

INFORMATION AND
COMMUNICATIONS
TECHNOLOGY (ICT) INDUSTRY

75
YEARS



THE INTELLIGENCE REPORT

OLDMUTUAL

CORPORATE

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INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) INDUSTRY INTELLIGENCE OVERVIEW





ICT INDUSTRY INTELLIGENCE OVERVIEW

GLOBAL NEWS

Attacks on 5G Towers Encouraged by Fake COVID-19 News

Groups opposing the rollout and deployment of 5G (fifth-generation technology) continue to damage 5G infrastructure, due to a perceived link between the technology and COVID-19, as well as other health conditions and diseases. Fake news regarding the technology continues to fuel attacks on 5G infrastructure. (14 April 2020)

Zoom Halts Product Development Amidst Security Concerns

Global video-calling platform, Zoom, has experienced exponential growth as a result of the increase in demand for remote meeting services, amidst the COVID-19 pandemic. The company announced that it would halt all new developments on the product, in order to address the privacy and security issues that have come to light, as a result of the platform's increased use. (2 April 2020)

Global ICT Industry Announces 2030 Emission-Reduction Target

The global Information Communication Technology (ICT) industry has announced their commitment to reduce greenhouse gas emissions by 45% by the year 2030. This emission reduction target is the first within the ICT industry that is Science Based Target Initiative approved. (28 February 2020)

SA NEWS

Emergency Spectrum Released by ICASA During Lockdown

The Independent Communications Authority of South Africa (ICASA) announced that it had released temporary additional mobile spectrum, to several local network players, in order to reduce network congestion. The measure is meant to sustain high-quality broadband services and reduce costs during the COVID-19 lockdown. (17 April 2020)

Telkom and Competition Commission Settle to Reduce Fibre Prices

Telkom, the owner of the largest fibre optic network in SA, has reached a settlement with the Competition Commission, which will result in the lowering of the prices that the company charges Internet Service Providers to use its network. It is expected that this could result in reductions of between R100 and R200 in savings for home-fibre consumers. (15 April 2020)

Mobile Operators Successfully Combating Tower Battery Theft

MTN and Vodacom have announced that they have been successful in terms of making inroads into the continuing theft of cell tower batteries, with criminal syndicates in the country targeting operator base stations, resulting in the theft or vandalism of equipment such as batteries, diesel, and copper cables. (5 March 2020)

COMPANY NEWS

EOH Sells Assets Worth R240 million

Having been struggling under the pressure of significant debt, technology services company EOH has announced the sale of both its 30% share of Construction Computer Software as well as its entire ownership of LSD Information Technology for a combined total of R240 million. (20 April 2020)

MTN Awarded Top Telecommunications Brand in Africa

Brand Finance, a brand valuation consultancy, has named the SA telecommunications company MTN as the most valuable telecommunications brand in Africa due to the company's solid performance that was achieved despite several challenges, including tough economic conditions as well as regulatory challenges in many markets. (17 April 2020)

Vodacom Experiences 40% Rise in Demand for Data

Following the commencement of the COVID-19 lockdown period, Vodacom has indicated that it has experienced a 40% rise in demand for data on the operator's network. This is largely due to the zero-rating of various websites as well as an increase in demand for home entertainment and greater numbers of individuals working from home. (16 April 2020)

COMPANY FINANCIAL RESULTS

EOH

According to EOH's interim financial results for six months ended 31 January 2020, the company experienced stable performance, demonstrated by improved gross margins of 24%. However, total revenue decreased by 21.8% when compared to January 2019, to reach approximately R6.4 billion in January 2020. (7 April 2020)

Jasco

According to Jasco's unaudited interim financial results for the six months ended 31 December 2019, the company's revenue decreased by 11.8%, from approximately R487.0 million in 2018, to approximately R429.3 million in 2019. The revenue decline was mainly due to a significant decrease in IT-Carrier volumes. (30 March 2020)

Mustek

According to Mustek's unaudited condensed consolidated financial results for six months ended 31 December 2019, the company's total revenue increased by 11.3% to reach approximately R3.0 billion in 2019, compared to approximately R2.7 billion in 2018. The increased revenue is mainly as a result of strong growth of its Mecer brand. (28 February 2020)





