

Neotel wants to extend fibre, wireless throughout SA

Fixed line operator Neotel, which is involved in the provision of broadband services to the Western Cape, aims to spend up to R500m in the coming year to boost fibre and wireless infrastructure across SA.



Neotel's Sunil Joshi wants to replicate its success in the Western Cape in other parts of South Africa as it rolls-out fibre-optic cables to government authorities and schools for free Wi-Fi connections. Image: [VN](#)

In an interview, the company's Managing Director and Chief Executive Sunil Joshi said Neotel had access to about 16,500km of national long-distance fibre and 9,000km of fibre deployed within metros.

Earlier this year, Neotel entered into an agreement with the Western Cape government and the State Information Technology Agency for the provision of broadband services over a 10-year period. The project will see over 2,000 government sites including schools and hospitals, being connected with broadband services.

The company has also partnered with Tshwane to roll out free Wi-Fi access. Project Isizwe aims to facilitate internet access across SA by rolling out free Wi-Fi in public spaces and in low-income communities.

"The answer for broadband has to be government and industry working together," Joshi said. "We are beginning to engage with other government entities to see how we can improve or replicate what we have started in the Western Cape. We are keen to engage with any government institutions," he said.

Neotel is a credible competitor to Telkom

Independent Telecommunications Analyst Spiwe Chireka said Neotel's partnership with the Western Cape provincial government was significant and indicated that the company was now a credible competitor in a market dominated by Telkom.

Last week, Western Cape Premier Helen Zille said the provincial government was one step closer to its goal of connecting the whole province to affordable internet, after free Wi-Fi access was launched at Atlantis in partnership with Neotel.

The provincial government was aiming to provide universal access to the internet to all its residents by 2030 through technologies such as Wi-Fi. The National Development Plan recognises that broadband plays a crucial role in economic growth, development and job creation.

Gauteng's own broadband roll-out is mired in a legal dispute. The R1.5bn broadband contract is headed for arbitration, which may threaten the full launch of the network. Johannesburg awarded the tender to CitiConnect to build, operate and transfer the network to the city after 15 years. But the contract was cancelled last months over "multiple breaches".

Vodacom deal

Earlier this year, Neotel, which had struggled to provide significant competition for fixed-line rival Telkom, said it had reached an agreement with mobile operator Vodacom, which plans to buy the fixed-line company for a reported R7bn in a deal which the companies hope will offer a credible alternative to Telkom.



The Western Cape is successfully rolling-out broadband Wi-Fi connections to all its residents and hopes to have the entire province connected to the internet by 2030. Image: [DoC](#)

Joshi said the deal was still awaiting approvals from the Independent Communications Authority of SA and the Competition Commission.

He said he believed Neotel would continue to provide stiff competition for Telkom and that investment in infrastructure would be key.

"Strategically we invested in fibre-optic infrastructure from the start because we believe that IT convergence will be the way that we can take SA forward. Over the last eight years we have invested over R6bn in fibre-optic infrastructure," Joshi said.

Source: Business Day via I-Net Bridge

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