
Theme: Building a resilient public broadcaster
Date: 6 - 7 September 2018
Venue: Gallagher Convention Centre, Midrand, Johannesburg, South Africa

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Department: Communications
Republic of South Africa
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Executive Summary

On 6 and 7 September 2018 the Department of Communications hosted the South African public broadcasting policy review colloquium, bringing together government stakeholders, public and private sector interest groups and civil society organisations to engage on issues impacting the SABC and provide insights into policy recommendations ahead of planned changes to the SABC. The event was widely attended, with the Minister of Communications, Deputy Minister and Director General of Communications also present.

Topics covered include the following:
- Challenges and opportunities facing the SABC – what next?
- Public broadcasting – an oversight perspective
- The public broadcaster we want
- Public broadcasting trends, challenges and opportunities
- Public broadcasting of the future, the use of algorithms and how the SABC as a major OTT player or e-content platform will generate revenues and transform public broadcasting in South Africa. What is the ideal human resources and oversight body?
- Current environment: lessons and cost drivers, views from public broadcasters
- Consumption of public broadcasting services
- Current environment: lessons and cost drivers: views from public broadcasters
- Public broadcasters for regional development, integration and cooperation
- Regulatory capacity
- Critical challenges of nation building facing South Africa today and the role of public broadcasting in a constitutional democracy.

Engagements took the form of plenary discussions and break-away commissions that were individually themed in line with SABC specific challenges. The four breakaway commission themes focused on the following key areas:
1. Mandate, size and scope (developmental and commercial) and content of interest, languages, foreign policy and universal access
2. Funding and sustainability (commercial vs developmental mandate)
3. Governance and accountability
4. Strengthening policy, regulatory capacity and oversight.

Objectives
- Identify critical challenges facing South Africa’s public broadcaster.
- Share industry best practices, insights and knowledge to determine a way forward for the public broadcaster.
- Determine specific policy change recommendations to move SABC forward and build a more resilient SABC.
- Gain perspective on industry best practices and draw lessons that can be applied and adopted for the SABC.
- Provide a platform for diverse representation in building the SABC we want for all South Africans and the region.
- Engage critical stakeholders to the SABC to contribute towards the rebuilding of the broadcaster.

Participation
More than 100 delegates representing different stakeholders to the SABC attended the colloquium, with international and regional speakers presenting and sharing their experiences in public broadcasting, some successes and challenges and recommendations. Industry veterans, film makers and broadcast experts contributed extensively towards the discussions.
Seventy-two organisations comprising advocacy groups and government departments were represented at the colloquium. The event was live streamed and the SABC covered the proceedings through the two-day discussions.

Below is a report on the engagements and recommendations made ahead of the envisaged changes aimed at strengthening the public broadcaster.
Day One: Tuesday 28 August 2018
Session 1: Opening

Proceedings officially opened with the singing of the National Anthem.

Programme Director: Mr Theo Sibiya

Kick-starting the first day of the two-day colloquium on the South African public broadcasting policy review, the MC, Mr Sibiya, welcomed all delegates and observed all protocol, acknowledging the Minister of Communications, Deputy Minister and Acting Director General, members of parliament and special guests. Positioning the colloquium, he noted that the engagement is a significant milestone aimed at helping address mission critical objectives around the public broadcaster. It aims to set the scene in directing the country in terms of where we need to go as a country.

He encouraged that the colloquium dialogue should reflect the different views, thoughts and ideas for a more robust discussion. Directing comment to the board, he said that the SABC board needs to accept that there is a need for change as a public broadcaster and as a country, and the time is now to embrace change. We cannot come out of this conversation and end up doing the very same things we have been doing for the last decade and hope that we get different results. We owe it to ourselves to think differently and to do things differently from this point on. With that said, discussions of the day commenced.

Welcome note: Dr Mashilo Boloka, Acting Director General of Department of Communications

Dr Boloka observed all protocol and welcomed all delegates to the South African public broadcasting policy review colloquium. He highlighted the importance of the SABC within the South African broadcasting context. Following on discussions from parliament in May 2018, he shared that a commitment was made for this year to prioritise creating a vision for broadcasting in South Africa. The vision will be premised on the principles of the National Development Plan (NDP), which is the overarching economic plan for the republic. At the heart of that vision for broadcasting is the public broadcaster, because public broadcasting is at the heart of any country. In South Africa this is critical, as the SABC as a public broadcaster is the nerve centre of the industry and when the SABC is not feeling well none of us can be well. He noted that the solutions from the discussions will be used to inform a way forward in addressing critical issues impacting the public broadcaster.

