MEMORANDUM TO THE OFFICE OF THE PRESIDENCY, 17 July 2019
Community radio, print and TV sectors

Since the dawn of democracy in South Africa, the country has made impressive gains in the promotion of media diversity through support for emerging, small commercial newspapers and community broadcasting services serving the majority of the people who were previously excluded.

In the early 90's media activists, many of whom are in this room today, fought for the establishment of the Media Development and Diversity Agency, tasked with the supporting community and independent media in South Africa. Since then the regulator has license over 200 community radio reaching an estimated audience of 8 million and 6 community TV stations reaching an estimated, collective audience of 14 million.

Community Newspapers by Independent publishers print in excess of 6 million copies per month with a readership that exceeds 20 million South Africans in all 11 official languages. Collectively the sector employs tens of thousands of previously disadvantaged individuals countrywide.

Unfortunately, in the last decade or so, these impressive gains have been rolled back as stations have struggled for survival in the face of weakened institutions (MDDA, GCIS and ICASA), state capture, government complacency and failed promises.

Year after year the sector attends "engagements" with the DoC, GCIS and the MDDA. Every year we regurgitate the same challenges and propose the same solutions. Every year the government and its agencies promise to address the issues and then nothing is done.

This year is different. The community media sector is on the verge of collapse with an estimated collective debt sitting at around R180 million. This is made up largely of debts to SAMRO & CARPASSO, SENTECH, SARS and rental. As we speak stations are being served eviction notices from their premises, retrenching staff and getting deeper into debt.

It makes no difference whether the MDDA and GCIS report to the DoC or to the Presidency, as long as something is done. The sector simply cannot be allowed to fail.

We call upon the Presidency to implement the following immediate measures:

- Provide emergency relief funding to pay off the collective debt to SARS, SENTECH, SAMRO & CARPASSO (paid to stations or directly to debtors – to avoid CSD challenges) - R150 million for radio, R15 million for TV and R15 million for print.
- Increase MDDA budget to allow for annual grant for all community broadcasters and increased support for print publishers.
- Build MDDA capacity at board and operational level to speed up grant approval and disbursement.
- Implement the Parliamentary Portfolio Directive (Nov, 2011) to spend 30 % of government adspend on community media.

Additional measures to improve the sustainability of the sector are outlined in the table below.

PROBLEM ANALYSIS

Problem	**Solution**
Advertising revenue: • GCIS and other government are failing to adhere to the parliamentary portfolio committee directive to allocate 30 % of govt adspend to all community media. • Local, commercial and community media find it difficult to tap into commercial advertising revenue because they are unable to access accurate audience numbers via the official channels of BRC and Nielson.	• Cabinet to instruct all departments to allocate 30% of advertising to all community media sectors. • Adspend to be allocated fairly across all platforms and not favour some stations over others. • Insert Vuk'uzenzele into community newspapers for wider circulation • GCIS to commission an investigation/ research into BRC/Nielson audience research methodology and make recommendations needed to drive transformation.
Lack of functionality of the MDDA: • The MDDA has become arrogant, inaccessible and non-responsive to our needs. • Insufficient budget to meet the needs of the sector. • Weak board – lack of quorum. • Long bureaucratic delays in grant-making and disbursements. • Key staff positions at the MDDA are still "acting". These posts are filled by government deployees which threatens the independence of the MDDA. • The MDDA is pre-empting the role of ICASA by funding unlicensed community TV initiatives. • MDDA is doing little to unlock funding from other sources. • New contractual obligations for board members to sign surety for grants is unprecedented and, arguably, unlawful. • Competition Commission fined the large printing houses for collusion and paid funds to MDDA	Strengthening of the MDDA through: • Adopt the principle of an "annual grant" to assist all community media to fulfil its mandate. • Preserve and defend the independence of the MDDA. Fill all "acting posts" through open employment practices. • Appoint a community media rep onto the board of the MDDA. • Implement performance targets to improve efficiencies and turnaround time for grant application processes. • Staff to play a more active role in advocacy efforts aimed at unlocking funding from bodies such as the Lottery and the MICT Seta. • Remove recently introduced requirement for Board members to sign personal surety for MDDA grants. • Contributions from commercial media to be regulated and not voluntary. • Need clarity how the funds have been used, and want it to be used for the growth of small print companies

Community media compliance: • Non-compliance with CSD is a *result of* financial sustainability issues. Lack of compliance gets stations further into debt. • CSD not suited to non-profit organisations.	• Once-off bail out paid directly to debtors will help stations to get back on the feet. • CSD needs to be adapted/suited to non-profits.
ICASA/policy makers: • Ongoing policy uncertainty. • Indiscriminate licensing practices – ICASA issuing licenses to stations that don't have capacity and mandate. • Lack of monitoring of community TV. • Re-licensing stations that are obviously non-compliant. • More than one station licensed per area result in competition over limited advertising.	• Complete broadcasting policy review process. • Disciplinary steps with revoking licenses as a last resort for non-compliant stations. • Implement rigorous licensing processes. • Ensure that there is no more than one community radio/TV per area to limit competition over limited advertising. • Implement must carry, must-pay obligations for all free-to-air stations on DStv.
• Community media sector to address its weaknesses in governance, operations, programming, sustainability and compliance.	• NCRF and other associations to develop standards of excellence and engage in capacity building interventions aimed at improving governance, operations and sustainability of stations. • Ensuring democratic governance: all records of community stations to be transparent and all general meetings to be open as per constitution / MOI. • Improved networking and coordination in the sector.

ISSUED by

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