



Universal Service and Access Fund

Strategic Plan for 2025/26 – 2029/30

March 2026

To obtain additional copies of this document please contact:

UNIVERSAL SERVICE AND ACCESS FUND

Office of the Chief Executive Officer

Building 1, Thornhill Office Park,

94 Bekker Road,

Vorna Valley,

Midrand, South Africa

1686

Tel: +27 11 564-1600

Web: www.usaf.org.za

Table of Contents

List of Acronyms	5
Accounting Authority Statement	6
Accounting Officer Statement	7
Official Sign-off	8
Part A: Our Mandate	9
1. Constitutional Mandate	9
2. Legislative, Policy and Planning Mandates	9
2.1. Legislation	9
2.2. Policies	11
2.3. Plans	12
3. Relevant Court Rulings	13
Part B: Our Context	14
4. Situational Analysis	14
4.1. The State of Digital Inclusion	14
4.2. Policy Gaps and Performance Goals	15
4.3. An Evolving Universal Access and Technology Landscape	16
4.4. Governance Challenges and Institutional Stability	17
4.5. Organisational Climate, Culture, and Employee Morale	18
4.6. Technical Capacity Building and Skills Development	18
4.7. Data Systems and Performance Measurement Frameworks	18
5. Strengths, Weaknesses, Opportunities and Threats (SWOT)	19
Part C: Our Strategic Focus	20
6. Vision	20
7. Mission	20
8. Values	20
9. Theory of Change	21
10. Institutional Policies and Strategies over the Five-Year Planning Period	23
11. Strategic Outcomes and Implementation Programmes	25
11.1 Strategic Outcomes	25
11.2 Implementation Programme	25
Part D: Measuring our Performance	27
12. Measuring Impact	27

13. Measuring Outcomes.....	27
13.1 National Planning Outcomes, Indicators and Targets.....	27
13.2 Strategic Outcome Indicators, Targets and Rationale	28
13.3 Explanation of Planned Performance Over the Five-year Planning Period	30
14. Factors that Would Enable Achievement of the Five-Year Targets	30
15. Key Risks	31
Part E: Technical Outcome Indicator Description.....	33

Tables

Table 1: Strengths, Weaknesses, Opportunities and Threats	19
Table 2: Values	20
Table 3: Strategic Outcomes for the 2025 – 2030 period.....	25
Table 4: Impact	27
Table 5: Alignment to National Development Outcomes	27
Table 6: Strategic Outcome 1.....	29
Table 7: Strategic Outcome 2.....	29
Table 8: Strategic Outcome 3.....	29

List of Acronyms

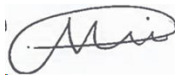
ASO	- Analogue Switch-Off
BBI	- Broadband Infraco
B-BBEE	- Broad-Based Black Economic Empowerment
BDM	- Broadcasting Digital Migration
ECA	- Electronic Communications Act
ERP	- Enterprise Resource Planning
ICASA	- Independent Communications Authority of South Africa
ICT	- Information, Communication Technology
IDA	- Infrastructure Development Act
ITU	- International Telecommunication Union
GIS	- Geographic Information Systems
GNI	- Gross National Income
NDP	- National Development Plan
NDCIM	- National Digital Connectivity Infrastructure Mapping
PMFA	- Public Finance Management Act
SITA	- State Information Technology Agency
STB	- Set-Top Boxes
USAASA	- Universal Service and Access Agency
USAF	- Universal Services and Access Fund

Accounting Authority Statement

This Strategic Plan for 2025/26 to 2029/30 aims to accelerate broadband deployment to underserved areas, ensure sustained access to digital broadcasting services for indigent households, and strengthen the transparent, competitive administration of subsidies and incentives to advance universal access and universal service outcomes within the scope of the Electronic Communications Act.

This strategic plan charts three pathways for the Fund over the planning period. First, the Fund will enhance implementation effectiveness within current modalities by leveraging data-driven beneficiary, professionalising project appraisal and monitoring systems, and embedding sustainability mechanisms that ensure infrastructure viability beyond initial subsidy periods. Second, the Fund will strengthen governance, compliance, and audit readiness across the USAF lifecycle through standardised, Manual-aligned processes and transparent competitive calls for proposals, as required by the ECA and PFMA-aligned prescripts. Third, the Fund will systematically build institutional and technical capabilities in call design, proposal evaluation, performance-based contracting, and rigorous impact measurement.

The fund will build on foundational strengths: a well-established legal framework, operational experience, and strategic positioning to leverage emerging technologies. The Board commits to strengthening governance oversight, ensuring transparent fund allocation through competitive mechanisms as mandated by the Electronic Communications Act, and holding the Fund accountable for achieving the strategic outcomes articulated in this plan. By operating through publicly advertised calls for proposals, effective evaluation, and strengthened monitoring and audit trails, the Fund commits to measurable contributions toward an inclusive digital South Africa.



Mr Mandla Mnisi
Chairperson of the Board (Accounting Authority)

Accounting Officer Statement

The implementation of this Strategic Plan requires operationalising three interconnected pathways that transform how the Fund deploys resources, measures impact, and enables sustainable digital inclusion outcomes. Our first implementation priority focuses on maximising the effectiveness of current funding modalities supporting broadband rollout and digital broadcasting migration. We aim to address post-subsidy sustainability, ensuring clear arrangements for infrastructure ownership, maintenance protocols, and business model viability that prevent dependency and service deterioration after initial warranty periods expire.

Our second implementation priority is to implement the USAF Manual, once approved, to strengthen governance, ensure PFMA and Treasury compliance, and improve the predictability and defensibility of funding decisions. This includes implementing publicly advertised calls for proposals, strengthening appraisal and contracting discipline, and improving monitoring and verification. In implementing infrastructure-related subsidies and competitive processes under sections 88(1)(b) and 90, USAASA will align planning to ICASA's determination of under-serviced areas in terms of section 88(3), and consult with ICASA where required by the Act.

Our third implementation priority is to operate as a high-performing, lawful, auditable public fund administrator that maintains stakeholder confidence and demonstrates measurable impact. Through disciplined execution, transparent reporting, and unwavering focus on developmental impact, the Fund will fulfil its statutory mandate to bridge digital divides and advance inclusive digital transformation across South Africa.



Mr Thabiso Thukani
Chief Executive Officer (Acting)

Official Sign-off

It is hereby certified that this Strategic Plan:

- Was developed by the Management and Board of USAF under the guidance of the Minister of Communication and Digital Technologies.
- Considers all the relevant policies, legislation, and other mandates for which USAF is responsible.
- Accurately reflects the Impact, Outcomes and Outputs that the USAF will endeavour to achieve over the period 2026/27 – 2029/30.