Opening and welcome: Purpose of the colloquium: Ms Pinky Kekana, Deputy Minister of Communications

Speaking about the purpose of the colloquium the Deputy Minister highlighted the following:

Purpose of the colloquium

- The colloquium presents the opportunity to fix the old and create something new.
- The converging of government and experts in the broadcasting sector presents opportunity to contribute towards a new dawn for the broadcasting sector.
- It presents the opportunity to look back, look at the present and to look ahead. Collectively, there is a need to look back at what we did in the past and ask not only what we did wrong but also what we did right.
- In turn, this presents the opportunity to discard and learn from mistakes made.
- Of importance is to not look back too long, but to look at the present and analyse exactly where we are so that we look forward and understand fully what is required of us in the future.

Industry changes and how will we as South Africans respond?

Ms Kekana noted that over the years there have been some rapid changes in the broadcasting sector. These rapid changes in the media and broadcasting sector are primarily driven by a digital shift and to some extent the growing number of connected citizens, the development of mobile telephones and how mobile broadband adapt. The growth of digitisation for the media landscape also has a structural effect and certainly requires of broadcasters to redefine their business models and for government to recalibrate legislator framework.

It is envisaged that a number of changes are still to come. The ability of citizens to self-serve on the entertainment they desire will increase, and smart devices will grow. Experts estimate that global paid TV growth will hold the top OTT online options influencing citizens’ preferences, ultimately leading to code carding subscribers dropping their paid TV services altogether, and a higher degree of code sharing; that is, subscribers signing up for smaller, cheaper, self-selected bundles of services. It is within this setting that the public broadcaster, the SABC, finds itself, with all these developments in the sectors.
We are now more than ready, more than ever required to transform over multiple dimensions. The future of broadcasting is one of the things that will shape the future of our country. Broadcasting is an essential tool for development. By thinking about how we can increase how much gets spent on journalism, local content development programmes, on music, connecting people and projecting the cultural life of South Africans, we have the opportunity to lay the foundation for a well-informed nation.

Ms Kekana emphasised that the actions at the colloquium can help build a socially cohesive nation as mandated by the National Development Plan. The power to transform this nation starts here and now. The critical question which this colloquium must interrogate is how do we as South Africans respond?

**Challenges and opportunities facing the SABC – What next?**

**Mr Bongumusa Makhathini: Chairperson: The South African Broadcasting Corporation (SABC) Board**

In his opening, Mr Makhathini noted that the colloquium comes at a crucial and exciting time for the SABC as it continues the process of rehabilitation as the public broadcaster.

He shared the following on current issues and progress made within the SABC:

- While the SABC is still dealing with the financial consequences, good progress has been made in trying to stabilise the broadcaster, strengthen governance and regain integrity.
- The board and management now have a very clear vision for the public broadcaster that sees a fixed SABC to ensure viability and financial sustainability. To achieve this vision, there is a need to carefully manage and restore the corporation in order to fulfil its unique public mandate.
- The SABC has also focused its attention on issues that require urgent policy, regulatory and legislative attention.

**Challenges facing the SABC**

- The challenge of public finance
- The significant competition faced by the SABC on both legacy and digital platforms
- The role of the SABC has been questioned, mainly its role of public broadcasting and whether it is needed in South Africa today
- Reduced potential revenue creates unfair and anti-competitive conditions.

**The SABC perspective**

- Sustaining the public broadcaster requires smart, innovative policies plus very strict management. The SABC board believes that public broadcasting has an even more important role to play in the world dominated by privately owned, often global, entities that are primarily driven by poor commercial interest.
- The SABC is the representative of the soul of the nation and the creative potential, and is one of the backdrops of South Africa’s culture, showcasing it through television broadcast productions, film, radio shows and our music, in all our languages.
- Not all media and news should be privately owned.

Most importantly, having a publicly owned national broadcaster is a necessary condition for the success of our democracy including the ongoing goal of social cohesion. The courts have in fact described the SABC as ‘one of the key social pillars of our democracy’.

Mr Makhathini argued that the question should not be whether we should have a public broadcaster in this country, but should be how do we ensure that the SABC and its unique public service mandate is sustainable in a highly competitive world?