ICT INDUSTRY INTELLIGENCE OVERVIEW

MERGERS, ACQUISITIONS & PARTNERSHIPS

Discovery and Vodacom Provide Free Online COVID-19 Consultations

Vodacom and Discovery recently announced a partnership, to provide a powerful online healthcare platform, enabling free virtual doctor consultations for individuals who are concerned they may have contracted the COVID-19 virus. Each company committed R10 million to a fund to pay for the consultations. (11 April 2020)

AYO in Partnership to Develop Online SMME Marketplace

ICT investment company AYO, online retail platform Loot.co.za, and integrated digital services agency Volt.Africa, recently announced a partnership that is set to develop an online marketplace to assist small, medium and micro-sized enterprises in accessing Africa's fast-growing retail sector, in the digital space. (4 March 2020)

Altron Acquisition Approved by Competition Commission

The South African Competition Commission has approved Allied Electronics Corporation's (Altron) acquisition of Ubusha Technologies. The deal is valued at R360 million and supports the development of Altron Security, the company's new division, which will enable the provision of solutions in identity management. (4 March 2020)

INNOVATION & TECHNOLOGY TRENDS

SA-Based XinaBox Chips Attempt to Reinvent IoT

The South African manufacturer of modular 'xChips', XinaBox, is attempting to reinvent approaches to the Internet of Things, whilst also encouraging and inspiring students to pursue careers within science, technology, engineering, and mathematics fields. These chips are also being deployed in a variety of contexts, including the International Space Station and Antarctica. (20 April 2020)

Medical Robot Assists Tygerberg Hospital Specialists

A Double Robotic 'robot', named "Quintin", is being employed at Tygerberg Hospital in the Western Cape to assist intensive care specialists in undertaking ward rounds for patients infected with COVID-19. These robots can conduct virtual ward rounds either from the hospital itself, or from the doctor's home. (15 April 2020)

COVID-19 Track-and-Trace Platform Developed by Telkom and Partners

A new COVID-19 track-and-trace platform has been developed by Telkom together with several partners. The platform will assist in tracking an infected person's location as well as other people that the person may have been exposed to, thereby helping to reduce the spread of the virus. (2 April 2020)

SOCIO-POLITICAL FACTORS

Vodacom and Samsung Make Donation to Department of Health

The National Department of Health is to receive a donation of 20,000 smartphones, from the Vodacom Group, as well as 100 terabytes of data and 10 million voice calls minutes worth R40 million. Samsung Africa has invested in 5,000 smartphones for this collaborative initiative with Vodacom. (11 April 2020)

Communications and Digital Technologies Minister Placed on Special Leave

Minister of Communications and Digital Technologies, Stella Ndabeni-Abrahams, has been placed on special leave after her violation of the national lockdown regulations that were instituted, due to the COVID-19 pandemic. President Cyril Ramaphosa has indicated that the Minister take leave for two months, one of which, will be unpaid. (8 April 2020)

COVID-19 Socio-Economic Impact Mapped by Mobenzi

Locally developed data collection platform, Mobenzi, is being used to assist in addressing the socio-economic impact of the COVID-19. Data obtained using the tool will be used to track, measure and distribute resources, where and when they are needed, during the crisis. (2 April 2020)

LEGISLATION

Critical ICT Lockdown Interventions Gazetted

The Department of Communications and Digital Technologies (DCDT) has gazetted interventions to be instituted for the reduction of the impact of COVID-19 on the local ICT sector, including a ban on raising data prices and number portability. Interventions also include the zero-rating of COVID-19 websites and the compulsory requirement for broadcasters to receive and disseminate information. (27 March 2020)

RICA Act Challenged in Constitutional Court

The constitutionality of the Regulation of Interception of Communications and Provision of Communication-Related Information Act (RICA) is being challenged, by the amaBhungane Centre for Investigative Journalism, as well as journalist Sam Sole. Lawyers representing the two parties submitted that the act violates the right to privacy and is therefore unconstitutional. (25 February 2020)



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GLOBAL NEWS





GLOBAL NEWS

ATTACKS ON 5G TOWERS ENCOURAGED BY FAKE COVID-19 NEWS

Groups opposing the rollout and deployment of 5G (fifth-generation technology) continue to damage 5G infrastructure, due to a perceived link between the technology and the emergence and spread of COVID-19, as well as other health conditions and diseases. Although refuted by experts, fake news regarding the technology continues to fuel attacks on 5G infrastructure.