Mr Thabiso Thukani
Executive Manager:
Research, Strategy and Performance Monitoring

26/03/2026

Date

VACANT

Vacant
Executive Manager: Operations

26/03/2026

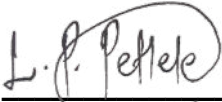
Date

VACANT

Vacant
Chief Financial Officer

26/03/2026

Date



Ms Lerato Petlele
Executive Manager Corporate Services

26/03/2026

Date

Recommended/Not Recommended

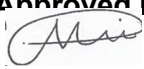


Mr Thabiso Thukani
Chief Executive Officer (Acting)

26/03/2026

Date

Approved by:



Mr Mandla Mnisi
Chairperson of the Board (Accounting Authority)

Date: 27/03/2026

Part A: Our Mandate

1. Constitutional Mandate

Universal Service and Access Fund (USAF) derives its mandate from the Constitution of the Republic of South Africa. According to Chapter 10 (Section 195 [1]) of the constitution, public administration must be governed by the democratic values and principles enshrined in the Constitution, including adhering to the following principles:

- High standard of professional ethics must be promoted and maintained.
- Efficient, economic and effective use of resources must be promoted.
- Public administration must be development-oriented.
- Services must be provided impartially, fairly, equitably and without bias.
- People's needs must be responded to, and the public must be encouraged to participate in policymaking.
- Public administration must be accountable.
- Transparency must be fostered by providing the public with timely, accessible and accurate information.
- Good human resources management and career-development practices, to examine human potential, must be cultivated, and,
- Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.

In addition, Chapter 2 (Bill of Rights), sub-section 16 of the constitution prescribes that everyone has the right to freedom of expression, which, among others, includes:

- Freedom of the press and other media;
- Freedom to receive or impart information or ideas;
- Freedom of artistic creativity; and
- Academic freedom and freedom of scientific research.

Therefore, in the context of USAF, the right to freedom of expression can be interpreted as the right to access the resources, facilities, and equipment necessary to exercise this freedom. The right to access telecommunication resources, facilities, and equipment is therefore a basic human right in South Africa.

2. Legislative, Policy and Planning Mandates

2.1. Legislation

The USAF derives its legal foundation and operational framework from Sections 87-91 of the Electronic Communications Act (ECA, 36 of 2005), which establishes USAF as a public fund with a strictly defined mandate and purpose. The Fund's legislative framework creates binding obligations for funding, disbursement criteria, and financial accountability that govern all USAF operations.

Electronic Communications Act (ECA) Sections 87-91

The ECA provides the legal framework within which USAF operates, establishing both the Fund's purpose and the parameters for its administration:

Section 87: Fund Establishment and Purpose

- Establishes USAF as a public fund to finance subsidies and project grants
- Restricts fund use exclusively to subsidies to needy persons to cover service costs
- Places the Fund under USAASA administration, subject to Ministerial control

Section 88: Revenue Generation and Contributions

- Mandates annual contributions from electronic communications licensees
- Establishes the 0.2% annual turnover contribution requirement (as prescribed in ICASA's USAF Regulations of 2011)

Section 89: Competitive Allocation Framework

- Requires all project disbursements to follow competitive bidding processes
- Mandates USAASA to provide incentives and awards in consultation with ICASA

Section 90: Project Supervision and Accountability

- Obligates USAASA to supervise execution of all Fund-awarded projects
- Requires verification that grant recipients fulfil obligations and deliver on approved initiatives

Section 91: Financial Controls and Reporting

- Mandates maintenance of complete Fund records and documentation
- Requires balancing of Fund books within three months after 31 March annually
- Establishes detailed financial statement preparation requirements
- Credits all monies to National Revenue Fund subject to appropriation

ICASA USAF Regulations (2011)

ICASA's USAF Regulations of 2011 operationalise the ECA framework by:

- Prescribing the 0.2% annual turnover contribution methodology
- Establishing licensee contribution calculation and collection procedures
- Creating mechanisms for contribution compliance and enforcement
- Defining reporting requirements for licensee participation

ICASA's Bi-annual Review Obligations

- ICASA bears statutory responsibility to review and update under-served area definitions at least bi-annually
- This ensures Fund targeting remains current and evidence-based

Public Finance Management Act (PFMA) Compliance

- USAF operates under PFMA governance due to National Revenue Fund appropriation structure
- Requires adherence to Treasury rules and parliamentary accountability standards
- Establishes audit, reporting, and financial management obligations
- Creates framework for transparent public fund stewardship

Ministerial Control and Oversight

- Fund operates subject to Minister's control as established in ECA Section 87
- Creates accountability relationship between Fund administration and policy direction

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

- Influences Fund project selection and implementation to advance socio-economic transformation
- Guides prioritisation of historically disadvantaged communities and enterprises
- Creates a framework for inclusive digital development through Fund activities

Infrastructure Development Act (IDA, 23 of 2014)

- Creates coordination framework with broader infrastructure investment
- Supports strategic integration of USAF projects with national development objectives

This legislative framework positions the USAF as a statutorily governed public fund with explicit obligations and enforceable accountability standards, ensuring that public resources advance universal access and service objectives in line with South Africa's digital inclusion priorities.

2.2. Policies

USAF operates within a policy framework that has evolved to address South Africa's digital divide and universal access challenges. The fund's strategic positioning is anchored in four policy instruments that collectively define its mandate, operational scope, and investment priorities.

South Africa Connect Policy (2013) establishes the national broadband strategy that serves as a policy driver for USAF investments. This policy framework sets targets for universal broadband access by 2030, with emphasis on connecting underserved communities through affordable, high-quality broadband infrastructure. The USAF's role within this policy context is to provide targeted funding interventions that accelerate broadband rollout to areas where market forces alone cannot deliver viable connectivity solutions. The policy's focus on affordability targets and service quality benchmarks provides operational guidance for fund disbursement criteria and beneficiary targeting strategies. USAF's role in supporting these objectives must be executed only through the funding categories in section 88 and competitive processes in section 90.

Broadcasting Digital Migration Policy (2008). This policy framework established USAASA's responsibility to subsidise digital terrestrial television (DTT) equipment for qualifying low-income households, thereby creating institutional capabilities and operational systems that inform broader universal access programming. Where subsidies relate to households and affordability mechanisms, implementation must remain conditional on applicable determinations for needy persons authorised within the ECA framework.

The ICT Policy White Paper (2016) establishes principles of universal access, affordability, and digital inclusion that guide Fund strategy and implementation. This policy instrument emphasises the transformative potential of digital technologies for economic development and social inclusion while recognising persistent barriers to digital participation among marginalised communities. The USAF's positioning within this policy framework focuses on addressing both connectivity and adoption challenges through integrated intervention strategies that combine infrastructure development with digital literacy and capability-building programmes. The White Paper's emphasis on open network models and technology neutrality guides fund investment approaches that promote innovation and prevent technology lock-in. Additionally, the policy's recognition of digital rights and inclusive access principles establishes ethical and social justice frameworks that inform USAF beneficiary targeting and programme design.

2.3. Plans

The **National Development Plan (NDP) 2030** provides the overarching vision for South Africa's long-term development trajectory that shapes USAF investment priorities. The NDP's emphasis on eliminating poverty and reducing inequality through enhanced economic opportunities establishes the primary justification for universal access interventions, positioning digital inclusion as essential infrastructure for broader socio-economic transformation. The plan's specific targets for connecting all schools, health facilities, and government offices by 2030 provide concrete benchmarks for USAF performance measurement and resource allocation decisions. Where the NDP references broader public-institution connectivity aspirations, USAF implementation must still remain within the beneficiary categories authorised by section 88

Medium Term Development Plan (2024-2029) translates NDP 2030 aspirations into actionable five-year priorities that inform USAF programming and investment strategies during the current government administration. The MTDP's emphasis on leveraging digital technologies to improve public service delivery creates opportunities for USAF investments in digital government infrastructure and citizen engagement platforms that complement traditional connectivity interventions. The plan's recognition of youth unemployment and skills development challenges establishes frameworks for USAF programming that integrate digital access with economic empowerment and capability-building initiatives.

