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GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES

NO. 7986 **1 October 2026**

UNIVERSAL SERVICE AND ACCESS AGENCY OF SOUTH AFRICA

ELECTRONIC COMMUNICATIONS ACT, 2005 (ACT NO. 36 OF 2005), AS AMENDED

INVITATION TO SUBMIT COMMENTS THE DISCUSSION DOCUMENT ON CATEGORIES OF NEEDY PERSONS AND SUBSIDY APPLICATION AND PAYMENT MODALITIES

1. The Universal Service and Access Agency of South Africa (USAASA) invites interested and affected persons to submit written representations on the accompanying Discussion Document on Categories of Needy Persons and Subsidy Application and Payment Modalities.

2. In terms of section 88(4) of the Electronic Communications Act 36 of 2005, as amended (the Act), USAASA must, after obtaining public participation, make recommendations to enable the Minister to determine by notice in the Gazette, for the purposes of payments contemplated in section 88(1)(a):

   (a) types of needy persons to whom assistance may be given;

   (b) the persons who must apply for assistance; and

   (c) persons to whom subsidies may be paid.

3. USAASA also seeks views on the manner in which applications for assistance may be made and subsidies paid. These views will inform its separate function under section 88(1A) of the Act, insofar as the procedures concern assistance to needy persons under section 88(1)(a). The discussion document does not itself constitute a determination or approved procedure under either provision.

4. The discussion document will be available from 30 September 2026 on USAASA's website, www.usaasa.org.za. A copy may also be requested using the contact details below.

5. Written representations are invited for 30 calendar days from publication and must reach USAASA by 16h00 South African Standard Time on Friday, 30 October 2026. Submissions should identify the relevant section or consultation question and may include supporting evidence and proposed alternatives. Respondents need not answer every question.

6. Submissions may be delivered by either of the following means:

   Email: consultation@usaasa.org.za

   Hand delivery: For attention: Mr Trevor Nivi, Policy Research and Strategy, USAASA, Eco Glades 1 Office Park, Block 1, Second Floor, 70 Ribbon Grass Street, Highveld, Centurion, 0157.

7. USAASA will consider submissions and further stakeholder engagements before developing its recommendation to the Minister.

8. Publication of the discussion document does not prejudge the Agency's final recommendation or any subsequent decision by the Minister.

Thabiso Thukani

Acting Chief Executive Officer

Date:



Discussion Document on Categories of Needy Persons and Subsidy Application and Payment Modalities

Universal Service and Access Agency of South Africa

Discussion Document on Categories of Needy Persons and Subsidy Application and Payment Modalities

1. Purpose and scope

1.1 The Universal Service and Access Agency of South Africa (USAASA) invites the public to submit comments and views to inform recommendations under section 88(4) of the Electronic Communications Act (ECA), 2005, and the development of application and payment procedures under section 88(1A). The proposals in this paper are provisional and do not constitute a determination, an approved subsidy programme or an invitation to apply for funding.

1.2 Section 88(4) of the ECA requires USAASA, after public participation, to make recommendations enabling the Minister to determine the types of needy persons who may receive assistance, the persons who must apply and the persons to whom subsidies may be paid.

1.3 Section 88(1A) separately requires USAASA to determine the manner of applications and subsidy payments after public participation. This consultation seeks the evidence and practical views needed for those statutory processes. USAASA's desktop research and benchmarking provides an initial evidence base. [1, 2]

1.4 The paper focuses on assistance to needy persons under section 88(1)(a). Other subsidy purposes under section 88(1), including network construction in underserviced areas and support for eligible institutions or community centers, have distinct statutory bases. Their delivery experience may inform design, but they should not be collapsed into the category of needy persons. [2]

1.5 A companion consultation considers what constitutes universal access and universal service under section 82(3)(a). That work helps identify the service and use gaps to be addressed. This paper asks who may need targeted support to overcome such gaps, and through which application and payment arrangements. Responses to the two papers will be considered together.