It is claimed by several anti-5G groups, that active 5G waves can result in the development of several illnesses and conditions, including cancer, migraines, mental health issues, DNA damage, and COVID-19. These groups suggest that the higher frequency radio waves, when compared to 3G or 4G, can result in these health problems, and therefore are calling for the removal of all 5G equipment.

The combination of coordinated campaigns spreading false information on social media, together with the endorsement of the false information by celebrities, is resulting in continued attacks in countries throughout the world. In the Netherlands, vandalism of 5G sites has occurred with the spraying of anti-5G slogans, while in the United Kingdom several 5G towers have been torched and engineering personnel have been harassed.

However, these claims have been debunked by several leading experts and scientific groups, who have indicated that it is not possible for 5G technology to have an effect on the cellular structure of humans, or animals, nor result in the development of a viral organism, such as COVID-19.

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ZOOM HALTS PRODUCT DEVELOPMENT AMIDST SECURITY CONCERNS

Global video-calling platform, Zoom, has experienced exponential growth, as a result of the increase in demand for remote meeting services, amidst the COVID-19 pandemic. The company announced that it would halt all new developments on the product, in order to address the privacy and security issues that have come to light, as a result of the platform's increased use.

Several security concerns have been raised in the use of Zoom, including that of 'Zoombombing', where strangers have been able to gain access to private meetings. They then typically harass the participants or display explicit material, where meetings were not locked by the host.

Further identified issues have included, the ability of meeting hosts to monitor attendees and check whether they were clicking on other windows during the meeting, as well as the ability of hackers to hijack webcams. Moreover, the company's website claims that Zoom meetings make use of end-to-end encryption, which is false and misleading, in light of the inherent security flaws of the platform.

Eric Yuan, Zoom Founder and Chief Executive Officer (CEO), indicated that the platform had been having trouble coping with the increased demand and apologised for the security and privacy flaws that had emerged. As a result, the company will focus on addressing the identified security and privacy issues for 90 days, following a security review and consultation with third-party experts.

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GLOBAL ICT INDUSTRY ANNOUNCES 2030 EMISSION-REDUCTION TARGET

The global Information Communication Technology (ICT) industry has announced their commitment, to reduce greenhouse gas (GHG) emissions by 45% by the year 2030, which is aligned with the new International Telecommunication Union (ITU) standard. This emission reduction target is the first within the ICT industry, that is Science Based Target Initiative (SBTi) approved.

The new ITU standard, called ITU L1470, the GHG emissions target for the global ICT sector, were developed as part of a collaboration between the Global Enabling Sustainability Initiative, Global System for Mobile Communications Association (GSMA), and the SBTi. The emission reduction target set out by this standard is applicable to mobile network, fixed network, and data centre operators.

A total of 29 operator groups, representing 30% of mobile connections globally, have already committed themselves to the emission reduction target. Groups that have already committed themselves to the target include AT&T, British Telecom (BT), Bharti Airtel, Orange, Telefónica, Safaricom, T-Mobile US, Verizon, and Vodafone.

According to the ITU Secretary, Houlin Zhao, the new standard provides the industry with guidance in terms of reaching the industry goal of zero emissions. Furthermore, the shift towards low-carbon and renewable sources of energy is predicted to account for the majority of industry emissions reductions, whilst the sector is also expected to contribute to energy efficiency in other sectors.

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SA NEWS



SA NEWS



EMERGENCY SPECTRUM RELEASED BY ICASA DURING LOCKDOWN

The Independent Communications Authority of South Africa (ICASA) announced that it had released temporary additional mobile spectrum, to several local network players, in order to reduce network congestion. The measure is also meant to sustain high-quality broadband services and reduce the consumer costs associated with access to mobile networks during the COVID-19 lockdown.

The release of the spectrum, by ICASA, was announced following applications by 35 companies for the temporary spectrum, with only 17 applicants adhering to the requisite criteria and conditions within the gazetted regulations. Some of the players, which were awarded temporary spectrum for the duration, include Vodacom, MTN, Telkom, Liquid Telecom, and Rain.

All applicants were required to provide pre-lockdown network performance reports as well as network performance modelling incorporating the additional spectrum being applied for.

As part of the allocation, all successful recipients of the temporary spectrum are required to provide support for virtual teaching and classrooms, determined by the Department of Basic Education and the Department of Communications and Digital Technologies. Furthermore, temporary spectrum recipients are required to zero-rate government identified COVID-19 websites.