The **Digital Economy Master Plan (2021)** establishes the strategic framework for leveraging digital technologies as drivers of economic growth, innovation, and competitiveness that positions USAF as an enabler of national digital transformation objectives. This master plan's focus on developing digital infrastructure, skills, and innovation ecosystems creates multiple

entry points for USAF investments that address both supply-side connectivity challenges and demand-side adoption barriers. The plan's emphasis on supporting small and medium enterprises through digital platform access and e-commerce capabilities provides guidance for USAF programming that integrates connectivity provision with business development and economic empowerment outcomes.

The **Digital Transformation Roadmap 2025** provides the operational framework for government digitisation, creating opportunities for USAF investments in public-sector connectivity and service-delivery modernisation. This roadmap's emphasis on citizen-centric digital services and integrated government platforms establishes priorities for USAF programming that support the development of digital government infrastructure and citizen access to digital services. The roadmap's focus on data integration and interoperability requirements provides technical guidance for USAF investments in connectivity solutions that enable rather than constrain government digital transformation objectives.

3. Relevant Court Rulings

Not applicable cases.

Part B: Our Context

4. Situational Analysis

External Environment

4.1. The State of Digital Inclusion

USAF operates within a complex digital inclusion landscape characterised by persistent connectivity gaps, evolving technological infrastructure, and significant socio-economic barriers that limit meaningful digital participation across South African communities. South Africa's digital inclusion profile reflects both substantial progress in expanding internet access and persistent structural challenges that require targeted fund interventions to achieve equitable digital transformation outcomes.

South Africa's internet penetration reached 74.7% of the total population by January 2024, representing 45.34 million active internet users and demonstrating steady growth of 0.9% annually.¹ However, this national aggregate mask significant disparities in access quality, affordability, and meaningful usage patterns that directly inform USAF investment priorities and intervention strategies. The urban-rural digital divide remains a defining characteristic of South Africa's connectivity landscape. Challenges extend beyond basic access to include inadequate connection speeds, with rural areas experiencing slower download and upload speeds than urban centres.²

Digital inclusion challenges in South Africa extend beyond connectivity infrastructure to encompass significant affordability barriers that limit meaningful technology adoption among low-income households. Mobile data costs, while declining by approximately 67% between 2019 and 2023, continue to present affordability barriers for substantial portions of the population.³ These affordability challenges compound infrastructure access barriers, creating multi-layered exclusion patterns that must be addressed through USAF interventions where they fall within ECA section 88 categories.

South Africa's digital inclusion challenges include significant digital literacy and skills development needs, which limit meaningful technology adoption and productive use. The South Africa National Future and Digital Skills Strategy identifies digital skills development as a national priority, particularly for young women and men seeking employment in digital economy sectors.⁴

¹ DataReportal. (2024). *Digital 2024: South Africa*. Retrieved from <https://datareportal.com/reports/digital-2024-south-africa>

² Mwansa, G., Ngandu, M.R. & Mkwambi, Z. (2025). *Bridging the digital divide: exploring the challenges and solutions for digital exclusion in rural South Africa*. *Discov glob soc* 3, 54. <https://doi.org/10.1007/s44282-025-00189-2>

³ Illidge, M. (2025, February 27). *Data prices falling in South Africa*. MyBroadband. <https://mybroadband.co.za/news/cellular/584325-data-prices-falling-in-south-africa.html>

⁴ Department of Communications and Digital Technologies (DCDT). (2020). *National Digital and Future Skills Strategy South Africa*. <https://www.gov.za/documents/notices/national-digital-and-future-skills-strategy-south-africa-23-sep-2020>

Digital inclusion policy effectiveness faces particular challenges in rural areas, where infrastructure investment requirements exceed commercial viability thresholds and government intervention capacity is constrained by fiscal constraints and institutional capabilities. These policy implementation gaps create opportunities for the USAF to serve as a catalytic funding mechanism, bridging resource constraints and supporting innovative approaches to universal access delivery.

4.2. Policy Gaps and Performance Goals

South Africa's digital policy framework establishes clear connectivity goals, digital transformation milestones, and universal access targets. However, it reveals persistent implementation challenges that constrain policy effectiveness and limit the achievement of intended developmental impacts.

The National Development Plan 2030 establishes comprehensive digital inclusion targets that position connectivity modalities as essential infrastructure for poverty elimination and inequality reduction.⁵ However, progress assessments indicate that implementation has been uneven, with urban areas significantly outpacing rural connectivity improvements.⁶ The Medium Term Development Plan (2024-2029) acknowledges these implementation gaps while establishing more realistic interim targets for digital inclusion that align with current government capacity and resource availability.

South Africa's Digital Transformation Roadmap (2025-2030) aims to digitise public service delivery through unified digital initiatives, shared systems, and Digital Public Infrastructure (DPI) approaches that require substantial coordination across government departments and agencies.⁷ Implementation status assessments indicate that digital government initiatives face persistent challenges in coordination, resource allocation, and technical capacity that constrain the achievement of transformation objectives. These implementation gaps highlight USAF's critical role in addressing both connectivity infrastructure requirements and digital inclusion barriers that prevent meaningful participation in digitised government services. These implementation gaps highlight USAF's role in supporting universal service and universal access outcomes through lawful subsidies and competitive processes, while strengthening the governance and operational capabilities required for predictable implementation.

The gap between policy aspirations and implementation outcomes reflects institutional capacity constraints, resource limitations, and coordination challenges that prevent effective translation of policy commitments into operational programmes. These coordination challenges highlight the need for disciplined, compliance-led administration of the Fund

⁵ National Planning Commission. (2014). *National Development Plan 2030: Our future - make it work*.
https://www.gov.za/sites/default/files/gcis_document/201409/ndp-2030-our-future-make-it-workr.pdf

⁶ National Planning Commission. (2020). *Economic progress towards the National Development Plan 2030*.
<https://www.nationalplanningcommission.org.za/assets/Documents/Review of Economic Progress Executive Summary NPC Dec 2020.pdf>

⁷ Government of South Africa. (2025). *South Africa's roadmap for the digital transformation of government*.
https://www.gov.za/sites/default/files/gcis_document/202505/south-africas-roadmap-digital-transformation-government.pdf

through standardised processes, transparent competitive calls, and auditable decision-making.

4.3. An Evolving Universal Access and Technology Landscape

USAF operates within a rapidly transforming technology ecosystem characterised by convergent connectivity solutions, emerging digital platforms, and innovative service delivery models that reshape universal access programming requirements and strategic investment priorities. South Africa's technology landscape demonstrates accelerating evolution across multiple dimensions, including network infrastructure, device ecosystems, application platforms, and user engagement patterns. These changes create both opportunities and challenges for achieving sustainable digital inclusion outcomes.