Under the leadership of the SABC group CEO, Mr Madoda Mxakwe, the SABC has developed a new strategic roadmap aimed at ensuring that it is able to operate competitively in an evolving digital landscape for the fourth industrial revolution, while at the same time fulfilling the public mandate to provide informative, educational and entertaining content for all South Africans.

The SABC is fully aware that to deliver this public service mandate requires long-term financial sustainability, and the SABC board and management have conducted extensive oversight and analysis on where the problems lie and what needs to be done. We believe that the SABC can be financially viable and sustainable on the basis of a strengthened mixed funding model. This will require significant organisational change and at the same time the creation of a conducive policy, regulatory and legislative environment, while the SABC addresses its cost base and transforms the public broadcaster into one that is fit for purpose.
Recommendations
The SABC's unfunded public mandate must be addressed through review of legislation and regulation that have collectively led to an exponential increase in the cost of public programming.

In its written submission, the SABC detailed amendments that are required for the Broadcasting Act, the Electronic Communications Act, television licence fees regulation, sports sights regulations and the DTT regulations. Its proposals on legislation, licensing and regulation can be debated in other sessions during the colloquium. The following are some of the key issues:

The SABC’s strengthened mixed funding model is based on a fit-for-purpose cost base, stronger commercial revenue generation through improved advertising, sponsorship and fees for all our channels, government grants and sponsorship to keep the public programming mandate and the much improved television licence fee collection system.

TV licencing: What can you get for 72 cents a day?
Raising the very important question of TV licence fees and collections, Mr Makhathini noted that the TV licence fees still remain the second largest source of revenue for the SABC. There is a need to rebase the fee and strengthen the collection of this revenue.

The SABC television licence fee of R265 has remained unchanged since 2013. Currently the licence fee costs an average of 72 cents a day. In present day terms, one can buy very little with 72 cents.

Yet for 72 cents per day, the SABC is providing millions of South Africans with:
- 18 radio stations featuring all official languages
- hundreds of hours of South African and international music
- three TV channels and two channels on DSTV that include billions of Rands on commissioning South African television content
- sports programming
- television news production.

Mr Makhathini argued that in present day South Africa there is very little that one can buy for 72 cents and this is not a fair and sustainable model. He highlighted that the SABC strongly believes that an overhauled TV licence fee system can go some way towards funding the public broadcasting mandate.

Giving context on the number of TV households and businesses vs the number of TV licence-paying households, Mr Makhathini said South Africa has 40 million TV households and thousands of businesses. Of this, there are nine million licence accounts on the SABC database. Of this number, a relatively small number of people pay their TV licence; there are currently only approximately 1.8 million TV licence-paying households and businesses.

Considerations
To properly run the public broadcaster, there is a need to create a culture of increased TV licence payments. Mr Makhathini emphasised that more can be done to improve revenue from TV licence payments and made the following recommendations:

- Compliance with TV licence payments should be tightened to the point of sale with other transactions relating to television sets.
- The SABC has submitted that a new, broadened definition of television set should be included in the Broadcasting Act in order to enforce greater compliance regarding the payment of licence fees. Reporting obligations need to be broadened to include insurance companies and pay TV operators.
- There needs to be stricter enforcement and penalties for non-payment of TV licence fees.

He explained that the TV licence fee is not the same as a subscription fee charged by pay TV broadcasters. It is also not linked to how much you consume or watch SABC content. Rather the TV licence fee is an established internationally accepted statutory funding mechanism for public broadcasting.

Content:
- A key aspect of the SABC’s mandate should be to develop creative content. However, the SABC should shoulder this obligation with other players, as this responsibility cannot be left to the SABC to carry alone.
• Focus must be placed on how the existing content funding bodies can be consolidated, strengthened and better resourced in South Africa, as most of these funds have been dispersed to feature film production by providing more funding for independent television producers.
• Content funding should share the obligation with the SABC and other broadcasters and also ensure that producers are able to retain greater share of the rights post initial broadcast.
• The only way to retain relevance and retain large audiences is for the SABC to continue to focus on making excellent television and radio content, and should include commission programming that excites, entertains, challenges and is of a disruptive nature in order to advance programming and ensure programming inclusivity, programming that speaks to:
  - the broadcasting needs of people with disability
  - production that exposes gender-based violence to discourage and undercut stereotypes
  - programming that appeals to the youth
  - programming that appeals to the 46% of South Africans under the age of 24
  - news programming that is not just independent and impartial, but that reflects the length and breadth of this country in a way that no other broadcaster can.