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TELKOM AND COMPETITION COMMISSION SETTLE TO REDUCE FIBRE PRICES

Telkom, the owner of the largest fibre optic network in SA, has reached a settlement with the Competition Commission, which will result in the lowering of the prices that the company charges Internet Service Providers (ISPs) to use its network. It is expected, that this could result in reductions of between R100 and R200 in savings, for home-fibre consumers.

The agreement between the Competition Commission and Telkom, resulted from the former's data services market inquiry report, which found that the company's Openserve fibre unit had been charging excessive prices to ISPs for the usage of its wholesale as well as ADSL network. Reportedly, Telkom had been charging ISPs up to R135 per MB/s, compared to competitors who were charging R10 per MB/s.

Although it was anticipated that the transition to a fibre network would reduce Telkom's monopoly that it had held on local copper networks, the company's development of a vast fibre network in SA has meant that ISPs have been forced to utilise their network, in order to reach consumers with their fibre products. This has enabled Telkom to continue to charge high prices.

The exact cost savings will be dependent on the decreases implemented by Telkom, for wholesale major ISP customers such as Afrihost, Axxess, and Mweb.

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MOBILE OPERATORS SUCCESSFULLY COMBATING TOWER BATTERY THEFT

Two of SA's largest mobile operators, MTN and Vodacom, have announced that they are successfully combating the continuing theft of cell tower batteries. Criminal syndicates in the country have been targeting operator base stations, resulting in the theft or vandalism of equipment such as batteries, diesel, and copper cables.

The continued theft and vandalism of base stations has resulted in the losses of hundreds of millions of Rands, with the frequency of incidents often forcing operators to abandon some base stations, due to the unsustainability of repeated repair and replacement costs. This often results in poor network quality and reception in an area.

Vodacom indicated that an intelligence-driven operation, resulting from a partnership between Vodacom National Security and several law enforcement agencies, resulted in the arrest of five suspects as well as the recovery of batteries in Soweto. The operator indicated that it had made use of high-tech security technology to track the suspects from Mpumalanga to Gauteng, and also added that new systems are constantly being implemented to prevent further incidents.

Additionally, MTN has been involved in several successful operations targeting battery theft. Both operators have indicated that they will continue to collaborate with other companies as well as law enforcement agencies in clamping down on battery theft.

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COMPANY NEWS





COMPANY NEWS

EOH SELLS ASSETS WORTH R240 MILLION

Having been struggling under the pressure of significant debt, the JSE-listed technology services company, EOH, has announced the sale of both its 30% share of Construction Computer Software (CCS) as well as its entire ownership of LSD Information Technology, for a combined total of R240 million.

The sale of both of these assets by EOH, is aligned with the company's strategy, which includes the reduction of debt and the improvement of liquidity. Part of this strategy involves the sale of non-core assets, in order to deleverage the company's R2.9 billion of debt by R1.5 billion, within the next 5 years.

It has been indicated by EOH, that the sale of its stake in CCS to RIB will enable the company to raise R144 million, while the overall sale of its ownership in LSD Information Technology will raise R96 million. The sale of both of these non-core assets, will assist the company in reducing the company's debt burden, whilst also serving to streamline its operations.

In terms of the sale of CCS to RIB, it was indicated that both parties had agreed that the transaction would be the most prudent approach, given the global COVID-19 related economic uncertainty. At the same time, EOH Group CEO, Stephen van Coller, indicated that LSD Information Technology would ensure that services provided to customers would not be disrupted or affected as a result of the sale.

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MTN AWARDED TOP TELECOMMUNICATIONS BRAND IN AFRICA

Brand Finance, a brand valuation consultancy, has named the SA telecommunications company MTN as the most valuable telecommunications brand in Africa. The award was based on the company's solid performance that was achieved, despite several challenges, including tough economic conditions as well as regulatory challenges in many markets.

MTN was also recognised by Brand Finance as being customer-focused, whilst also consistently providing services of high quality, across markets on the continent. Furthermore, the company's Bright strategy was also acknowledged, that contributed to MTN's brand value, due to its success in growing revenue through both data and digital, as well as increasing its subscriber base.

Additionally, MTN's brand strength was upgraded by Brand Finance, from a AAA- rating to a AAA rating. It was indicated that this upgrade comes as a result of the strong leadership position that the company holds across markets, as well as the company's network investments.