Fifth-generation (5G) mobile technology represents a shift in connectivity infrastructure that positions the USAF to address persistent rural access challenges through enhanced network performance and expanded service delivery capabilities. Over 50% of South Africa's population enjoyed access to 5G networks by the end of 2024, indicating rapid infrastructure deployment that creates new possibilities for universal access programming. 5G technology enables fixed wireless access solutions that allow network operators to deliver ultra-high-speed broadband to suburban and lower-density areas, supporting both residential and business connectivity requirements (GSMA Intelligence, 2024).⁸ This technology convergence creates opportunities for USAF to support cost-effective rural connectivity solutions that leverage existing mobile infrastructure, rather than requiring expensive fibre deployment to economically unviable areas. Technology-neutral spectrum licensing approaches permit mobile operators to reform spectrum across 2G, 3G, 4G, and 5G technologies based on market demand, creating flexibility for universal access programming that adapts to local connectivity requirements and infrastructure constraints (ACT for SA, 2024).⁹

Satellite internet connectivity, particularly through Low Earth Orbit (LEO) constellations, offer faster internet speeds compared to traditional geostationary (GEO) satellites while providing essential support for reliable and flexible backhaul deployment in challenging geographic environments.¹⁰ South Africa's plans to launch its own geostationary satellite within the next five to seven years represent a strategic infrastructure investment that could enhance internet access capabilities while reducing dependency on international satellite capacity.¹¹

Community-centred connectivity initiatives represent innovative approaches to universal access, leveraging local ownership, participation, and sustainability models to address connectivity gaps in areas where traditional commercial service provision remains unviable. Community networks demonstrate effectiveness as alternative connectivity models that utilise

⁸ GSMA Intelligence. (2024). *The state of 5G 2024*. <https://gsmaintelligence.com/research/research-file-download?id=79791087&file=210224-The-State-of-5G-2024.pdf>

⁹ GSMA Intelligence. (2024). *The state of 5G 2024*. <https://gsmaintelligence.com/research/research-file-download?id=79791087&file=210224-The-State-of-5G-2024.pdf>

¹⁰ Bolton Technical. (2024). Understanding satellite internet connectivity: GEO, LEO and MEO satellites. <https://www.boltontechnical.co.za/blogs/news/understanding-satellite-internet-connectivity-geo-leo-and-meo-satellites>

¹¹ Ibid.

Wi-Fi technology, strategic partnerships, and local capacity building to deliver affordable internet access.¹² These initiatives complement commercial service offerings while addressing specific local connectivity requirements and sustainability challenges.

The convergence of multiple technology trends creates opportunities for the USAF to support integrated universal access solutions that combine infrastructure, applications, and service delivery innovations for comprehensive digital inclusion programming. The integration of emerging technologies requires attention to digital skills development, regulatory frameworks, and sustainability planning that ensure technology adoption contributes to inclusive development rather than exacerbating existing digital divides. USAF's strategic positioning within this evolving technology landscape requires programming approaches that leverage technological innovations while addressing persistent barriers to meaningful digital participation among South Africa's most marginalised populations.

Within this technology landscape, USAF's "technology neutrality" must be applied through the subsidy categories in section 88 and competitive processes in section 90, with targeting dependent on ICASA's determination of under-serviced areas under section 88(3). USAASA's implementation of infrastructure-related subsidies and competitive grant processes under sections 88(1)(b) and 90 is dependent on such determinations, and USAASA, as the fund administrator, must consult with ICASA to align subsidy planning with the most recent determinations.

Internal Operating Environment

4.4. Governance Challenges and Institutional Stability

The USAF governance structures must balance fund independence with ministerial oversight requirements, while navigating the dual reporting relationship between USAASA as the implementing agency and the Department of Communications and Digital Technologies (DCDT) as the policy authority. Board composition and governance protocols must ensure adequate technical expertise in telecommunications, development finance, and digital inclusion programming while maintaining appropriate oversight of fund disbursement decisions and strategic direction. The fund's governance framework faces ongoing challenges in balancing political accountability with technical decision-making requirements, managing stakeholder expectations across government, industry, and civil society constituencies, and ensuring transparent fund allocation processes that maintain public confidence in universal access programming. However, the Fund administrator, USAASA, has experienced persistent governance and leadership instability through frequent changes in Board composition, extended vacancies in key executive positions, and inconsistent strategic direction resulting from leadership transitions.

¹² Gwaka, L., Haseki, M., & Yoo, C. S. (2022). Community networks as models to address connectivity gaps in underserved communities. *Information Development*, 39(3), 524-538.
<https://doi.org/10.1177/02666669221089658>

4.5. Organisational Climate, Culture, and Employee Morale

The USAF's organisational climate reflects the challenges facing the Fund administrator, USAASA. USAASA suffers from an adverse organisational climate characterised by low staff morale and a culture that has not consistently supported high performance and innovation. Internal assessments reveal that employees experience uncertainty concerning organisational direction. This negative climate manifests in high turnover among skilled professionals and difficulties in attracting top talent. The organisational culture has been characterised by a compliance orientation rather than a results orientation, emphasising following procedures and avoiding mistakes over achieving a measurable impact on universal access outcomes. The USAF's ability to attract and retain high-calibre professionals depends on creating an organisational culture that balances job security with professional growth opportunities, meaningful work that contributes to national development objectives, and competitive compensation structures that recognise the specialised skills required for effective universal access programming.

4.6. Technical Capacity Building and Skills Development

The USAF's technical capacity requirements encompass diverse competency areas, including telecommunications technology assessment, impact measurement and evaluation, stakeholder engagement, and partnership management, that require sustained investment in staff development and institutional learning systems. The Fund requires enhanced capacity in digital inclusion programming that addresses both supply-side infrastructure challenges and demand-side adoption barriers. This should be achieved through integrated interventions that combine connectivity provision with digital literacy, relevant content development, and economic empowerment activities. Technical staff development should include advanced training in telecommunications economics, regulatory frameworks, community engagement methodologies, and results measurement approaches that enable evidence-based programming and continuous improvement. The Fund's technical capacity building strategy requires partnerships with specialised training institutions, professional development programmes, and knowledge networks that provide ongoing access to emerging practices in universal access programming and digital inclusion measurement frameworks.

4.7. Data Systems and Performance Measurement Frameworks

The USAF's data systems and performance measurement frameworks require upgrade to support evidence-based decision making, transparent fund allocation processes, and rigorous impact assessment that demonstrates developmental outcomes. Current data management approaches have a limited capacity for measuring impact across various intervention modes, beneficiary categories, and geographic areas, necessitating integrated data collection, analysis, and reporting capabilities. The Fund requires a robust data architecture that captures baseline conditions, intervention outputs, outcome indicators, and impact measurements. Data quality assurance mechanisms are essential for ensuring reliable information for decision-making, protecting beneficiary privacy, and maintaining data security standards appropriate for sensitive demographic and economic information. Advanced analytics

capabilities, including geographic information systems, impact modelling, and predictive analytics, can significantly enhance the USAF's ability to optimise resource allocation. This need is formalised in the USAASA Digital Transformation Strategy and Roadmap.

5. Strengths, Weaknesses, Opportunities and Threats (SWOT)

This SWOT analysis provides a strategic assessment to guide the USAF's shift toward more effective universal access funding, addressing identified weaknesses and leveraging emerging opportunities within South Africa's evolving digital inclusion landscape.

