

DRAFT COMMUNITY BROADCASTING SUPPORT SCHEME ROUNDTABLE

Date 21 September 2015
Venue Constitution Hill
Facilitator Jayshree Pather
Rapporteur Kerry Barton-Hobbs

1. Welcome, objective and introductions

The SOS Coordinator, Mr Sekoetlane Phamodi, opened the Roundtable and thanked all for their attendance. The <u>Programme</u> is attached as <u>Appendix 1</u> and the <u>Attendance Register</u> as <u>Appendix 2</u>.

Twenty-eight people attended, representing the following organisations and structures:

- 1KZN TV
- Alex FM
- Cape Town TV (CTV)
- Department of Communications (DoC)
- Institute for the Advancement of Journalism (IAJ)
- Media Development and Diversity Agency (MDDA)
- Media Monitoring Africa (MMA)
- Media Policy and Democracy Project (MPDP), University of South Africa (UNISA)
- Merafong FM
- National Association of Broadcasters (NAB)
- · National Community Radio Forum (NCRF)
- Northern Cape Community Radio Hub
- Pretoria FM
- Radio Teemaneng
- Radio Today
- Right2Know Campaign (R2K)
- SOS Support Public Broadcasting Coalition (SOS)
- Teardrop Media

- Tshwane FM
- Tuks FM
- Wits Radio Academy

It was noted that the Roundtable was an SOS platform to bring together community broadcasters (radio and television) with industry stakeholders and players (such as the DoC, MDDA, NAB and NCRF) to share information on the DoC's Draft Community Broadcasting Support Scheme, raise and debate issues within the draft document, address specific issues of interest, build consensus on principles that may underpin submissions, and support the preparation of submissions by all interested parties to the DoC by 30 September 2015.

The higher purpose of the Roundtable was to support keeping community broadcasters alive and sustainable in South Africa.

Where possible, the Roundtable should be seen as a consensus building exercise for the sector to raise issues with the DoC and other bodies mandated to support community broadcasting. This Roundtable presented an opportunity for the sector to engage meaningfully with policy makers, and to prepare interested parties to make informed inputs and submissions to the DoC.

Mr Phamodi referred to the Briefing Document prepared by the facilitator, Ms Jayshree Pather, in advance for participants. The SOS Briefing Document is attached as Appendix 3.

Ms Pather oversaw participant introductions and reiterated that this was a space for constructive dialogue. The day would be used to identify issues within the draft strategy that are supported by participants, issues that are seen as problematic by participants, and recommendations for changes to the draft strategy. While we should look for consensus where possible, she noted that diverging opinions were welcome as part of robust and honest debate.

She said that SOS would use this Roundtable, together with a questionnaire to be sent to community stations, to draw up its own submission on the draft strategy.

She requested of the DoC representative, Mr Robert Makatu, that he raise within DoC the need for a <u>longer period of time for submissions to be made on this draft strategy</u>, and to ensure that the DoC and those represented in the room had time <u>for useful and appropriate consultation with community broadcasters</u>, not least those in rural areas who stand to benefit most from the draft strategy.

2. Overview of draft document and key issues

In order to scope the issues, the DoC was given an opportunity to speak to the draft Scheme in terms of intention and content. Other organisations were also afforded the opportunity to speak to the draft document, and then Ms Pather made a presentation on behalf of SOS.

2.1 Department of Communications (DoC)

The DOC Presentation was made by Mr Makatu, and is attached as Appendix 4.

The presentation covered the DoC's community media sector initiatives, challenges faced by the initiatives, the cooperation and involvement of the various government agencies, challenges faced by the community media sector, the importance of community media sector governance, and the content of the draft strategy.