2. Summary of propositions for consultation

2.1 USAASA's desktop research found no single definition of needy persons or universally preferred application and payment model. It points towards transparent criteria, accessible routes to assistance, a payment instrument suited to the purpose of each intervention, and verifiable benefit delivery [1].

2.2 USAASA seeks views on six provisional propositions:

1. Financial inability to obtain or use an appropriate communications service should be a central consideration, while other relevant barriers may affect eligibility or priority.
2. The type of needy person and the unit of assistance should be matched to the intended benefit, including the choice between an individual and a household.
3. The Ministerial determination should provide clear types of needy persons, persons who must apply and persons to whom subsidies may be paid; programme-specific criteria can give effect to those categories.
4. Applications should be possible through accessible and assisted channels with proportionate evidence and a fair route to challenge adverse decisions.
5. Payments should be designed around a demonstrable benefit to the intended person or household, with verification, reconciliation and audit trails.
6. Eligibility thresholds and delivery arrangements should be reviewed periodically using current socio-economic, service and programme evidence.

2.3 These propositions are presented as starting points. USAASA has not selected a national income threshold, benefit amount, payment recipient or application platform.

3. Statutory and policy framework

3.1 Section 88(1)(a) permits assistance to needy persons towards the cost of the provision to, or use by, them of broadcasting, electronic communications network services and electronic communications services. As amended, section 88(4) requires USAASA, after public participation and at least every two years, to make recommendations enabling the Minister to determine by Gazette notice: (a) types of needy persons who may receive assistance; (b) persons who must apply; and (c) persons to whom subsidies may be paid [2].

3.2 Section 88(1A) assigns USAASA a separate function: after public participation and at least every two years, it must determine by Gazette notice the manner in which applications are made and subsidies are paid for section 88(1) payments. This paper consults on both levels of design, while preserving their different decision makers and legal instruments [2].

3.3 The resulting arrangements must also be administratively fair, financially controlled, and consistent with lawful processing of personal information. The policy options below do not presume access to another agency's beneficiary database or authority to share personal records. Such arrangements would require a proper legal basis and operational agreement.

4. Evidence and the policy problem

4.1 USAASA's desktop research reviewed South African social assistance and indigent schemes and benchmarked selected international approaches. South African programmes commonly use income and household circumstances. The study also identifies affordability, geography, disability, devices, and digital capability as potentially relevant to exclusion from meaningful connectivity. Hybrid application routes and multiple subsidy instruments appear across the reviewed programmes [1]. The study was desktop research, it did not include primary beneficiary research, a legal opinion or cost modelling.

4.2 Income is an important indicator of inability to pay, but an income test by itself does not establish whether the proposed service reaches a person, whether a suitable device is available, or whether a person can use the service. Conversely, a geographic or disability characteristic alone need not establish financial need for every intervention. The choice of eligibility criteria therefore depends on the benefit to be funded and the problem it is intended to solve. The ITU's universal and meaningful connectivity framework likewise distinguishes availability, affordability, devices, skills, quality and security [3].

4.3 The consultation seeks evidence on the size and location of the population facing these barriers; the incremental benefit of different subsidy designs; the risk of excluding eligible people through demanding evidence; the cost of administration; and the risk of payment without a delivered benefit.

5. South African approaches and the BDM precedent

5.1 South African Social Security Agency (SASSA) grants, the Social Relief of Distress programme, municipal indigent registers, and National Student Financial Aid Scheme (NSFAS) offer different examples of income assessment, household or individual targeting, administrative verification and assisted or digital application routes [1]. These are comparisons, not ready-made eligibility rules for electronic communications subsidies.

5.2 Set top box support for broadcast digital migration

5.2.1 The 2014 Gazette Notice 938 invited comments on proposed qualifying criteria for the set-top-box scheme. Its proposed design treated a qualifying poor TV-owning household as a needy person for the scheme, used household income brackets with different proposed subsidy percentages for terrestrial and satellite equipment, envisaged applications through the South African Post Office (SAPO), required evidence of income and address, and provided reasons and an appeal route where applications were refused [4]. Because it was a notice inviting comment, those proposed percentages and documentary requirements should not be treated as the final position.