Table 1: Strengths, Weaknesses, Opportunities and Threats

Strengths	Weaknesses
- Well-established framework through ECA with clear fund authority and revenue mechanisms - Well-positioned to leverage new technologies, including 5G, LEO satellites, and innovative connectivity models - Operational experience through Broadcasting Digital Migration initiative and broadband delivery, providing institutional knowledge - Ability to bridge resource constraints and complement market-driven connectivity expansion	- Frequent Board changes, extended vacancies in executive positions, and inconsistent strategic direction - Low staff morale, compliance orientation rather than results focus, and difficulty attracting talent - Limited expertise in telecommunications assessment, and impact measurement - Limited capacity for measuring impact across intervention types, beneficiaries, and geographic areas
Opportunities	Threats
- Integration of 5G, satellite, and community networks, enabling cost-effective solutions - Gaps between policy aspirations and implementation outcomes create an opportunity for catalytic intervention - Implementation of the USAF Manual, once approved, to support competitive bidding in the regulated categories. - Growing recognition of alternative connectivity approaches for sustainable local solutions	- Significant disparities in access quality, affordability, and usage patterns, especially in rural areas - Coordination challenges across government departments, limiting the effectiveness of universal access initiatives - Infrastructure investment requirements exceeding commercial thresholds in underserved areas - Governance continuity and stakeholder confidence challenges - Digital literacy limitations that constrain meaningful technology adoption and usage

Part C: Our Strategic Focus

This section describes the strategic orientation and positioning of the USAF over this planning cycle.

6. Vision

USAF's vision is:

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

7. Mission

USAF's mission is:

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.

8. Values

The Fund seeks to engender the following values in the organisation as a whole and amongst its staff and board members:

Table 2: Values

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

9. Theory of Change

USAF catalyses digital inclusion by attending to systemic connectivity gaps through strategic investment mechanisms, thereby enabling underserved communities to equitably access and utilise ICT services to secure and sustain their economic and social participation. Such change is premised on addressing market failures underpinning the dominant mode of connectivity provision in telecommunications infrastructure deployment. This mode of provision is characterised by commercial viability thresholds that exclude economically unviable rural and low-income markets, resulting in the exclusion of marginalised communities. USAF contributes to change this scenario through leveraging its financial resources to inform models of connectivity provision and digital inclusion, thereby mobilising competitive funding as a force for market development and empowering stakeholders to effect sustainable universal access outcomes.

USAF undertakes strategic grant-making in collaboration with private sector partners, civil society organisations, and government stakeholders to co-create and advance connectivity solutions. These solutions will inform delivery models and implementation approaches that promote the inclusion and participation of communities. This investment approach provides the methodological basis for challenging market dynamics that result in the exclusion of connectivity provision to marginalised, poor, and vulnerable communities. The competitive funding mechanisms used advance understanding of innovative technology solutions, the role and importance of community ownership models, and the critical nature of sustainability planning for achieving universal access outcomes.

USAF draws on its mandate and resources to empower a broad range of stakeholders by consistently building capacity. Capacity building and technical assistance are crucial for tailoring interventions to the specific needs of various underserved communities and market contexts. USAF collaborates with progressive stakeholders through multi-stakeholder initiatives to garner support and advocate for the introduction of a range of connectivity models and digital inclusion practices. By fostering multi-stakeholder collaboration and community-centred approaches, various mechanisms are used to engage prevailing practice and disseminate alternative universal access solutions. USAF uses evidence-based advocacy and knowledge dissemination to support models that deliver just and sustainable connectivity outcomes. USAF's Theory of Change is implemented through subsidy categories in section 88 and competitive processes in section 90, supported by statutory recommendation-making in section 82.

Accordingly, USAF undertakes competitive grant-making, builds stakeholder capacity, and strengthens institutional capability, thereby enabling the Fund to formulate and deploy funding mechanisms that help establish sustainable connectivity ecosystems. This forms the foundation for contributing financial and technical support to co-creating sustainable market ecosystems and community ownership models. The process is geared toward building trust among stakeholders to counter the market failures prevalent in connectivity provision due to geographic barriers, affordability challenges, and capacity limitations. USAF's competitive approach is implemented through publicly advertised calls for proposals and USAASA

evaluation/approval processes, with consultation with ICASA where required, and with no delegation of statutory decision-making authority to third parties

The deployment of competitive funding mechanisms to foster innovative solutions and forge consensus on universal access priorities through strategic partnerships and collaborative approaches is regarded as a means to strengthen market responsiveness and institutional capacity for sustainable connectivity provision. This, in turn, is expected to contribute to improved service delivery and market development by using available evidence and understanding of community needs to address digital divides, promote digital inclusion, and encourage sustainable technology adoption. Ultimately, appropriate market interventions, improved connectivity outcomes, and effective resource utilisation are expected to contribute to enhanced digital inclusion, economic empowerment, and social transformation aligned with South Africa's national development objectives.

Linking the approaches and actions outlined above and applying an 'if-then' logic, while recognising that change is a dynamic and iterative process with complex feedback loops and interdependencies, the pathway to change can be expressed as follows:

If... USAF mobilises sustained financial resources from telecommunications licensee contributions and administers subsidies and incentives strictly within ECA sections 82, 88 and 90, through publicly advertised competitive calls, transparent evaluation, and PFMA-aligned controls, using GIS/NDCIM as decision-support to target under-served areas as determined by ICASA ...

So that we have... strengthened market capacity and stakeholder networks that provide opportunities for regular multi-stakeholder collaboration, in order to build innovative connectivity solutions, sustainable business models and shared understanding of universal access priorities and implementation approaches...

So that we can... embed sustainable approaches and community ownership models that use competitive mechanisms focused on sustainable connectivity provision, meaningful digital adoption, and systemic market development outcomes...

So that we achieve... enhanced digital inclusion, economic empowerment and social transformation contributing to poverty reduction; addressing inequality and advancing sustainable development aligned with South Africa's national objectives for universal access and digital participation.

Key Assumptions

The USAF's *Theory of Change* depends on several critical assumptions:

- Stakeholders will respond positively to competitive funding opportunities and invest in underserved markets when risk-return profiles are improved through USAF support;

- Continued advances in connectivity technologies will create new opportunities for cost-effective universal access solutions that can be leveraged through adaptive fund programming;
- Target communities have sufficient latent demand for digital services to sustain connectivity investments when affordability and relevance barriers are addressed;
- USAF will maintain sufficient governance, operational capacity, and stakeholder support to implement sustained programming over multiple years; and
- Government commitment to universal access objectives will remain consistent across political cycles, supporting enabling policy environments and regulatory frameworks.

10. Institutional Policies and Strategies over the Five-Year Planning Period

Three strategic pathways to impact have been identified for the USAF over the planning period.

The *first* strategic pathway focuses on **enhanced implementation effectiveness** within USAF's current funding modalities that support broadband roll-out and digital broadcast migration. This pathway addresses gaps in fund disbursement and impact measurement by strengthening the Fund's ability to deliver sustainable connectivity outcomes. USAF seeks to improve current funding modalities by:

- Leveraging enhanced beneficiary targeting mechanisms that ensure funding reaches appropriate areas, sites, communities, and households through data-driven selection processes that utilise socio-economic, geographic, and sectoral data to identify priority underserved areas;
- Drawing on the USAASA-led National Digital Connectivity Infrastructure Mapping (NDCIM) Platform to identify target underserved areas and communities, addressing fragmented infrastructure data, limited visibility into connectivity gaps, duplication of investments, and lack of coordinated planning tools that currently constrain effective fund allocation;
- Strengthening internal fund management arrangements through USAASA as the fund administrator, professionalising project appraisal, due diligence, and monitoring capabilities that enable evidence-based funding decisions and adaptive management approaches responsive to evolving market conditions and beneficiary needs;
- Structuring funding support mechanisms that enable post-subsidy transition to sustainability, addressing infrastructure ownership, maintenance arrangements, and business model development that ensures long-term viability beyond initial subsidies, particularly for set-top box repairs and broadband infrastructure maintenance after warranty periods expire.

