

Where are we on convergence?

There still seems to be much confusion about what is meant by convergence and what it can actually offer to whom. What is clear, however, is that it differs from organisation to organisation. As new industry boundaries emerge, products no longer belong to a specific industry or IT platform alone. In short, convergence is a merger of technologies, with increased service delivery and quality as key outcomes.

As Jeff Jack, manager: technology and operations at Dimension Data, puts it, "Convergence is a seamless transition from analog to digital form," with the crux lying in flexibility and adding value.

Current trends

According to Botlenyana Mokhele, manager: broadcasting policy development and research at ICASA, the current trends in the international market with regard to convergence are centred around network level **technology convergence** - having architectures established that support new generation networks based on Internet protocol (IP); **bundled convergence** - grouping separate services into a single retail bundle; and **gateway convergence** to allow greater access to these services.

Service convergence is another focus area, coupled with substitutable service convergence, creating a side substitution between services such as replacing fixed telephony services with mobile telephony.

The development and application of new technologies to invent completely new services capable of being accessed by any technology, such as PDAs, cell phones and other mobile devices through satellite or wi-fi, as well as the issue of the regulatory environment around convergence, are further issues being debated.

These trends are also being observed within South Africa, says Mokhele, but to a lesser degree.

Uptake hampered

Says Tebogo Thupaatlase, senior manager: regulatory and corporate affairs at the Universal Service Agency (USA), "The uptake of convergence is hampered by the slow rollout of legislation and the implementation of the Electronic Communications Act (ECA), the high costs of bandwidth and a lack of knowledge locally concerning the technologies involved."

Mokhele says that there are a number of other considerations applicable to the South African context, including whether markets are converged sufficiently to justify regulatory change, and market uptake of converged goods and services. "For instance, practically all broadcast entertainment and information services still fall into the realm of television and radio in

South Africa," she notes.

South Africa's move towards convergence is facilitated by a number of legislative and policy changes including various liberalisation measures taken in 2005. Most significant, however, is the ECA (which came into effect on 19 July 2006), which sets out a converged licensing framework and repeals the existing broadcasting and telecommunications legislation.

Fundamental impact

One of the ECA's fundamental impacts, believes Mokhele, will be the enhancement of the ICASA's competition powers in terms of dispute settlement and significant market power determination. In this instance, it provides guidance in relation to strategic policy in areas of market analysis, competition, content (triple-play) and technology. This will assist in clearing up the confusion around the issue of licensing, which is currently a major concern in terms of who must get what licence. As an example, would MTN have to get a broadcaster's licence because it provides television on handsets?

- With the aim of addressing these issues and more, ForgeAhead Research and Consulting, in partnership with the Universal Service Agency, is running a Convergence Summit 28 - 30 August in Johannesburg. The Summit is intended to identify the opportunities and challenges created by converged technologies and to look at the impact convergence will have on South Africa in the areas related to legislation, technology, the economy and society.

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