Brand Finance CEO, David Haigh, indicated that MTN was to be commended for the company's performance, both in SA as well as in international markets, with a brand image that is embedded within its customers rather than relying on marketing campaigns.

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VODACOM EXPERIENCES 40% RISE IN DEMAND FOR DATA

Following the commencement of the COVID-19 lockdown period, Vodacom has indicated that it has experienced a 40% rise in demand for data. This is largely due to the zero-rating of various websites, as well as, an increase in demand for home entertainment and greater numbers of individuals working from home.

This increased demand for data on the operator's network, when compared to pre-lockdown demand, is expected to continue in the short to medium term. The main reason for the rising demand is that, more individuals are forced to stay at home and make use of technology, for the purposes of staying connected, educated, and entertained.

Although it had been previously indicated, that increased demand for data could result in increased pressure on the network and result in congestion, the company indicated that its engineers were working on ensuring that the capacity would be sufficient during the lockdown period.

However, Vodacom indicated that if it required additional capacity, a 4G roaming agreement is currently in place between itself and Rain, that would allow Vodacom to offload more of its capacity.

Furthermore, Vodacom indicated that it had requested additional emergency spectrum from the Independent Communications Authority of South Africa (ICASA), in order to cater for increased demand.

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COMPANY FINANCIAL RESULTS





COMPANY FINANCIAL RESULTS

EOH

According to EOH's interim financial results for six months ended 31 January 2020, the company experienced stable performance, demonstrated by improved gross margins of 24%. However, total revenue decreased by 21.8% when compared to January 2019, to reach approximately R6.4 billion in January 2020.

The decrease in total revenue can largely be accounted for, by reductions in terms of hardware and software sales as well as legacy public sector ERP implementation deals, that were not repeated in the reporting period. Furthermore, the economic slowdown also contributed to a decline in revenue, during the period.

The total gross profit margin increased to 23.6% from 19.6% in the prior period. Furthermore, the company's headline loss per share from continuing and discontinued operations reached 395 cents in January 2020, compared to 827 cents in January 2019.

More specifically, the company's iOCO pillar contributed approximately 56% of the company's current total revenue and more than 61% of total gross profit. The Nextec pillar made up 31% of the total revenue, although this pillar will no longer form a significant part of the group following a review process, with more than 47% of Nextec's revenue being classified as discontinued. The IP pillar's businesses accounted for 13% of the group's total revenue during the reported period.

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JASCO

According to Jasco's unaudited interim financial results for the six months ended 31 December 2019, the company's revenue decreased by 11.8%, from approximately R487.0 million in 2018 to approximately R429.3 million in 2019. The revenue decline was mainly as a result of a 50% decrease in IT-Carrier volumes to R100.0 million, due to a significant decreases in orders and spending, from one of SA's large telecommunications operators.

The group's profit before interest and taxation from continuing operations decreased by 110.7%, to a loss of approximately R2.6 million in 2019, compared to a profit of R24.0 million in 2018. This decrease was mainly due to the R29.4 million decrease in profit in ICT-Carriers, as a result of lower volumes.

In terms of the operational segmental review, the performance for the reporting period was affected by poor results from ICT-Carriers and continuing losses in Energy (Power & Renewables), which diluted the good performance generated by Security & Fire, ICT-Enterprise (Datavoice and Reflex Solutions), and Electrical Manufacturers.

The group's headline earnings per share decreased, from 1.3 cents per share in December 2018, to a loss of 5.2 cents per share in December 2019. However, the headline loss per share recorded in the reported period improved, when compared to the 11.9 cents loss per share, in the prior six months to June 2019.

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MUSTEK

According to Mustek's unaudited consolidated financial results for six months ended 31 December 2019, the company's total revenue increased by 11.3% to reach approximately R3.0 billion in 2019, compared to approximately R2.7 billion in 2018.

The increase in the company's total revenue is mainly as a result of strong growth of the company's Mecer brand, as well as the new products and services that were added to the company's portfolio, in the past six years. Mustek's resilience and defensive nature, in the markets in which the company trades, also led to strong trading performance.

Mustek's gross profit reached approximately R431.6 billion in 2019, compared to approximately R116.4 billion in 2018.