Pathway 1 is explicitly executed through ECA section 88 lawful categories and section 90 competitive processes, and is dependent on ICASA's determination of under-served areas in terms of section 88(3).

The *second* strategic pathway focuses on enhanced **governance, compliance, and predictable competitive administration** of USAF subsidies and incentives. The following initiatives will enable this focus:

- Establish an outcome-based grant disbursement mechanism incorporating competitive calls for proposals within the context of an innovation-driven, multi-stakeholder funding framework;
- Conduct rigorous multi-sector evaluation processes, and performance-contingent funding release tied to coverage, access, and inclusion targets;
- Institutionalise impact measurement and results tracking systems that enable evidence-based programming and continuous improvement.

The *third* strategic pathway focuses on **building institutional, technical, and adaptive capabilities** essential for USAF to operate effectively. This pathway encompasses systematic capacity development in call design and appraisal capabilities, enabling the fund to develop competitive funding mechanisms, evaluate diverse proposals fairly, and select investments that optimise developmental impact within available resource parameters. Contracting and grant management capabilities require development to structure performance-based agreements, manage milestone-driven disbursements, provide technical assistance to implementers, and maintain oversight relationships that balance accountability with implementation flexibility. These institutional capabilities must be embedded within robust governance frameworks that maintain stakeholder confidence, ensure transparent fund allocation, and demonstrate measurable progress toward national universal access targets.

Pathway 3 is integrated with the USAASA Digital Transformation Strategy and Roadmap, whose purpose is to build a digitally enabled public institution capable of delivering USAASA's lawful universal service and access mandate efficiently, transparently, and accountably," and requires a form of digital transformation that is "audit-conscious, and governance-led."

11. Strategic Outcomes and Implementation Programmes

11.1 Strategic Outcomes

The strategic outcomes for the period 2025/26 to 2029/30 that USAF seeks to realise are set out in the table below:

Table 3: Strategic Outcomes for the 2025 – 2030 period

Goal Statement 1	To accelerate equitable, sustainable and cost-effective access to publicly funded broadband and digital broadcasting services to under-served areas and households
Strategic Outcome 1	Accelerated and sustained access to USAF-funded digital inclusion interventions
Strategic Outcome 2	Accelerated access to USAF-funded digital connectivity and broadcasting services
Goal Statement 2	To strengthen transparent, competitive, and impact-oriented allocation of USAF resources
Strategic Outcome 3	Improved governance, accountability, and effective utilisation of USAF resources

11.2 Implementation Programme

The following Implementation Programme, comprising several functions, will enable the realisation of these outcomes:

Programme 1: Business Operations

Broadband Infrastructure in Under-served Areas

The USAF will strategically leverage existing implementation modalities and delivery models to optimise effectiveness and efficiency in delivering connectivity to underserved areas. By partnering with and funding through existing implementation channels, USAF reduces project development timelines, minimises execution risks, and achieves greater cost-effectiveness by leveraging established operational frameworks and technical expertise. This approach enables the Fund to focus its resources on areas where existing modalities face constraints, while building on available institutional capabilities for network deployment, maintenance, and sustainability planning. Critical capacity requirements for this function include enhanced partnership management systems, due diligence frameworks for evaluating implementation partners, and performance monitoring capabilities that track infrastructure deployment efficiency, beneficiary connectivity outcomes, and successful transition to sustainable operations.

Rapid Deployment and Connectivity

USAF's rapid deployment function focuses on accelerating connectivity deployment through predictable competitive calls (section 90), improved appraisal and contracting discipline, and stronger monitoring and verification, enabled by digitised USAF lifecycle processes and GIS/NDCIM decision-support monitoring. Implementation of this function requires significant organisational capacity development, including results-based monitoring systems, and stakeholder engagement mechanisms. Key capacity requirements encompass project management capabilities for multi-partner initiatives, technical evaluation frameworks for assessing deployment technologies, and performance measurement systems that track deployment speed, coverage expansion, and usage adoption rates against strategic outcomes.

Broadcasting Digital Migration Programme

The USAF will leverage existing implementation modalities to optimise effectiveness and efficiency in digital migration and inclusion initiatives. By partnering with these established entities (current partners under contract to deliver digital broadcast migration), USAF capitalises on their operational frameworks, technical competencies, and community touchpoints to accelerate digital transformation while minimising deployment costs and implementation risks. This collaborative approach enables the Fund to support digital ecosystem development through broadcasting infrastructure enhancement, establishment of community access points, and delivery of digital literacy programmes using existing institutional capacity and community networks. Critical capacity requirements for this function include enhanced partnership coordination mechanisms, cross-institutional project management capabilities, and integrated performance monitoring systems that track digital adoption outcomes, infrastructure utilisation rates, and community engagement metrics across multiple implementation partners.

Part D: Measuring our Performance

This section describes the institutional performance information regarding the impact and outcomes USAF seeks to achieve.

12. Measuring Impact

The anticipated impact of the strategic investment and interventions by the USAF is as follows:

Table 4: Impact

Impact Statement	To enhance equitable access to connectivity that drives inclusive economic growth, social empowerment, and improved quality of life.
Impact	Increased participation by digitally included communities in economic and educational opportunities.

13. Measuring Outcomes

13.1 National Planning Outcomes, Indicators and Targets

The alignment of the USAF's outcome to national priorities is set out below.

Table 5: Alignment to National Development Outcomes

USAF Strategic Outcomes	National Development Plan (NDP 2030)	Medium Term Development Plan (MTDP 2024-2029)	ICT Policy White Paper (2016)	Digital Transformation Roadmap (2022)	National Infrastructure Plan (NIP 2050)
Outcome 1: Accelerated and sustained access to USAF-funded digital inclusion interventions	Chapter 9: Improving Infrastructure - Universal access to modern ICT infrastructure achieving 100% broadband penetration by 2030 with minimum 5MB/s speed;	Priority 1: Basic Services - Accelerated infrastructure investment to bridge digital divide through enhanced connectivity deployment in underserved and rural communities;	Universal Service & Access - Ensuring all people can access affordable communications services regardless of location or economic status;	Pillar 1: Digital Infrastructure - Nationwide high-speed broadband backbone and last-mile connectivity enabling digital transformation;	Digital Vision - High-speed broadband universally accessible as essential infrastructure; Strategic Integrated
Outcome 2: Accelerated access to USAF-funded digital connectivity and	Chapter 9: Access to Information - Universal access to information and	Priority 1: Basic Services - Ensuring indigent households access essential	Broadcasting Policy - Digital terrestrial television migration ensuring	Pillar 3: Digital Services - Public information access and government	Social Infrastructure - Broadcasting infrastructure as essential social infrastructure

USAF Strategic Outcomes	National Development Plan (NDP 2030)	Medium Term Development Plan (MTDP 2024-2029)	ICT Policy White Paper (2016)	Digital Transformation Roadmap (2022)	National Infrastructure Plan (NIP 2050)
broadcasting services	media through affordable broadcasting services; Digital migration supporting inclusive access to public service broadcasting content	public information and government communication through subsidised digital broadcasting;	continued free-to-air access for low-income households;	communication reaching all citizens including indigent households through digital broadcasting platforms	ensuring information access for all income groups; Completion of digital migration supporting social inclusion objectives
Outcome 3: Improved governance, accountability, and effective utilisation of USAF resources	Chapter 4: Economic Infrastructure - mechanisms for infrastructure investment;	Priority 3: Job Creation and Economic Growth - Leveraging expertise, and innovation through competitive calls	Innovation & Fair Competition - Investment in ICT infrastructure;	Implementation Strategy - Multi-stakeholder approach;	Infrastructure Finance Vision - Addressing infrastructure finance gap;

13.2 Strategic Outcome Indicators, Targets and Rationale

The USAF strategic outcomes are deliberately designed to align with and advance South Africa's national development priorities across multiple policy frameworks. This alignment ensures that USAF investments contribute directly to achieving broader national objectives while addressing specific digital inclusion mandates under the Electronic Communications Act.

