

National

Fears of 'grey' influx, write Thabiso Mochiko and Samuel Mungadze

Digital migration row lacks vision for price screening

COMPANIES that have been short-listed to supply set-top boxes and TV aerials have raised concerns over the different prices proposed by the Universal Service and Access Agency (USAASA).

It is a month since 25 companies bidding for the manufacturing of set-top boxes (STBs) were all given a slice of the estimated R4.3bn pie, which is expected to double. SA, with the rest of the continent, is migrating from analogue TV to digital in a move that will result in more TV channels and, most importantly, free up the radio frequency spectrum to be used by wireless, high-speed internet services.

In terms of a list of appointed suppliers issued by USAASA, tier-one companies with factories include Namec Microtronix, Altech UEC, Tellumat, DiVitech, which is associated with JSE-listed Reunert, ABT Africa, CZ Electronics and Vektronix. Little is known about other suppliers such as Seroma Mowa, Equiton, Temic, Siyeza Suppliers, Phahama, WorldTel and QEC.

The digital migration has been mired in controversy, which has delayed the process. In just over a month — June 17 — SA is scheduled to switch off the analogue signal as per the International Telecommunications Union directive. But that deadline will not be met.

A fortnight ago the government was taken to court by e.tv about whether or not the boxes should have encryption.

The broadcaster is in favour of encryption and Adil Nchabeleng, founding secretary-general of the National

MIXED SIGNAL MIGRATION

R4.3bn
Distributed among 25 industry players

June 17 2015
Analogue switch off date

STOP
Grey goods pose danger in quest to go digital

Pricing is a sticking point
among winning bidders

Graphic: DOROTHY TSHWAEDI

Association of Manufacturers in Electronic Components (Namec), is supporting the court bid.

In addition, five of the biggest local electronics manufacturers launched a stinging attack on the government's controversial policy on STBs, warning that it would devastate the local industry and lead to a flood of grey products into the market. The companies, Altech UEC, ABT Africa, Tellumat, DiVitech, and Vectronics — are

represented by the South African Communications Forum. Since the release of the short-list of suppliers, the companies have received letters requesting further information and particularly their views on the proposed prices USAASA is willing to pay for satellite and terrestrial STBs.

USAASA is quoting between R350 to R375 for terrestrial and satellite STBs respectively for companies that have manufacturing facilities. But compa-

nies without factories are set to receive double the amount from the agency.

There are already discussions regarding outsourcing partnerships with established players. Keith Thabo, president of Namec, says the organisation has written to USAASA to complain about the proposed prices. "Why are we being punished for doing the right thing of having acquired a factory that will create jobs?" he asks.

Mr Thabo continues: "We have bought a factory that has so many overheads and costs that will not be covered by the proposed price. We are not prepared to manufacture at that price. We need fair pricing.

"You can't say you are creating black industrialists and then penalise them for taking the initiative and establishing plants. It doesn't make sense."

He also says the proposed quotes will result in many of the appointed suppliers importing the boxes from China as it did not make economic sense to make them locally.

A CEO of one of the companies, who wished to remain anonymous, says the whole process "isn't fair".

"Margins will be low and some will not have any room to manoeuvre. For high margins, one would require large volumes," he says.

But USAASA's CEO, Zami Nkosi, denies the pay disparities. "Speculation that those with no manufacturing plants will receive double, is incorrect," he says.

Mr Nkosi adds that price negotiations with different suppliers who came in with different prices are still under way.

Parliament allows bill for 50% women staff to lapse

WYNDHAM HARTLEY
Parliamentary Writer

CAPE TOWN — The controversial Gender Equality Bill has lapsed and will not be resuscitated, Minister in the Presidency Susan Shabangu said yesterday.

Ms Shabangu is responsible for women's affairs.

The bill was introduced by her predecessor, Lulu Xingwana, and its requirement for employers to ensure 50% of their staff are women caused a stir in business circles. The provision was condemned as unworkable. Many said it would punish businesses for something that could not be implemented.

While responding to questions during a briefing on her budget vote yesterday, Ms Shabangu explained that at the end of a term of Parliament unfinished business or legislation not completely processed lapsed. This, she said, had happened to the Gender Equality Bill.

"There is an Equality Act,



TOO MUCH: The Gender Equality Bill was a duplication of existing legislation, says Susan Shabangu. File picture: PUXLEY MAKGATHO

which covers all matters of equality, and our responsibility now is to monitor the act to see if it is being effective. The bill was a duplication of existing legis-

lation and we must now review these laws to see if they are delivering. We do not need more legislation," Ms Shabangu said. She also said the depart-

ment's responsibility was to accelerate socioeconomic transformation and implement women's empowerment.

"Our approach is to move away from event-driven (causes) ... to a programme that must happen 365 days. Hence the launch of the #365 days of no violence against women and children campaign, where I have mobilised members of society — including men — to join hands with (the) government against this scourge with the theme: 'Count me in'," she said.