Particular issues highlighted were as follows:

- Since 1998 the DoC had supported community radio but not community TV. The support
 has been narrow in its scope, untargeted at those most needy, and not linked to other
 government initiatives. This draft strategy, therefore, was an attempt to broaden the scope,
 define roles and responsibilities between government departments and parastatals
 supporting (but independent of) government, and define processes for community media to
 access government support.
- 2. There are 210 community radio and five community TV stations licenced in South Africa. Community television reaches an average of 12 million viewers weekly (carried both terrestrially on local analogue frequencies, as well as nationally on satellite subscription-TV platforms, principally on DSTV); and community radio reaches almost 8.7 million listeners weekly. Sustaining and reinvigorating the community media sector really matters to the DoC and government.
- 3. The current ICT Policy Review White Paper outlines the vision for the community broadcasting sector and states that it must provide a distinct broadcasting service dealing specifically with community issues which are not normally dealt with by other broadcasting services covering the area in question. It is a non-profit sector in terms of the law, and stations and channels have to involve their targeted communities in the governance and operation of services.
- 4. The greatest challenge facing the development of community broadcasting is funding. The funding mix of community stations includes advertising, donations and sponsorships.
- 5. Other challenges include the lack of coordination between the DoC and key stakeholders, and inadequate or inappropriate governance structures for community stations.
- 6. The DoC wishes to play its key policy making function in reshaping and refocusing the community media sector. Therefore, the draft Scheme has been developed to speak to challenges faced by the sector, and to provide a clear road map towards solutions. At the heart of the Support Scheme is the need to create an environment whereby community broadcasters and their communities are empowered and resourced to sustain their stations in order to contribute to socio-economic development and job creation.
- 7. The draft Scheme will be discussed through consultation with key stakeholders, the public, government, legislators, the NCRF and the NAB. Once finalised, its implementation will be a key focus for the DoC, the Regulator (the Independent Communications Authority of South Africa [ICASA]), Sentech, the MDDA, the IKAMVA National e-Skills Institute and the Universal Service and Access Agency of South Africa (USAASA).
- 8. Broadcasters would be required to apply annually for support completing the prescribed Application Form. Each application shall be assessed by the Community Broadcasting Support Unit (to be established within the DoC) and / or an independent panel appointed by the Minister. The applications shall be processed annually, and the successful beneficiaries will be announced by the Minister at the beginning of each financial year. Criteria for eligibility of funding were given.
- 9. In terms of consultation, the DoC would like feedback on issues such as:
 - Are the support areas outlined adequate to sustain community radio into the digital future? What other measures can be considered?
 - Is there agreement with the path taken by the DoC in terms of building community TV in South Africa? Is the support proposed adequate to launch it successfully? What other support mechanisms are required, if necessary?
 - Do the allocations adequately reflect the high cost differential between television and radio? Are there additional comments for consideration?
 - Is the proposed process to access support simple and clear?

• Is there support for the proposed DoC Community Broadcasting Advisory Body? What other considerations should be taken to make it effective for the benefit of the sector?

Mr Makatu stated that the DoC appreciates guidance given to it by the sector, and that inputs / submissions should be sent to robert@doc.gov.za or Kgomotso@doc.gov.za or cbssa@doc.gov.za by 30 September 2015.

2.2 Inputs by selected organisations and structures

An NAB input was planned but not given. The NCRF, MDDA and CTV made the following brief inputs:

2.2.1 National Community Radio Forum (NCRF)

The NCRF stated that it is compiling submissions coming from radio stations, and would feed issues into the general discussion. The initial views of the NCRF are outlined in the <u>Open Letter to NCRF Members attending SOS Roundtable on Draft Community Broadcasting Support Scheme</u> attached as Appendix 5.

2.2.2 Media Development and Diversity Agency (MDDA)

The MDDA stated that it is awaiting submissions from the community media sector. It supports the intention of the draft strategy, and is awaiting clarity from the DoC on its role in the process.

It noted that it is awaiting the results of an impact study of its effectiveness and value. The MDDA will share the results of the impact study with the sector. One of its biggest challenges is to have sufficient funding to meet the needs of all applicants.

