

# City of Cape Town's broadband achieves major milestone

The City is pleased to announce the signing of eight third-party service provider agreements, which is a major step in the City of Cape Town's Universal Broadband Network strategy. The fibre optic network has reached the point where it is robust and extensive enough to be leveraged off by the private sector.



This is of major benefit to those areas currently poorly served with broadband connectivity by service providers. It will also bring sustainable Wi-Fi access to previously under serviced communities.

The broadband network has to date:

- Saved the City R117 million in costs
- Increased the City's internal internet speed 3 000 times
- Connected 43 Western Cape Government Buildings and 141 City buildings (set to increase to 171 by 2013/2014)
- Licensed eight third-party service providers with 20 more planned

The City of Cape Town this month concluded the first agreements with service providers who have taken up the spare infrastructure capacity generated via the City's broadband network. This is a significant step forward in realising the City's vision of facilitating access to a high-speed broadband network. This in turn will help drive economic growth and development and forms part of the City's broader commitment to building an opportunity city in which progress is made possible for all residents and businesses.

The City of Cape Town understands that broadband connectivity is fundamental to creating an enabling environment for economic growth, business development and digital inclusion.

## Broadband infrastructure

Against this backdrop we set aside R222 million over three years towards the roll-out of broadband infrastructure throughout the metro, which is part of the City's R1,3 billion programme which is needed to complete this task over the next seven years.

To date, lease agreements have been concluded with eight third-party licensed network operators, and negotiations are

progressing with 20 more, including some of the countries larger telecoms companies.

"Last mile" connections to commercial buildings are now being made, which will allow businesses in these buildings to utilise high-speed telecoms networks for access to converged services and faster, cheaper and more reliable internet connectivity.

Smaller operators are also able to use the same infrastructure to enter the market, generating competition in the ISP sector and stimulating economic growth in the Western Cape private sector as a whole.

The conclusion of these agreements is part of this City's commitment to bridging the digital divide between underserved communities and those with high levels of digital access.

## **The Universal Telecoms Plan**

The initial focus of the City's investment in telecoms infrastructure was to reduce telecommunication costs whilst improving the availability of high-speed converged services such as data, voice and video, to municipal facilities.

The project has been a spectacular success as the City has both contained and reduced its actual spending on telecommunications whilst greatly expanding the speed (3 000 times faster than before the roll-out of the broadband project) and capacity of the network that connects City buildings and supports the work of each department.

The City has already seen significant financial benefits from its investment in broadband. Thus far, we have saved R47,6 million in telecommunications costs and avoided R70 million in bandwidth costs for 2013/2014 financial year.

Whilst the inclusion of more clinics, libraries and public buildings will continue, the focus has now expanded to make the network deliver on its development and public benefit potential. This will be done in three ways: providing high-speed services to hospitals, police stations and other public facilities.

The City has recently partnered with the Western Cape Government and the State IT Agency (SITA) to include public hospitals, South African Police Service (SAPS) police stations and the offices of Home Affairs, Environmental Affairs, Correctional Services and other government departments on the network.

An agreement is currently being negotiated with SITA to begin connecting SAPS stations and other national government departments. This will certainly assist in improving the administrative efficiency of these organisations, to the benefit of the residents of Cape Town.

The City has also reached agreement in principle with the Tertiary Education Network (TENET) to connect FET colleges. The first institution to benefit from this is expected to be the various campuses of False Bay College.

## **Wi-Fi for Poor Communities**

The City's fibre optic cables provide the backbone of wireless networks now being tested in Khayelitsha and Mitchells Plain. Once the technical model has been finalised, this will bring internet connectivity and other telecommunications services to over a million people living in areas which the private sector has not serviced adequately until now.

This project has been developed using the findings of the feasibility study funded by the United States Trade and Development Association (USTDA), which we announced last year.

This project builds on the success of the City's SmartCape project, which provides free internet access at 102 public libraries throughout the metro. Today the SmartCape project has expanded to provide Wi-Fi internet access in public buildings, and has over 300,000 users.

Once this pilot phase is successfully concluded later this year, the City will announce the steps that will be taken in the near

future. This service, in contrast with other cities, will see Wi-Fi services provided in underserved communities in a sustainable manner. It is envisaged that we will have a Mesh Network which will provide extensive Wi-Fi coverage beyond just a limited number of hot spots and directly into most people's homes in Khayelitsha and Mitchells Plain.

## **The information highway**

Access to the internet is critical for economic development. A lack of access effectively shuts out people from participation in the formal economy and the global information highway.

Two of the five strategic pillars of this administration are to make Cape Town an inclusive city and an opportunity city.

By opening the information highway to less advantaged communities; improving networks speeds and capacity to local, municipal and national government institutions; linking FET colleges; and expanding high-speed access to business, we are making a significant and lasting contribution to delivering on both of those pillars.

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