**SABC recommendations made to government:**
Consolidate and strengthen funding mechanism for audio-visual content as well as implementation and development of content hubs in all provinces.

**Carriage fees:** In addition to improved TV licence fee collection, the SABC board has identified carriage fees as another way of generating more revenue for the public broadcaster. In the past 11 months, the Board has been calling for a reviewed “must carry” regulation by ICASA. A formal request was made to ICASA in November 2017 to bring regulation in line with the enabling legislation.

**Sports rights:** With respect to the loss-making element of the SABC’s public mandate, a bigger drive has been the sports rights. The SABC intends to engage ICASA during the review of ICASA’s sport broadcasting regulation to look at the issue of national sporting events, sub-licensing conditions and the pricing of sports rights to address uncompetitive concerns. The billing process for subsidiary rights should specify that the process of determining subsidiary rights be fair and have set criteria on which fairness will be judged. There needs to be implementation of anti-hogging and anti-subbing provisions; these are the things that we need to focus on when it comes to sports broadcasting regulation. We also believe that ICASA’s sports broadcasting regulation should expressly state that coverage of listed national sporting events is dependent on their commercial affordability by free to air broadcasters. There are no real checks and balances on the pricing of these rights and with the mandate requirement on the SABC, it is currently a seller’s market which makes it unaffordable and unsustainable for the SABC to cover such programmes.

**SABC funding model**
Mr Makhathini shared that the SABC has agreed to cover costly loss-making elements of the public mandate; however this may still not be achieved without additional government funding. He noted that currently government grants are only 3% of the total SABC revenue stream. He explained that:
- The SABC intends that carriage fees from channels such as SABC News, Encore and fees that the SABC should be receiving from other broadcasters for SABC 1, SABC 2 and SABC 3 must become part of a more significant commercial revenue stream for the public broadcaster.
- Advertising and sponsorship should remain part of the mix for generating revenue for the public broadcaster.
- In addition to advertising and sponsorship, given the historical legacy of our mixed fee funding model, there is a need for commercial revenue (over R5 billion), the SABC should be able to provide the current length and breadth of radio and television services to all South Africans.
- It is critical to re-imagine public broadcasting in a multi-channel digital age.

Mr Makhathini asserted that the SABC is fully committed to its public service mandate and the board and management are determined to run the SABC efficiently and effectively in line with all the applicable legislation and to steer the public broadcaster to long term sustainability, working closely with all SABC stakeholders.
Public Broadcasting: An Oversight Perspective: Mr Lerumo Kalako: Whip of the Portfolio Committee on Communications

In his presentation Mr Kalako highlighted that broadcasting is one of the most important mediums through which the right to freedom of expression, for example to receive and impart information and ideas freely without interference, is realised. He articulated the obligations of the public broadcaster as follows:

Obligations of the public broadcaster
- With the country and continent’s high levels of illiteracy, the public broadcaster has a critical role to play in the building of a democratic ethos and human rights culture.
- Development and democracy cannot thrive without open and free space, where all issues concerning people’s lives can be aired and debated to inform decision making.
- The SABC has a critical role to play in providing genuine access to information. Genuine access depends not only on the existence of channels but on their effective distribution, availability and affordability; and access to choice relates not only to the range of information, education, entertainment available but also to access to a diverse range of languages, cultural, religious and regional groups.
- The SABC remains a vital source of information for the majority of the people in South Africa. As the public broadcaster, it is critical that the SABC gives its viewers and listeners content that not only reflects the diverse nature of South Africa but also helps South Africans learn and react to the world and the issues around them.
- The public broadcaster, the SABC, is the only broadcaster tasked in terms of law with making its services available throughout South Africa. Other broadcasters have their respective coverage areas prescribed through their licence conditions.
- The SABC has special obligations with regard to universal services and access.
- The Broadcasting Act of 1999 stipulates that the SABC has to make its service available throughout the Republic.

He noted that section 8a speaks to the mandate of the public broadcaster in broadcasting in all official languages and section 10 (1) provides a broad definition of universal access to broadcasting as formulated by the then newly established broadcasting regulator, the Independent Broadcasting Authority, in 1995. The concept extends the notion from the perspective of simply receiving information to the kind of information, being communication, the degree and terms.