2.2.3 Cape TV (CTV) as a representative of community TV

CTV sketched the state of community TV in SA. It began in 2004 when ICASA brought out its position paper. Now there are five stations, none of which has received formal government support to date. Community TV is more capital intensive than community radio. Community TV stations have been pushed into commercial models in order to be sustainable – which is not in keeping with legislation which requires a non-profit status for community broadcast media. Community TV has unsuccessfully attempted to form an organisation along the lines of the NCRF. Community TV is in dire need of this kind of support.

CTV sees the purpose of community TV as the social and economic upliftment of people – not simply a means of delivering entertainment. In order to do this a partnership with government, with no expectations of broadcasters acting as government mouthpieces, is important to ensure engagement between civil society and government.

2.3 SOS presentation: key questions and issues

The SOS Presentation was made by Ms Pather, and is attached as Appendix 6.

The presentation covered key issues in the draft strategy for discussion and debate.

Particular issues highlighted were as follows:

- 1. The role of the DoC is one of policy formulation. The draft Scheme gives the DoC a large role in implementing the strategy, and represents a duplication (rather than a streamlining) of current efforts by different organisations.
- The objectives are to sustain community broadcasting services in a rapidly converging digital broadcasting environment; attract investment; create jobs; focus the sector as a strategic vehicle to advance socio-economic goals of government; and improve governance structures of community stations.
- 3. The scope of support includes broadcast infrastructure, signal distribution subsidy, content production and capacity building; it excludes internet broadcasting services and station running costs.
- 4. The support will consider the differing needs of broadcasters. The support will be split along the lines of 70% for TV and 30% for radio.
- 5. A distinction is made between "prescribed assistance" (where implementation is undertaken by a proposed new Community Broadcasting Support Unit within the DoC) and "non-prescribed assistance" (where implementation is undertaken by stations / projects / beneficiaries).
- 6. The annual application process is outlined. Applications will be assessed by the Community Broadcasting Support Unit or an independent panel appointed by the Minister; and compliance (in terms of a tax clearance certificate and audited financial statements) is required.
- 7. In terms of content development: stations can apply to produce content of their choice that promotes democracy and local languages, and in the following formats "documentary, education, animation and drama"; stations must give a guarantee that funded programmes will be broadcast; the DoC will decide on how much to spend on syndicated programming; there will be a cap on local content (although the cap is not provided); content must be "informational and educational" in nature (religious programmes, sport and entertainment are excluded); and, in terms of a "special dispensation", the Community Broadcasting Support Unit will work with selected stations to produce programmes, translate them, and make them available to other stations.
- 8. Community TV is recognised as more capital intensive than community radio. In order to receive funding a station must provide a financially sound business model, strategically linked to and located within other government programmes (such as youth and economic development, and job creation). Three models given are (1) commercial (this is the dominant existing model); (2) community (this is seen to represent the "purest" form of community TV, and CTV is the only existing example of this); and (3) provincial (a proposed model is the Eastern Cape Development Corporation but it is not up and running).
- 9. In terms of managing the proposed scheme, the Pygma Report (on which much of the draft document is based) strongly recommends that the DoC does not manage the scheme, but that it transfers areas of support to existing and mandated bodies such as the MDDA, ICASA, the National Electronic Media Institute of South Africa (NEMISA) and USAASA. This view is reiterated in the Sol Plaatjie Institute for Media Leadership (SPL) report on appropriate models for implementing community television in South Africa.
- 10. The Pygyma report also identifies the following policy issues that the DoC should prioritise and clarify such as: class licences, including spectrum licence requirements (the current set up does not work); signal distribution; Universal Service and Access Fund (USAF) contributions; audience research; copyright; and community awareness creation regarding their rights to create their own media.