During this financial year the department would continue working with its counterparts in the government, civil society and corporate SA to ensure that women in the science, technology, engineering and mathematics fields are empowered and educated.

"In this regard, we will partner with the Department of Science and Technology and the HSRC (Human Sciences Research Council)," she said.

Testing of drugs for resistant TB starts

TAMAR KAHN
Science and Health Writer

CAPE TOWN — The nonprofit TB Alliance and Janssen Pharmaceutica have begun testing a novel combination of drugs for extensively drug-resistant tuberculosis (XDR-TB) patients.

They expect the research to lead to a safer, shorter and more effective treatment regimen.

Every year in SA, only about 16% of the roughly 1,000 patients diagnosed with XDR-TB are likely to be cured with current treatments, said the trial's principal investigator, Francesca Conradie, a clinical adviser at

Sizwe Hospital in Johannesburg. The treatment takes two years, involves up to seven drugs, some of which must be injected, and carries the risk of severe side effects, such as deafness.

The "Nix-TB" trial, which began enrolling patients two weeks ago, will test a six-month regimen combining three oral drugs: Johnson and Johnson's bedaquiline, Pfizer's linezolid and the antibiotic pretomanid, developed by the TB Alliance.

"Pretomanid has a novel mode of action and has been used in several trials... It seems to be a very benign drug, but we are enrolling patients slowly and

monitoring them carefully," said Dr Conradie.

XDR-TB is a strain of bacteria that has evolved progressive resistance to antibiotics and there is no single regimen approved for this form of TB.

Patients with XDR-TB are treated using an individualised combination of drugs, which often include medicines not usually used for TB and drugs never intended for long-term use. The treatment is expensive at about \$26,392 per patient in SA — four times more than it costs to treat a patient with multidrug-resistant TB (\$6,772) and 103 times greater than drug-sensitive TB

(\$257), the alliance says.

The trial aims to enrol 200 patients at Sizwe Hospital, the Brooklyn Chest Hospital in Cape Town and the Doris Goodwin Hospital in Pietermaritzburg.

If the Nix-TB regimen proves safe and effective, the trial will be extended to patients who have multidrug-resistant TB and those with drug-sensitive TB.

"The launch of Nix-TB is a critical step to achieve the vision of a truly short-course, simple, affordable and well-tolerated universal treatment regimen," president and CEO of TB Alliance Mel Spigelman said. kahn@bdfm.co.za



Congratulations to the South African Government, the National Department of Energy and its Minister, the Honourable Ms Tina Joemat-Pettersson

The South African Renewable Energy Council (SAREC) congratulates the Government, the Department of Energy and Minister Joemat-Pettersson on their announcement of the 4th bidding round of renewable energy and more importantly, on the announcement that a further 6,300 MW of renewable energy will be procured by Government through Eskom over the next few years.

This strategic move during an energy constrained time will put essential electricity on our grid, enhance grid stability, create jobs and unlock socio-economic and enterprise development in rural communities to the additional value of more than ZAR 15 billion rand. Private sector investment in renewable energy infrastructure will grow from the present ZAR 165 billion to

approximately ZAR 400 billion, while South Africa will continue to pay only for electricity - and not the assets.

Job creation will be strengthened – already 2 737 technical skills work in permanent jobs in renewable energy, and this figure will now more than double. Approximately 17,000 fixed-term and project-linked construction jobs in existing projects can now roll-over into becoming the equivalent of almost 6,000 permanent construction jobs; these are now confirmed for another 4 to 5 years. The approximately 25,000 indirect jobs already created by the renewable energy industry is also expected to more than double.

In 2014, the net cost of renewable energy to the country was less than zero, with the power generated avoiding further load shedding for businesses and households and saving fuel in diesel plants. These benefits will persist for the medium term and the savings will be enhanced, given the acceleration of the renewable energy programme.

This acceleration will strengthen our partnership with Government and expand our ability to showcase the successful public-private partnership model that will guide positive outcomes of the National Development Plan. The accelerated and expanded programme comes at the right time, the renewable energy industry fully supports the enhanced ambition.

Notes

The South African Renewable Energy Council is an umbrella body for Renewable Energy Associations in South Africa. The founder members are SAPVIA (solar PV); SASTELA (solar thermal); SAWEA (wind) and SESSA (energy efficiency, end-user renewables). More detail is available at <http://www.sarec.org.za/>

A downloadable DVD about the success of SAREC appears at <http://www.sarec.org.za/> on the front page – click the play button

The saving to the country made through its renewable energy plants are detailed at http://ntww1.csir.co.za/plsql/ptl0002/PTL0002_PGE157_MEDIA_REL?MEDIA_RELEASE_NO=7526622

Job numbers are taken from research done by Altgen, and through the Masters Thesis work of Sarah Stands at Stellenbosch University (2015), which the Centre for Renewable and Sustainable Energy Studies (CRSES) supported

Details of the industry associations under-pinning SAREC can be found at:

www.sapvia.co.za;

www.sastela.org;

www.sawea.org.za;

www.sessa.org.za