USAF outcomes directly support NDP 2030's vision of eliminating poverty and reducing inequality through strategic infrastructure development and economic empowerment. The Fund's focus on broadband infrastructure in under-served areas aligns with NDP Chapter 4 (Economic Infrastructure). It is consistent with the NDP's emphasis on leveraging technology for inclusive economic growth. At the same time, the broadcasting digital migration programme contributes to NDP Chapter 9 (Improving Education, Training and Innovation) by expanding access to digital educational content and services. The Fund's outcomes indicators measuring connectivity coverage, affordability improvements, and digital skills development directly advance the NDP's targets for reducing spatial inequalities and creating an inclusive digital economy.

The MTDP's Priority 1 (Building a Capable, Ethical and Developmental State) is supported by USAF's institutional strengthening outcomes, particularly enhanced governance frameworks and results-based performance management systems. The USAF outcomes align with MTDP Priority 2 (Economic Transformation and Job Creation) through funding mechanisms that catalyse private sector investment in telecommunications infrastructure, creating employment opportunities in previously under-served areas. The Fund's focus on digital inclusion

supports MTDP Priority 6 (Social Cohesion and Safer Communities) by reducing digital divides that contribute to social exclusion.

USAF strategic outcomes are foundational to achieving the Digital Economy Master Plan's vision. The Fund's broadband infrastructure outcomes directly support DEMP Pillar 1 (Digital Infrastructure) by addressing connectivity gaps that limit participation in the digital economy. USAF's rapid deployment function advances DEMP Pillar 2 (Digital Platforms and Services) by enabling the infrastructure foundation necessary for digital service delivery in under-served communities. The Fund's performance targets for digital literacy and meaningful connectivity align with DEMP Pillar 4 (Digital Skills) and the Digital Transformation Roadmap's emphasis on building citizen digital capabilities. This strategic alignment ensures that USAF investments deliver optimal impact by simultaneously advancing sectoral connectivity objectives and broader national development outcomes.

Table 6: Strategic Outcome 1

Outcome	Outcome Indicator	Baseline	5-Year Target
Accelerated and sustained access to USAF-funded digital inclusion interventions	Percentage of USAF-funded digital inclusion interventions achieving confirmed service launch within approved timelines and remaining operational during the reporting period	New Target	80%

Table 7: Strategic Outcome 2

Outcome	Outcome Indicator	Baseline	5-Year Target
Accelerated access to USAF-funded digital connectivity and broadcasting services	Percentage of targeted communities with operational USAF-funded connectivity services	New Target	50%

Table 8: Strategic Outcome 3

Outcome	Outcome Indicator	Baseline	5-Year Target
Improved governance, accountability, and effective utilisation of USAF resources	Reduction in material audit findings and performance control exceptions related to USAF administration	New Target	80% reduction

13.3 Explanation of Planned Performance Over the Five-year Planning Period

The USAF's five-year strategic plan represents a fundamental transformation from a traditional implementer model to an enabler framework, prioritising strategic intervention areas, sites, and communities based on rational, evidence-based criteria. This shift involves moving away from direct implementation activities toward an approach that facilitates effective delivery through performance-based funding arrangements, coupled with rigorous monitoring and evaluation systems.

The successful implementation of this approach requires significant stakeholder commitment across government, private sector, and community levels, supported by diligent USAF leadership that builds confidence in the new model and promotes widespread buy-in through transparent governance, measurable outcomes, and collaborative partnerships. USAF leadership must demonstrate the effectiveness of performance-based funding mechanisms while maintaining rigorous accountability standards that satisfy both PFMA requirements and stakeholder expectations for impact delivery. This transformation demands enhanced institutional capabilities in results-based monitoring, partnership management, and strategic prioritisation. It requires systematic capacity building and an organisational culture shift from compliance-focused operations to outcome-driven performance. The Fund's credibility as an enabler depends on consistently demonstrating that its interventions generate measurable improvements in connectivity access, affordability, and meaningful usage.

14. Factors that Would Enable Achievement of the Five-Year Targets

The factors that would enable the achievement of the five-year targets are set out below.

Policy Responsiveness

Policy responsiveness serves as the adaptive foundation that enables the USAF to navigate South Africa's evolving digital landscape by ensuring that organisational strategies remain aligned with changing government priorities, emerging technologies, and shifting community needs. This responsiveness allows the Fund to pivot quickly when new policy directives emerge from the MTDP 2024-2029 or when technological innovations create new opportunities for digital inclusion, ensuring that the five-year targets remain relevant and achievable rather than becoming obsolete due to rigid adherence to outdated approaches.

Shared and Collaborative Leadership

This creates the institutional coherence necessary to sustain long-term strategic implementation across political cycles and organisational changes. With the USAF's current governance instability, establishing stable leadership structures ensures continuity in strategic vision and builds institutional memory. Shared leadership principles ensure that strategic ownership extends beyond individual leaders, fostering organisational resilience.

Stakeholder Buy-in and Participation

Stakeholder buy-in and participation position the Fund as a catalytic hub that mobilises the digital inclusion ecosystem, directly enabling the achievement of targets. This factor is particularly critical for the USAF's transition from direct implementation to an enabler role, as success depends on multiple stakeholders, including municipalities and community organisations actively investing their resources, expertise, and credibility in collaborative digital inclusion initiatives.

Adequate Resourcing

Adequate resourcing provides the operational foundation to implement programmes with sufficient financial capital, human resources, and technological infrastructure to support the systems required for competitive bidding management, monitoring dashboards, and stakeholder coordination.

Data-driven Decision-making

Data-driven decision-making enables evidence-based strategy adjustments, performance optimisation, and credible reporting to stakeholders, directly supporting targets. This factor transforms the Fund into one that continuously learns, adapts, and demonstrates impact through verifiable evidence, creating the credibility necessary to maintain stakeholder confidence and secure ongoing support for ambitious multi-year targets.

15. Key Risks

Table 9: Risks and Risk Mitigation

Outcome	Key Risk(s)	Risk Mitigation
Outcome 1 Accelerated and sustained access to USAF-funded digital inclusion interventions	Projects becoming subsidy-dependent without transitioning to self-sustaining models	Mandatory transition plans with graduated subsidy withdrawal protocols, community ownership models, and revenue-generation mechanisms built into project design
	Rapid technological change making funded infrastructure outdated or incompatible	Technology assessment protocols, modular deployment approaches, regular technology reviews, and adaptive funding criteria that prioritise scalable solutions
	Infrastructure costs exceeding feasibility thresholds in remote areas despite public funding	Technology convergence solutions (5G, satellite, fibre integration), community network models, and partnership with existing implementation modalities
Outcome 2 Accelerated access to USAF-funded digital connectivity and broadcasting services	Existing project implementation modalities lack the capacity to scale interventions effectively	Provide technical assistance to implementation partners, enforce performance standards and capacity building support, develop alternative

Outcome	Key Risk(s)	Risk Mitigation
		partnership arrangements and competitive selection processes
Outcome 3 Improved governance, accountability, and effective utilisation of USAF resources	Competing priorities and objectives among government, private sector, and community stakeholders are limiting responses to competitive calls	Regular consultation mechanisms, transparent communication protocols, and structured conflict resolution processes

Part E: Technical Outcome Indicator Description

The technical outcome indicator descriptions are provided below.