2.4 Discussion

A plenary discussion brought up the following points:

- 1. Government has a responsibility to communicate with its citizens. Government engagement and support must be done in ways that prohibit state and commercial interference with content so that community broadcasters can keep to their principles and mandate.
- 2. The draft document proposes a much larger role for the Minister than should be her/his mandate.
- 3. Government clients have been part of the frustration of compliance for broadcaster(s). A case study (Radio Teemaneng in the Northern Cape) demonstrated how late and / or non-payment by government clients have resulted in the denial of core compliance documents e.g. Tax Clearance Certificates. For the Station, this has meant that an attachment order has been issued against it, and it faces having its equipment sold in execution. (Radio Teenameng received an undertaking from the MDDA that it would be supported to sort out this problem.) An annual application process seems to imply this problem may grow rather than diminish. It was noted that government is struggling to honour its commitment to a 30 day turnaround in its payment process. Pretoria FM also gave an example of how it had been sent between the DoC and MDDA in trying to procure a subsidy, and is now reliant on a business to support its operations. It is imperative that the DoC finds new solutions to support compliance and access to subsidies.
- 4. Concern was expressed that if government considers commercial funded broadcasters as being commercially owned and / or controlled, would it view state funded broadcasters as state-owned?
- 5. GCIS is not spending enough on community media. Government advertising spend for community media is set at 30% of its budget. In reality community media receives much less than this.
- 6. From the description in the draft document it appears that none of the existing community TV broadcasters will see any support for various reasons including commercial-based models and statutory non-compliance.
- 7. The emphasis on "investment", "economic stimulation" etc. does not fit the existing framework where community broadcasters (particularly TV) are required to be not-for-profit.
- 8. The model being proposed appears to be weighted very much in favour of the provincial broadcasting model. It is not clear how this will align with the existing legislative and policy framework
- 9. The misalignment of skills supply and demand is complicated by the fact that community broadcasters are not in the same financial position as commercial broadcasters, resulting in a brain-drain from one to the other. Effectively, what is happening is that community broadcasters end up training professionals for commercial broadcasters for free. This impacts directly on prospects for long term viability.
- 10. The Scheme must distinguish between public and community broadcasting, each with their specific obligations.
- 11. A proposal was made that there is a need to look into whether and how small commercial enterprises can begin to operate in the sector as a strategy for promoting sustainability. (Discussion about the economic and investment realities, and how investment into community broadcasters requires establishing a clear return on investment to make them viable candidates for non-state investment.)
- 12. It is not useful to build a strategy on the assumption that a 24 hour community station can be run with 12 people unless it has commercial support. By way of a case study, 1KZN has a staff complement of 52.
- 13. Issues of ownership and governance are important to the MDDA. It wants to fund community stations but stations need to meet stipulated requirements, including issues of ownership. Unfortunately the MDDA has an enormous backlog in dealing with grants (it

currently has 90 applications pending), and very limited resources. It is encouraging Local Municipalities to provide support – to this end it is engaging with the South African Local Government Association (SALGA). It cited the City of Tshwane as an example of a municipality currently supporting community stations, and encouraged community stations to proactively engage with their local government authorities to receive support.

- 14. It was noted that the MDDA is <u>not</u> a government entity it was set up to be independent of government. In terms of policy and legislation, the MDDA has chosen for government to be its stakeholder but this is problematic in terms of independence.
- 15. There is no need for a panel (requiring new budget and skills). This is the role of the MDDA. The MDDA must be supported to deal with its backlog.
- 16. The DoC noted that both it and the MDDA currently have a huge number of applicants. The DoC disburses money on an annual basis; MDDA on a quarterly basis. When applying for money from the MDDA a letter of support is required from the DoC for infrastructure support.
- 17. The DoC assured participants of the independence of ICASA and its distinct role. It said that some of the inefficiencies in support provision by entities has been as a result of a break down in the steps followed by broadcasters to secure funding.