5.2.2 In October 2021, the erstwhile Minister stated that government would assist beneficiary households earning a total salary of less than R3,500 per month with a set-top box (STB) installation. The Department of Communications and Digital Technologies' (DCDT's) Broadcasting Digital Migration (BDM) information describes the qualifying combined household income as R3,500 or less. The two sources differ at the boundary; this paper records their wording rather than resolving it by assumption [6, 7]. The Minister's statement provides clear evidence of the government's BDM policy position. The underlying formal determination and any subsequent amendments should be identified when the final recommendation is prepared.

5.2.3 BDM demonstrates a programme-specific combination of household targeting, registration, verification, delivery of equipment and installation. It also raises questions for a future framework: whether household income remains an appropriate anchor for shared connectivity; how the threshold should be updated; what evidence should suffice where income or an address is informal; and how a beneficiary can obtain support without a

burdensome application. The BDM amount is not proposed here as a general income threshold for all needy persons.

5.3 International reference points

5.3.1 The United States Lifeline programme links eligibility to income or participation in qualifying assistance programmes and uses a national verifier [7]. Kenya's Universal Service Fund illustrates geographic targeting for rural, remote and poor urban areas [8]. USAASA's Benchmark Study also discusses India and Rwanda as contextual examples of digital public services and broader inclusion strategies [1]. These examples serve different statutory and institutional purposes. USAASA invites evidence about which features are transferable and which require adaptation.

6. Types of needy persons and eligibility options

6.1 The first question is which types of people may need assistance towards the provision or use of the services contemplated in section 88(1)(a). A proposed type should be intelligible to applicants, linked to a relevant barrier, capable of fair verification and feasible within the available resources. The Ministerial determination could specify types at a level that allows programme rules to set updated thresholds and benefit details, provided those rules remain within the determination.

Option	Core approach	Strength and main risk
Income anchor	Eligibility primarily through income or established social assistance status.	Simple and potentially verifiable; may miss people with significant digital barriers just above a threshold.
Income plus barrier	Financial need combined with a relevant access, disability, device or affordability barrier.	Better matched to purpose; more evidence and decisions may increase administrative burden.
Differentiated types	Types and criteria linked to a specified intervention, with common national principles.	Tailored to the benefit; inconsistent rules across programmes must be controlled.

6.2 These approaches can be combined. For example, an income rule could be the main gateway, with defined additional routes or priority for circumstances that the main rule misses. An automatic entitlement based solely on location, age or disability could misdirect limited funding unless the relationship to need is clear. Equally, an inflexible means test could exclude people with substantial barriers to use. Consultation should establish how each test would work in practice.

6.3 Individual or household

6.3.1 A household may be an appropriate unit for a shared home connection or device, as BDM illustrates. Individual eligibility may fit personal accessibility needs or support that cannot reasonably be shared. A household rule requires a definition of household, treatment of shared and informal dwellings, rules against duplicate benefits, and a method for assessing income that does not penalise people who cannot access another household member's resources. Applicants should have a route to explain exceptional circumstances.

6.4 Thresholds and review

6.4.1 No new numerical threshold is proposed in this paper. Respondents are invited to submit current income, affordability and household expenditure evidence; explain whether thresholds should vary by intervention or household size; and propose an objective review method. The BDM R3,500 position is a comparator, not a substitute for that analysis. Any threshold needs a clear reference period, treatment of irregular income, verification approach and review date.

7. Who should apply and how applications should work

7.1 Section 88(4)(b) concerns the persons who must apply for assistance. Possible applicants include the intended beneficiary, an authorised household representative, or an approved intermediary acting with proper authority. The person who applies need not necessarily be the person to whom a subsidy is paid. The determination should make these roles clear; section 88(1A) procedures should explain channels, steps and evidence [2].

7.2 Three routes merit testing: direct self-application; assisted application through a local service point or authorised partner; and referral or supported enrolment through an existing public programme where lawful and accurate. A digital route could simplify processing, but an internet-only route would be ill suited to many intended beneficiaries. Applicants should receive a receipt or reference, a decision within a stated period, reasons for refusal and information about reconsideration or appeal.