Indicator for Outcome 1: Accelerated and sustained access to USAF-funded digital inclusion interventions

Indicator title	Percentage of USAF-funded digital inclusion interventions achieving confirmed service launch within approved timelines and remaining operational during the reporting period
Definition	This indicator measures the proportion of USAF-funded digital inclusion interventions that achieve confirmed service activation within approved project rollout timelines and remain operational for the duration of the reporting period. An intervention is considered compliant when: - connectivity or digital inclusion services have been successfully launched following technical acceptance and commissioning; and - the service remains operational and available to intended beneficiaries during the reporting period in accordance with approved technical and contractual requirements. Digital inclusion interventions may include broadband connectivity projects, broadcasting access initiatives, community access facilities, and other approved universal service interventions funded through the Universal Service and Access Fund.
Source of Data	- Approved project implementation and rollout schedules - Service activation and site commissioning reports - Implementing agent operational performance reports - USAASA monitoring dashboards and programme performance reports - Monitoring, Evaluation and Learning (MEL) system data (where applicable) - Network uptime and service availability verification reports
Method of Calculation/ Assessment	Percentage of interventions achieving timely launch and operational continuity = (Number of USAF-funded digital inclusion interventions that achieve confirmed service launch within approved timelines and remain operational during the reporting period ÷ Total number of USAF-funded digital inclusion interventions scheduled for service launch during the reporting period) × 100 Operational status shall be verified through documented evidence of service availability in accordance with contractual and technical performance requirements.
Assumptions	- Approved project rollout schedules are realistic and adhered to - Implementing agents perform in accordance with contractual obligations

	• Required regulatory approvals and technical dependencies are secured in time • Monitoring systems adequately track operational performance • Infrastructure and service continuity risks are reasonably managed
Disaggregation of Beneficiaries (where applicable)	• By intervention type (e.g., broadband connectivity, broadcasting access, community digital access facilities) • By geographic coverage (province, district, municipality) • By beneficiary category (e.g., schools, community centres, households where applicable)
Spatial Transformation (where applicable)	This indicator supports spatial transformation by monitoring the timely and sustained delivery of digital inclusion interventions in under-served, rural, and historically disadvantaged communities targeted through universal service programmes.
Reporting Cycle	Annual reporting with quarterly monitoring
Desired Performance	Achievement of planned annual percentage targets as set out in the USAF Strategic Plan
Indicator Responsibility	Primary: USAF Programme Implementation Function – Operations Support: Research, Strategy and Performance Monitoring (Performance monitoring and evaluation oversight) Support: Implementing Agents and Technical Monitoring Functions

Indicator for Outcome 2: Accelerated access to USAF-funded digital connectivity and broadcasting services

Indicator title	Percentage of targeted communities with operational USAF-funded connectivity services
Definition	This indicator measures the proportion of identified targeted communities in which USAF-funded digital connectivity services have been successfully deployed, commissioned, and are operationally available to intended beneficiaries during the reporting period. A community is considered to have operational connectivity services when funded infrastructure and associated services have passed technical acceptance testing and are actively delivering connectivity in accordance with approved project plans and contractual performance requirements. Targeted communities refer to geographic areas prioritised for intervention through approved planning instruments, including national broadband rollout plans, Digital Inclusion Index assessments, or other approved universal service targeting methodologies.
Source of Data	• Approved connectivity rollout plans and targeting frameworks • Site commissioning and service activation reports • Implementing agent performance and operational reports • Programme monitoring dashboards and performance tracking systems • Monitoring, Evaluation and Learning (MEL) system data (where applicable) • Network performance and service availability verification records
Method of Calculation/ Assessment	Percentage of targeted communities with operational USAF-funded connectivity services = $\left(\frac{\text{Number of targeted communities with operational USAF-funded connectivity services}}{\text{Total number of targeted communities identified for connectivity interventions}} \right) \times 100$ Operational status shall be confirmed through documented evidence of service availability and technical compliance.
Assumptions	• Targeted communities are identified through approved planning frameworks • Connectivity rollout projects are funded and implemented as planned • Implementing agents comply with contractual delivery requirements • Technical commissioning and service verification processes are robust • External infrastructure and regulatory constraints do not materially delay service activation
Disaggregation of Beneficiaries (where applicable)	• By province • By district or municipality • By type of beneficiary site (e.g., schools, community access centres, public service points) • By priority classification based on targeting framework

Spatial Transformation (where applicable)	This indicator supports spatial transformation by tracking the expansion of digital connectivity services into under-served, rural, and historically disadvantaged communities prioritised for universal service interventions.
Reporting Cycle	Annual reporting with quarterly monitoring.
Desired Performance	Achievement of planned annual percentage targets as set out in the USAF Strategic Plan.
Indicator Responsibility	Primary: USAF Programme Implementation Function – Operations Support: Research, Strategy and Performance Monitoring Function (Targeting and performance oversight) Support: Implementing Agents and Technical Monitoring Functions

Indicator for Outcome 3: Improved governance, accountability, and effective utilisation of USAF resources

Indicator title	Reduction in material audit findings and performance control exceptions related to USAF administration
Definition	This indicator measures the annual reduction in the number of material audit findings and significant performance control exceptions identified in relation to the administration, governance, financial management, and performance monitoring of the Universal Service and Access Fund (USAF). Material audit findings refer to findings raised by the Auditor-General South Africa (AGSA) or other authorised assurance providers that relate to material weaknesses in internal controls, compliance, financial reporting, performance information management, or governance processes. Performance control exceptions refer to significant deviations identified through internal assurance, monitoring, or oversight processes that indicate non-compliance with approved governance, financial, or performance management frameworks in the administration of USAF resources.
Source of Data	• Auditor-General South Africa audit reports and management reports • Internal audit reports and assurance reviews • Audit action plan monitoring reports • Compliance monitoring and governance oversight reports • Performance information verification reports
Method of Calculation/ Assessment	Reduction in material audit findings and performance control exceptions = $\frac{(\text{Baseline number of material audit findings and performance control exceptions} - \text{Current reporting period number of material audit findings and performance control exceptions})}{\text{Baseline number of material audit findings and performance control exceptions}} \times 100$ The baseline shall be established using a defined reference audit cycle approved by management.
Assumptions	• Audit findings are consistently classified in accordance with recognised assurance standards • Audit scope remains reasonably comparable across reporting periods • Internal control improvement interventions are implemented as planned • Governance reform initiatives are sustained • Audit action plans are effectively monitored and executed
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation	Not applicable

(where applicable)	
Reporting Cycle	Annual reporting aligned with the audit cycle
Desired Performance	Achievement of planned annual percentage reduction targets as set out in the USAF Strategic Plan
Indicator Responsibility	Primary: USAASA Finance and Governance Functions responsible for USAF administration Support: Internal Audit Function Support: Research, Strategy and Performance Monitoring Oversight: Accounting Authority