3 Feedback and recommendations to the DoC

3.1 The following is supported by participants:

1. It is appropriate that funding and support is focussed primarily on rural and under-resourced stations.

3.2 The following is supported by participants, but with qualifications:

- 1. Governance of stations is receiving attention. This is good, but requires detail, as well as a fleshing out of options for broadcasters (e.g. non-profit company, voluntary association, trust). There is also a need to recognise that conflict over resources often underlie governance problems.
- 2. It is important that radio and television broadcasters are considered and accommodated differently because of the different operational models and requirements across the two mediums as well as within mediums. However, the 70% / 30% split is vague and unhelpful without putting a monetary value and projections for the duration of the scheme and unit to the allocations.
- 3. Assistance with regards to the Southern African Music Rights Organisation (SAMRO) is welcome. This is an important area that requires additional prioritisation.
- 4. The Scheme will cover maintenance and replacement of equipment. This is good, and must be for AM stations as well as FM.
- 5. Research is necessary and important. It is proposed that the Broadcast Research Council of South Africa (BRC) is funded to ensure independence. It must provide accurate and up-to-date research for evidence-based policy interventions, and enable community broadcasters to tap into the > R6 billion revenue that went into radio in the last year (refer to *PwC Media Outlook* for further data.)
- 6. A vision for the roles of the MDDA and USAASA is good. However, they must be empowered and resourced to play their legislated and mandated roles and responsibilities, and the DoC should not encroach on these. This represents a duplication of funding and budgets that must be avoided. Further, there must be mechanisms to measure improved delivery.

- 7. The inclusion of self-providing stations is good. However, funding must be found for all of them or the caveat "if funding is available" is highly likely to mean they will be excluded from subsidies.
- 8. In principle, the concept of provincial broadcasters can work. But the draft strategy does not say what they will look like. They must not be quasi-government structures.
- 9. It is important that the draft strategy proposes sustainability-promoting interventions. But it is very thin on this, and must take cognisance of the fact that many stations will never be sustainable without subsidies.
- 10. The Strategy must clarify what support has been earmarked for training.

3.3 The following is not supported by participants, and the DoC must cognisance of these concerns:

- 1. The current role confusion between the DoC, Minister of Communications, and existing agencies such as the MDDA, ICASA, NEMISA and USAASA must be dealt with. The DoC must not set up its own Unit. It must confine its role to policy formulation, and the other agencies must be empowered to play their mandated roles.
- 2. The powers and scope of the role of the Minister regarding local content, and length of contracts and copyright are unnecessary and open the door for political capture. These are already covered in licence agreements and agreements with SAMRO.
- 3. There is a serious concern about the relationship of power and control that comes with direct state funding and involvement in the content development process. What will this scheme and unit mean for the independence of cash-strapped broadcasters who may have dissenting views to those of the state at national, provincial and / or local level? (It is noted that these concerns exist with commercial funding as well).
- 4. Timelines must be given for implementation of the Scheme.
- 5. "Community", "community of interest" and "geographical community" need to be clearly defined, and outside of vested commercial, political and other sectarian interests.
- 6. "Local" languages needs defining it must include more than the official languages.
- 7. As part of the funding model, it is necessary for industry and government to increase their advertising spend on community broadcasting; and this must be based on listener- and viewership, and not adherence to commercial or political interests and agendas. Community broadcasters must be assured that this Scheme does not represent an attempt to enable state or commercial capture of community broadcasters.
- 8. The funding model is based on government subsidies and advertising. A more creative model must take cognisance of potential income streams such as selling airtime to government and others (e.g. religious organisations), training and skills development by stations, and grant makers. (An area for development is for people to gain skills to obtain money from grant makers.) It is imperative that a mixed and realistic set of funding models be adopted.
- 9. The budget allocation is based on percentages. This is not helpful. Unless these percentages are quantified it will not be possible to know whether the allocation proposed for community radio (30%) will be less than its current budget allocation and / or an adequate allocation. Clarity is also required on how much will be given to whom, and based on what criteria. Detailed calculations are required. DoC funding is provided for in government's Medium Term Expenditure Framework (MTEF) so it is not known how more money will be made available.
- 10. It is not clear what the "business model" for community TV looks like. There is mention of strategic investment required which is in conflict with the law which states community broadcasters must be not-for-profit.

- 11. The funding application process must be simplified, and capacity must be built within stations to secure funding. The DoC should provide funds, and the MDDA should administer disbursements.
- 12. Community TV must cover provincial and local events and not just national events (such as the State of the Nation Address).
- 13. Clarity is required on what will happen after the three years of the Scheme particularly as it is incorrect to assume that community broadcasters will have become financially sustainable within that time period.