7.3 Verification should be proportionate to the benefit and risk. Identity, income, household membership, service address and prior support may be relevant, but a single rigid document list can exclude people in informal work or housing. The 2014 BDM proposal recognised alternative evidence of address; consultation should test similarly practical methods, the controls needed to validate them, and data minimisation. Any linkage to SASSA, municipal or other records would need authority, data quality checks and safeguards [1, 5].

8. To whom subsidies may be paid and payment modalities

8.1 Section 88(4)(c) calls for identification of persons to whom subsidies may be paid. Section 88(1A) addresses how payment is made. Possible recipients, depending on the scheme, include a qualifying beneficiary, a licensed provider, a supplier or installer, or another authorised implementing entity. Each choice must be assessed against the spirit of the Act, the approved intervention, and the ability to demonstrate the benefit delivered [2].

Discussion document on needy persons and subsidy application and payment modalities

Instrument	Possible payment recipient	Evidence and control question
Cash or electronic transfer	Beneficiary	How is use toward the approved service established without disproportionate intrusion?
Bill credit or discount	Service provider	How are eligibility, actual service, credit applied, and reimbursement reconciled?
Voucher or restricted benefit	Redeeming provider or supplier	How are validity, redemption, duplicate use, and beneficiary receipt verified?
Equipment or installation support	Approved supplier or installer	What proves delivery, functioning installation and acceptance by the household?
Milestone payment	Contracted implementing entity	Which independently verified milestone triggers payment and how is non-performance remedied?

8.2 The list illustrates instruments for consultation; it does not imply that every instrument falls under the same statutory payment category or is appropriate for every programme. Some infrastructure and institutional support belong to other paragraphs of section 88(1). A needy-person scheme should be able to trace the subsidy to the intended person and the relevant service or use. Payment rules should address erroneous payments, unused balances, service failure, disputes, recovery, and records retained for audit.

9. Integrated appraisal of options

9.1 Eligibility, applications, and payments should be appraised as a package. An income test may be easy to state but difficult to verify for irregular earners; a voucher may limit misuse but fail where few providers participate; a household device subsidy may require installation and after-sales support. USAASA proposes to compare options against the following criteria after receiving submissions.

Criterion	Question for appraisal
Legal fit	Does the option sit within section 88(1)(a), the Ministerial determination and USAASA's procedural function?
Reach and fairness	Who is included or excluded, and can people with limited digital access or documentation participate?
Effectiveness	Is the intended communications benefit actually obtained and used?
Feasibility and cost	What systems, staffing, partners, data access and funding are needed?
Integrity	Can eligibility, delivery, payment, and corrections be verified and audited?
Adaptability	Can criteria and delivery be reviewed as prices, technology and needs change?

9.2 Respondents are encouraged to give practical examples, data, estimated costs and risks for the options they recommend. In particular, USAASA seeks views from potential beneficiaries,

disability organisations, consumer groups, service providers, social protection institutions, local government and public bodies involved in delivery of related services.

10. Provisional recommendations for consultation

10.1 The following are draft propositions to test. They are not final recommendations to the Minister and do not confer eligibility or establish a payment entitlement.

10.1.1 Recommendation 1 Financial need

Financial inability to obtain or use an appropriate service should be a central basis for identifying types of needy persons.

Question 1: Would an income or existing benefit test capture the intended population? What evidence supports another approach?

10.1.2 Recommendation 2 Additional barriers

The framework should allow relevant barriers such as disability-related cost, geographic isolation or device access to inform a defined category or priority rule where tied to an intervention.

Question 2: Which barriers can be assessed fairly and at proportionate cost?

10.1.3 Recommendation 3 Unit of assistance

The unit of eligibility should be an individual or a household according to who receives the intended benefit, with rules for exceptional household circumstances.

Question 3: What household definition and anti-duplication rules would work?

10.1.4 Recommendation 4 Determination and programme rules

The Ministerial determination should clearly identify types of needy persons, who must apply and who may receive payment, while compatible scheme rules specify current thresholds and benefit details.