Mustek's investments in new product lines including networking equipment, sustainable energy and fibre, are contributing to both revenue and profit. Although the profit margin might be lower for these products, other product contributions, such as those of Huawei, are predicted to continue to grow, potentially increasing the company's net profit in the future.

The group's headline earnings per share increased by 9.1%, from 69.5 cents per share in December 2018, to 785.8 cents per share in December 2019.

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MERGERS, ACQUISITIONS & PARTNERSHIPS





MERGERS, ACQUISITIONS & PARTNERSHIPS

DISCOVERY AND VODACOM PROVIDE FREE ONLINE COVID-19 CONSULTATIONS

Vodacom and Discovery recently announced a partnership, that will provide a powerful online healthcare platform, enabling free virtual doctor consultations for individuals who are concerned they may have contracted the COVID-19 virus. The consultations will be paid for by a R20-million fund, with each company committing R10 million to the fund.

The development of the platform comes as a result of the global advocacy of telemedicine, as a first step and primary method for management of the disease, by governments and healthcare systems. The new platform enables individuals to understand their personal risk for the virus, and, if necessary, schedule an appointment with a virtual healthcare professional for a consultation.

The consultations are completely free and work on the web through mobile phones via video, audio calls, or text messages. Interested individuals are able to gain more information and access the service by visiting either the Discovery or Vodacom websites.

It is hoped that the provision of this service, through the partnership between the companies, will result in reductions of clinic overcrowding as well as congested doctors' rooms. At the same time, the initiative could help to protect healthcare professionals from contracting the virus, as a result of repeated exposure.

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AYO IN PARTNERSHIP TO DEVELOP ONLINE SMME MARKETPLACE

ICT investment company AYO, online retail platform Loot.co.za, and integrated digital services agency Volt.Africa, recently announced a partnership to develop an online marketplace. The aim is to assist small, medium and micro-sized enterprises (SMMEs) in accessing Africa's fast-growing retail sector, in the digital space.

The partnership agreement, announced on the 3rd of March 2020, resulted from an identified need to develop the entrepreneurial baseline in SA, to assist with the declining economy. Typically, digital platforms have proven difficult for individuals and small businesses to access, due to the associated high entry costs required to successfully generate a digital presence.

The development of the online marketplace will address this barrier to entry, as well as the general lack of skilled resources amongst SMMEs, by combining the partner companies' resources in order to create greater opportunities and efficiencies and support these SMME businesses in penetrating the digital online retail market.

In terms of the contributions to be made to the development of the new online marketplace, AYO is to function as the provider of the supporting network and ICT systems, through a subsidiary of the business. Loot.co.za will develop online stores for the businesses that use of the platform, while Volt.Africa will contribute to the platform in terms of marketing expertise.

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ALTRON ACQUISITION OF UBUSHA TECHNOLOGIES APPROVED BY COMPETITION COMMISSION

The South African Competition Commission has approved Allied Electronics Corporation's (Altron) acquisition of Ubusha Technologies, an identity security company. The deal is valued at R360 million and supports the development of Altron Security, the company's new division, which will enable the provision of solutions in identity management.

The deal was entered into by the Altron subsidiary, Altron TMT, and Ubusha's holding company, Cydan investments, in December of 2019. The purchase of Ubusha by Altron is meant to strengthen the former, in terms of its services and capabilities, within the information technology (IT) security sector.

It is expected that the acquisition will enable Altron to offer its clients securely managed identity profiles, spanning a range of devices, platforms, and locations. At the same time, the deal will provide Ubusha with access to newer markets and customers, through Altron's existing reach.

According to Chief Executive Mteto Nyati, identity security is a rising demand amongst consumers and businesses, and Altron's unique identity management technology will assist customers in securely managing their personal data profiles, whilst also being aligned with global privacy compliance and governance laws.

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INNOVATION AND TECHNOLOGY TRENDS





INNOVATION AND TECHNOLOGY TRENDS

SA-BASED XINABOX CHIPS ATTEMPT TO REINVENT IOT

The South African based manufacturer of modular 'xChips', XinaBox, is attempting to reinvent approaches to the Internet of Things (IoT), whilst also encouraging and inspiring students to pursue careers within science, technology, engineering, and mathematics (STEM) fields. These chips are also being deployed in a variety of contexts, including the International Space Station (ISS and Antarctica).

xChips are designed to make a range of electronic functions available, in a standardised and modular format, that can be utilised for the building of electronic devices, quickly and easily. These chips are compatible with popular programming environments and can also be easily integrated with single board computers, as well as, embedded systems and additional programming environments.

