

## R800m to equip youth with digital skills

The National Skills Fund is expected to launch a training package in digital skills for unemployed youth in the country.



Image source: Kampus Production from [Pexels](#)

This was announced by President Cyril Ramaphosa in his weekly newsletter.

According to the President, the move is aimed at ensuring that as investment into the digital economy continues to grow, South Africans are able to use their skills to take advantage of employment and economic opportunities.

“To boost the job creation potential of these investments, the National Skills Fund will soon launch a new model for demand-led skills development, which will provide R800m to fund training for unemployed young people in digital skills.

“As we look to foster increased investment over the next five years, as the structural reform process continues to gather pace and as measures to end the energy crisis bear fruit, we will be able to further position ourselves at the forefront of the digital economy in Africa,” he said.

President Ramaphosa explained that over the past five years, significant investments have been made into the country's digital economy – a boon that is driving the country's development.

At the recent South Africa Investment Conference (SAIC) alone, companies pledged at R81bn to ICT and digital services projects in the country, bringing the total amount invested specifically in ICT since the first SAIC to some R200bn.

“The [SAIC]...provided a huge boost to the country's digital economy. In addition to significant investment commitments in data and telecommunications infrastructure, there were also announcements about investments in the mining, manufacturing, energy, property, logistics and food and beverages sectors.

“While all these investments contribute to economic growth and job creation, the investments in the digital economy will, in addition, propel our country into a new era of innovation and progress. Not only is the digital economy important for growth, but it is also vital to the provision of key services such as education, social services and health care.

“Several recent tech surveys indicate that higher speeds and improved mobile and fibre infrastructure are helping to narrow the digital divide. This is the result of stepped-up investment in the digital economy in recent years. Faster fibre and 5G rollout makes our economy more competitive as more connectivity solutions help businesses emerge and expand,” he said.

### **The ICT sector has seen some significant improvements over the past five years including:**

- The Equiano subsea cable announced at the 3rd South Africa Investment Conference in 2020 was launched by Google last year.
- Amazon Web Services, Teraco and Dimension Data have made investment commitments of R21bn in the past five years.
- In 2021 Vantage Data Centers, a US-based company, announced plans to build its first African campus in Johannesburg.
- Africa's Data Centre Market recently reported that South Africa is fast becoming a hub for cloud hosting.

President Ramaphosa said although these developments are a boost, there are challenges, such as load shedding, that are hampering the growth of the ICT sector.

“To take advantage of this inward investment and see it increase, we have to urgently resolve the electricity crisis and the theft and destruction of ICT infrastructure. These were among the issues raised by investors and mobile network operators at this year's investment conference. We are working with business and other social partners to address these challenges and improve the operating environment.

“We are also forging ahead with the structural reforms that are so critical to efforts to improve our economic competitiveness. For example, the conclusion last year of the first high-demand spectrum auction in over a decade will substantially increase connectivity and lower the costs of both voice and data services,” he said.