Question 4: What must appear in the Ministerial determination itself to preserve certainty and accountability?

10.1.5 Recommendation 5 Accessible applications

USAASA procedures should provide accessible digital and assisted application routes, proportionate verification, reasons, and a review route.

Question 5: Which delivery points and safeguards are practical?

10.1.6 Recommendation 6 Verified benefit

Payment arrangements should match the intended service or use and require evidence that the eligible person or household obtained the benefit.

Question 6: Which recipient and instrument best fit each proposed intervention?

10.1.7 Recommendation 7 Review and evaluation

Eligibility criteria and payment arrangements should be reviewed using measured reach, exclusion, actual service, and cost.

Question 7: Which indicators and review intervals are feasible?

Annexure A: Consultation questions

1. Which measurable barriers should define or inform a type of needy person for the purposes of section 88(1)(a)?
2. Should financial need be established by an income threshold, existing social assistance status, another test, or a combination? Please explain likely inclusion and exclusion errors.
3. What is the appropriate unit of eligibility for household connectivity, a personal service, and device or accessibility support?
4. How should a framework address irregular earnings, informal households, shared dwellings, and people unable to document another member's income?
5. What current evidence should inform a threshold, how should it be adjusted, and how frequently should it be reviewed?
6. Which lessons from BDM's household targeting and STB delivery remain useful, and which should not be transferred to other interventions?
7. Who should be permitted or required to apply: the beneficiary, household representative, authorised agent, or another person?
8. What combination of digital, assisted, and physical channels would reach intended beneficiaries at reasonable cost?
9. Which documents or data checks are essential, and what alternative evidence should be accepted?
10. What reasons, reconsideration and appeal arrangements are needed for unsuccessful applications?
11. For each proposed intervention, to whom should the subsidy be paid and why?
12. Which instruments best secure the intended benefit: direct payment, bill credit, voucher, equipment or installation support, or another method?
13. What evidence should trigger payment, establish receipt and use, and support reconciliation or recovery?
14. What practical safeguards are required for personal information, data sharing, fraud prevention and accessibility?
15. What capacity, financing, systems and partnerships would implementation require?
16. Which aspects should be fixed in the Ministerial determination and which in USAASA's section 88(1A) procedures or scheme-specific rules?
17. What measures would demonstrate improved access or use among needy persons over time?

Annexure B: Source notes and references

[1] USAASA. Desktop Research and International Benchmarking of Categories of Needy Persons, Subsidy Application and Payment Modalities. Research report, June 2026, Chapters 1 - 6 and Annexures A – D. USAASA's Internal research source *(Available from USAASA website).*

[2] Republic of South Africa. Electronic Communications Act 36 of 2005, Chapter 14, as amended by Electronic Communications Amendment Act 1 of 2014, especially sections 82 and 88. https://www.gov.za/sites/default/files/gcis_document/201409/37536act1of2014eleccommamend7apr2014.pdf

[3] International Telecommunication Union. Universal and Meaningful Connectivity framework. https://www.itu.int/itu-d/sites/projectumc/aboutumc/

[4] USAASA. Qualifying Criteria for the Set-Top-Box Scheme of Ownership and Support, proposed criteria for comment, General Notice 938, Government Gazette 38134, 28 October 2014. https://www.gov.za/sites/default/files/gcis_document/201410/38134gen938.pdf

[5] Department of Communications and Digital Technologies. Minister Khumbudzo Ntshavheni on broadcast digital migration and analogue switch-off, 5 October 2021. https://www.gov.za/news/media-statements/minister-khumbudzo-ntshavheni-broadcast-digital-migration-and-analogue-switch

[6] Department of Communications and Digital Technologies. Broadcasting Digital Migration, programme information. https://www.dcdt.gov.za/digital-migration.html

[7] Universal Service Administrative Company. Lifeline Consumer Eligibility. https://www.usac.org/lifeline/consumer-eligibility/

[8] Communications Authority of Kenya. Purpose of the Universal Service Fund. https://ca.go.ke/purpose-fund

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