3.4 New issues participants would like to see added to the draft strategy:

- 1. Subsidies must include digital broadcasting (DRM and DAB+) for radio.
- 2. It is not appropriate for the scheme to ignore the implications of the digital migration for community TV broadcasters, particularly technological and cost implications.
- 3. Government should have a clear strategy to use community broadcast media to launch digital terrestrial television (DTT). This could be done in local languages and take many formats. A clear budget must be set aside for this. (The role for community television to help drive the take up of DTT technologies by the public is supported by the SPL research).
- 4. Build the capacity of the MDDA to ensure a faster turnaround of support funding. This must include a strategy for turnaround and stability within the MDDA.
- 5. The DoC must facilitate engagement between the community broadcast sector and state agencies and parastatals e.g. Telkom and Sentech.

4 Evaluation and closure

4.1 Evaluation

A brief evaluation of the session elicited the following comments:

1. What was of value?

- Individual stations were enabled to share views and were provided with a platform for input and consultation [towards making submissions on the draft Community Broadcasting Support Scheme to the DoC].
- It provided a good understanding of common community broadcasting problems, especially in rural areas.
- The discussions raised a number of points that elucidated the practical problems encountered by the sector.
- Very informative (particularly regarding funding and different models) and educational (x2).
- The SOS presentation was simple, useful and clear (x2).
- The sessions were powerful.
- "Clarification of the issues in our minds was priceless".
- Very participatory, and great to interact with and get inputs from DoC and other stakeholders (x2).
- Great deal of consensus reached.
- Networking with other stakeholders.
- Convivial spirit of the discussions.
- Good cross section of community broadcasters represented (x2), as well as DoC, NAB, NCRF and the MDDA (x2).
- Outstanding facilitation (x3).
- Issues were easily tabled and discussed.
- · Well organised.

• Good venue, hospitality and informed company.

2. What could be improved?

- Ensure stakeholders (NCRF, NAB, MDDA and ICASA) have 10 minute presentation slots (x2).
- Had there been a longer lead time perhaps more community media would have been able to attend (acknowledging this was not the fault of SOS).
- Bring in more sector representatives (x2) (bearing in mind resource constraints).
- Ask people to come with written recommendations that could be submitted during the session.
- Extend the length of the session (i.e. to two days) (x3), even if participants are asked to carry some of the costs.
- Groups were too big for focussed discussion.
- More direction to be given in the group session.

3. General comments on discussion and process

- SOS leadership in engagement with different stakeholders to be commended.
- A hope that input will also be sought from audiences.
- We need more of these workshops and debates.
- It is useful to hear about the issues that impact upon the sector's ability to perform optimally.
- The lack of institutional capacity of state programmes is an enormous problem.
- DoC should set policy and not administer content.
- If the majority of funding is to flow to rural community media then these stations must be included in DoC's consultation process.
- Timelines from DoC are key to get action with this initiative.
- Keep updated mailing list and cell numbers of allies to ensure ongoing communication.
- Ensure feedback.

4.2 Closure

Mr Phamodi thanked

- Participants for their commitment, contribution and attendance. Apologies were made to those affected by the miscommunication about time.
- The Open Society Foundation South Africa (OSF-SA) for making the event possible.
- Constitution Hill for making the venue and other facilities available without charge.
- Ms Pather for outstanding facilitation.
- Ms Lweendo Hamukoma for outstanding logistics and support within very tight time constraints.
- Ms Kerry Barton-Hobbs for rapporteuring and undertaking to produce a report within limited time frames.

He outlined the process forward as follows:

- 1. The Report will be compiled and distributed soonest (to aim for close of business on Wednesday 23 September 2015).
- 2. SOS will compile a submission based on these deliberations and engagement within sector, and will make a draft available on its website (www.soscoalition.org.za) by 28 September 2015 to support the drafting of submissions by others.
- 3. Attendees are encouraged to write their own submissions, and may look to SOS for direct support.