The xChips are made up of plug-and-play reusable modularised computer chips, that can be used in a variety of contexts, to help in the construction of equipment such as weather stations or satellites. These chips can also be used in conducting STEM experiments at schools and universities.

This technology is already being employed, with an XinaBox environmental monitoring rig being placed at the South African Antarctic Research Base known as SANEA IV, currently performing monitoring and reporting functions to an IoT platform. XinaBox's XK92 chips have also been deployed to the international space station to conduct experiments.

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MEDICAL ROBOT ASSISTS TYGERBERG HOSPITAL SPECIALISTS

A Double Robotic 'robot' named "Quintin" is being employed at Tygerberg Hospital, in the Western Cape, to assist intensive care specialists in undertaking ward rounds for patients infected with COVID-19. These robots can conduct virtual ward rounds, either from the hospital itself, or from the doctor's home, should they be unable to be physically present.

The development of the robot resulted from the experimentation with different methods of conducting virtual ward rounds, by Professor Coenie Koegelenberg in Pulmonology, at Stellenbosch University's Faculty of Medicine and Health Sciences (FMHS), before lockdown was implemented. The robot allows for the limited number of intensive care unit (ICU) specialists to run ward rounds, while reducing the risk of fatigue and infection.

The robot takes the form of a computer tablet, with two wheels, that makes use of both gyroscope as well as accelerometer sensors at its base. Communication is facilitated through a microphone and zoom function and the robot is controlled through a desktop computer, tablet, or smartphone, potentially enabling doctors to provide services remotely.

The robot has already been used in Italy to assist doctors and it is hoped that the use of robots, to help in the treatment of COVID-19 patients, will reduce the risk of infection of doctors, whilst also reducing skills shortages by enabling remote working by doctors.

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COVID-19 TRACK-AND-TRACE PLATFORM DEVELOPED BY TELKOM AND PARTNERS

A new COVID-19 track-and-trace platform has been developed by Telkom together with several partners, including the National Institute for Communicable Diseases (NICD) and Council for Scientific and Industrial Research (CSIR). The platform will assist in tracking an infected person's location, as well as other people that the person may have been exposed to, thereby helping to reduce the spread of the virus.

The platform works through the collation of multiple data sources, such as geographic information systems (GIS), in order to assess an individual's exposure to the virus as well as who they may have exposed to.

It is suggested that the use of this data will reduce dependence on unreliable patient recollections in terms of their location and who they may have been in contact with, thereby assisting the CSIR in contacting people who may have been in close proximity to the patient.

Telkom indicated that the platform would function as a collaboration between the company's BCX subsidiary, the creator of the interface for the application, as well as the group's mobile division, Telkom Mobile. Telkom Mobile will be able to provide location data in order to develop heat maps representing the potential spread of the virus.

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VODACOM AND SAMSUNG MAKE DONATION TO DEPARTMENT OF HEALTH

The National Department of Health is to receive a donation of 20,000 smartphones, from the Vodacom Group, as well as 100 terabytes of data and 10 million voice calls minutes worth R40 million. Samsung Africa has invested in 5,000 smartphones for this collaborative initiative with Vodacom, which is meant to assist the government in managing the COVID-19 pandemic.

The donation will support Government by providing frontline healthcare workers with the ability to collect and transmit real-time data to the department. This will help to ensure that medical care resources are distributed in an efficient and effective manner, in order to enable the quick and effective assistance of infected individuals, or those who require medical support.

5GB of data and 500 voice call minutes have been loaded on each of the 20,000 smartphones to be donated, in order to facilitate the instant collection and transmission of data, to the National Department of Health COVID-19 Information Centre.

Through the donation, Vodacom seeks to aid in the government's goals of preventing the spread of COVID-19. In addition, Samsung Africa, also acknowledged the Government's efforts and indicated their commitment to providing assistance, where possible.

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COMMUNICATIONS AND DIGITAL TECHNOLOGIES MINISTER PLACED ON SPECIAL LEAVE

Minister of Communications and Digital Technologies, Stella Ndabeni-Abrahams, has been placed on special leave due to her violation of the national lockdown regulations that were instituted, due to the COVID-19 pandemic. President Cyril Ramaphosa has indicated that the Minister will be on special leave for two months, one of which, will be unpaid.