SABC financial perspective
Mr Kalako highlighted that the SABC continues to rely predominantly on commercial revenue:
- 80% of its income is from advertising and sponsorship
- 18% is from licence fees
- 3% is from government funding.

He argued that in order to ensure continuous democratisation of the SABC and to build a solid foundation for the future, there is a need for:
- more digital engagement
- a new and transparent funding regime
- future-looking policy and legislative development
- well-resourced regulator in the form of ICASA
- a major new fund for public service content which will be made available to cultural institutions and SMMEs that are not already engaged in commercial media or broadcasting.

In order to accomplish any of these, the SABC must grow its revenue base.

Mr Kalako noted that the SABC has faced a number of challenges, most of which were as a result of misalignment of the government structures to the organisation. The biggest challenge is that the reality of advertising cutbacks and low government support poses a significant risk to the SABC’s sustainability.
The role of parliament

Members of Parliament and parliament as an institution have an important role to play in ensuring that through oversight and accountability, free to air broadcasting, particularly public broadcasting, is taken to the future. Members of Parliament and parliament should ask the following critical questions about the SABC and honestly address them, given the challenges that the public broadcaster has faced over the years:

1. What is the future of television in an era of extraordinary technological change that has brought new challenges to the established broadcasting companies?
2. Who should it be aimed at?
3. How will it be paid for?

He noted that if parliament and parliamentarians could honestly address these questions, then the SABC will be able to articulate the voices and experiences of all South Africans. Of importance is that parliament and its members protect and enhance SABC’s accountability through being independent of major vested interests.

Over and above ensuring adequate funding of the SABC, it is important that parliament exercises robust and proactive oversight over the public broadcaster, which will ensure that there is good governance.

Recommendations

- Enhance the SABC’s development agenda.
- The entire broadcasting sector as it stands needs to be reviewed for the purpose of levelling the broadcasting landscape in favour of providing services to the majority of South Africans. Broadcasting must become a tool for socio-economic integration as articulated in our Constitution.
- Through the Portfolio Committee on Communications, parliament must ensure that board vacancies are filled timeously to avoid a situation where the board is hampered from making urgent decisions required by a rapidly changing technological environment.
- In the event there are board resignations or in the event that the term of a board ends, parliament must ensure that it conducts exit interviews to see how things can be improved from a parliamentary oversight perspective.
- Most importantly as parliamentarians, put political differences aside when appointing board members. Appoint individuals with the expertise that will meet the demand that comes with a dynamic and changing sector.
- The SABC requires a more proactive regulator that can effectively institute tools as a means to circumvent current regulatory efforts.
- The best way of protecting the SABC’s institutional autonomy and public accountability is through parliament’s active involvement in appointments, removals and general organisation oversight.

In conclusion, Mr Kalako highlighted that the funding challenges faced by the corporation cannot be emphasised enough. He appealed to creditors and those who are owed by the public broadcaster to bear with the SABC while provision is made to obtain funding.

Key note address: The Public Broadcaster we want: Ms Nomvula Mokonyane: Minister of Communications

In her opening address, the Minister acknowledged representatives of parliament, CEOs of state-owned entities, the select committee of Public Enterprise from the National Council of Provinces. She said that the challenges that the country is going through are not isolated from the global challenges we are currently seeing.

The significance of the public broadcaster cannot be overstated and the influence which the public broadcaster has on the greater population is immense. Without a doubt the public broadcaster, the SABC, touches all of us. Millions of South Africans are highly dependent on the public broadcaster. Beyond the organisation of tier broadcasting, everyone has a soft spot for the SABC as a public broadcaster and we cannot be happy if the SABC is not well; because the SABC is the pulse of our nation and the window through which our culture and heritage are seen. If that window is misty or smoky we cannot see outside, neither can the world outside see South Africa.
The Minister explained that as far back as 1992, the secretary general of the ANC, Cyril Ramaphosa, in a speech delivered at the launch of a campaign for independent broadcasting on the 14th of November 1992, wrote:

“The ANC is committed to public broadcasting which is independent of the day and which owes its loyalty not to any party but to the population as a whole. We propose, in other words, a broadcast service committed to providing full and accurate information to all South Africans and which is protected from interference by any special interest, whether they be economical, political or cultural”.

