against be allocated BDM funding in the Broadcasting Digital Migration Funding Model
Source of data	BDM Funding Model Budget allocation
Method of Calculation / Assessment	Numerator – Total spending against the BDM budget for the period Denominator – Total BDM budget
Means of verification	Expenditure reports Budget allocation
Assumptions	The implementation rate will be in line with our plans There will be requirements for funding broadcasting digital migration in future
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	The target is specific to identified qualifying households, nationwide
Calculation Type	Cumulative (Year-to-date)
Reporting Cycle	Quarterly
Desired Performance	Equal to or greater than planned target for the period
Indicator Responsibility	Executive Manager Operations

Indicator Title	USAF funding manual developed
Definition	The purpose of the indicator is to measure the development of a USAF funding manual that will provide legislative and policy guidance on disbursement of USAF subsidies
Source of data	Electronic Communications Act Public Finance Management Act National Treasury Regulations Impact assessment report on USAF projects implemented from 2020 – 2025
Method of Calculation / Assessment	Not applicable
Means of verification	Approved USAF funding manual
Assumptions	Availability of funds
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Not applicable
Reporting Cycle	Quarterly
Desired Performance	Equals to or greater than desired performance
Indicator Responsibility	Executive Manager Operations

Indicator Title	Number of underserviced areas connected
Definition	The purpose is to measure the number of the underserviced areas to be connected
Source of data	Identified local areas
Method of Calculation / Assessment	Simple count
Means of verification	Sign off reports of verified sites List of connected sites
Assumptions/ Requirements	The implementation rate will be in line with our plans There will be requirements for funding broadband digital services in future There be adequate funding to subsidise broadband digital services
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative (Year-to-Date)
Reporting Cycle	Quarterly
Desired Performance	Equal to or greater than planned target for the period
Indicator Responsibility	Executive Manager Operations

Indicator Title	Monitoring percentage connectivity uptime on all funded sites
Definition	The purpose of the indicator is to monitor whether each funded site meets 80% connectivity as per the SLA
Source of data	List of connected and verified sites
Method of Calculation / Assessment	Numerator: number of funded sites meeting 80% connectivity uptime Denominator: total number of connected sites over the period
Means of verification	Connectivity reports Monitoring and evaluation conducted internally
Assumptions	Connected sites receive timely maintenance during downtime Power reliability System availability
Disaggregation of Beneficiaries (where applicable)	Disaggregated by Province/Municipality/Town/Villages.
Spatial Transformation (where applicable)	Identified district and local municipalities
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	Equal to or greater than planned target for the period
Indicator Responsibility	Executive Manager Operations

ANNEXURES TO THE STRATEGIC PLAN

Annexure A: Amendments to the Strategic Plan

Not applicable for 2025/26, as the first year of the 2025/26–2029/30 Strategic Plan.

Annexure B: Conditional Grants

Not applicable to USAF.

Annexure C: Consolidated Indicators

Not applicable to USAF.

Annexure D: District Development Model

Not applicable to USAF.

Annexure E: Materiality Framework

In terms of Treasury Regulation 30.1.3, it is hereby stated that USAASA has a Materiality Framework in place.