The placement of the minister on special leave comes in the wake of footage that emerged of her attending a lunch with Deputy Minister of Higher Education and Training, as well as Member of Parliament, Mdudui Manana during the lockdown. The footage emerged on social media and resulted in a backlash amongst South Africans who felt the minister was acting irresponsibly and illegally.

It has been indicated by the government that all the Members of the National Executive have an important responsibility in setting an example to the nation, particularly during times of crisis. As a result of her behavior, the Minister was asked to deliver a public apology.

President Ramaphosa subsequently issued a statement indicating that the Minister's apology was accepted, but also mentioned that he was unimpressed by the mitigating factors mentioned in the apology. The President indicated that he was satisfied that the minister had acknowledged the seriousness of her actions and that she was not above the law.

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COVID-19 SOCIO-ECONOMIC IMPACT MAPPED BY MOBENZI

Locally developed data collection platform, Mobenzi, is being used to assist in understanding the socio-economic impact of the COVID-19 pandemic, by collecting data through its free COVID-19 impact response tool. Data obtained using the tool will be used to track, measure and distribute resources where and when they are needed, during the crisis.

Andi Friedman, co-founder of Mobenzi, is hopeful that the organisation's response toolkit will assist in addressing critical data needs that emerge, in terms of understanding socio-economic effects of the virus. In addition, it is hoped that the toolkit can be used to assess the interventions implemented to reduce the virus's impact, as well as assist in ensuring business continuity, and decreasing the spread of fake news.

The toolkit has been released with easy-to-use templates, designed to address a variety of critical data needs, with each template coming as a pre-built form that can be accessed via website or on mobile. Additionally, template forms can be tailored for companies' specific data needs or developed from scratch, potentially enabling internal leveraging of insights and data by businesses.

In addition to the data generated internally by companies for their own use, impact and fake news data will be collated and shared with relevant authorities, to assist in managing the pandemic and assessing the impact of interventions.

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CRITICAL ICT LOCKDOWN INTERVENTIONS GAZETTED

The Department of Communications and Digital Technologies (DCDT) has gazetted interventions to be instituted for the reduction of the impact of COVID-19 on the local ICT sector, including a ban on raising data prices and number portability. Interventions also include the zero-rating of COVID-19 websites and the compulsory requirement for broadcasters to receive and disseminate information.

The banning of mobile number portability has been introduced, to reduce the risk of individuals of being scammed by phone calls requesting personal details, designed to appear as if they are a part of the porting process. Instances of these scams are predicted to increase during the lockdown.

Furthermore, as part of the declaration of a state of disaster, the department has made it compulsory for all class and broadcasting service licensees to distribute and receive information related to national COVID-19 containment efforts in all official languages. Regulations also require electronic communications service licensees, over-the-top players, and internet service providers to remove fake COVID-19 news from their platforms.

Finally, licensees are required by the regulations to zero-rate access to certain COVID-19 information sites as well as local educational content on their own sites as well as making connectivity available to 104 district virtual classrooms to enable virtual teaching. These regulations are due to remain in force for as long as the state of disaster is in effect.

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RICA ACT CHALLENGED IN CONSTITUTIONAL COURT

The constitutionality of the Regulation of Interception of Communications and Provision of Communication-Related Information Act (RICA) is being challenged, by the amaBhungane Centre for Investigative Journalism, as well as journalist Sam Sole. Lawyers representing the two parties submitted that the act violates the right to privacy and is therefore unconstitutional.

The parties bringing forward the case are attempting to confirm the finding of the high court in Pretoria in September 2019, which found that RICA was in fact unconstitutional, due to the fact that it lacked provisions that protected the right to privacy, access to courts, freedom of expression, the media, and legal privilege.

More specifically, Steven Budlender SC, the lawyer for amaBhungane and Sole indicated that the failure of the act to require the notification of the subject that they are under surveillance is unconstitutional.

Additionally, the act was suggested to be invalid due to its failure to guarantee the independence of judges granting surveillance orders, with the perception that a judge picked by the executive for a fixed term, would not be independent.

Both the Minister of Police and State Security oppose the high court order, especially the surveillance notification requirement, while the Minister of Justice is not opposed to the requirement and has requested 3 years for the implementation of changes.

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