At the time, he was not the President, nor were the current challenges with the SABC today envisaged. According to Ms Mokonyane, this statement is the foundation on which a true public broadcaster should be established and this should continue to be a reminder for policy makers about the SABC we want.

She highlighted that it must be placed on record that the last time such a focused discussion on public broadcasting was conducted was during the transition as part of removing it from the control of the repressive National Party government and repositioning it for a new democratic dispensation. This was particularly in anxious anticipation of the watershed 1994 general elections, which required a fearless public broadcaster that could provide news to all South Africans in a manner that is credible, impartial, balanced and non-partisan as envisaged in the broadcasting white paper of 1999 and the subsequent broadcasting Act.

The Minister highlighted that it has been 24 years since the consolidation of South Africa’s democracy and there is no clear definition of the type of public broadcaster we want. There is a need for a bigger project of nation building and social cohesion, concomitant with the 2030 vision espoused on the National Development Plan.

**Update on the comprehensive review broadcasting policy**

The Minister updated on progress with the broadcasting policy as follows:

- Three months ago, an announcement on the process of developing a comprehensive review of broadcasting policy as part of a repositioning plan for the industry not only focused on technological development and the legacy of the fourth industrial revolution but also on attracting investment.
- The separate process will allow South Africans to have a focused conversation on the SABC as a public broadcaster.
- In July in the Government Gazette the department requested South Africans to submit their views on a number of issues, in particular the mandate of the public broadcaster and the funding thereof. The government’s model and measure of accountability were among the key issues highlighted.
- The submission closed on the 31st of August 2018.
- The Department of Communications have received a sizeable number of submissions, thus confirming the interest in the SABC as a public broadcaster.
- Over the coming week, submissions will be analysed to establish how they can inform the reshaping of the public broadcaster in South Africa.
- The colloquium is part of the public consultation on public broadcasting, so that the task of building a true public broadcaster cannot be left to government alone but is an inclusive one. Both inputs from the Gazette and the colloquium will be incorporated and inform the broader policy review process.

The minister challenged delegates to make contributions and give ideas, share lessons learnt and advice, and provide solutions to the challenges identified with the SABC. She emphasised the importance of partnership in addressing the issues identified within the SABC, highlighting that government cannot hold the responsibility of dealing with all communication in South Africa; but should instead create an enabling environment, define policy boundaries and most importantly, ensure that everybody who has to execute the mandate is held accountable through the various entities within government.

**Critical questions to be addressed:**

- Of importance is to look at innovation associated with research and development as one of the areas of interest in investment in R&D and skills development.
- The gradual death of flexographic capacity in many of our South African languages, resulting in English gradually dominating some of the African language stations and inevitably diluting their own originality. This is a critical question that we also hope the colloquium will reflect on. In other words, redefine multi-lingualism in a rapidly integrated South Africa where the youth do not want to be defined within strict ethnic linguistic ladders but as fluid beings who criss-cross languages.
We need to look at questions raised by Limpopo students who raised the question of why, in a multilingual South Africa, we continue to have radio stations that broadcast on an exclusive linguistic basis.

In 1995, Robert McKinsley conducted research where he recommended the amalgamation of African languages at the SABC. The recommendation did not get traction at that time but does this mean it has to be revisited in the changing South African demographic profiles?

Research shows that the use of our African languages is on a decline. Of importance to note is that we need to explore and understand what defines a nation and whether the 11 official languages can really unite us?

When you look at the footprint of these languages and even the stations and their locations, is this another indirect perpetuation of separate development sugar-coated as diversity?

At what point will South Africa say we are the South African nation and this is the South African language? Or is it not time for us to look at those things? What makes a nation? Is it the RDP house? Is it the Gautrain? Is it parliament? Shouldn’t language be one of those?

Twenty-five years down the line we need to look and define a South African nation so that we do not continue to perpetuate those that continue to make life difficult around language use.

We need to really think about what exactly we are trying to do with languages, and this should be done together with the Department of Arts and Culture. What do we want to achieve with language without saying it has to be English, but a South African language. Who decides which of the 11 languages is prioritised, is important? That’s something to consider, to say it will be English and another language, and consideration must be given to the burden that this will put on broadcasting.

We must establish what kind of a South Africa we want to create post 1994.

Overall challenges of the public broadcaster

- Escalating operational costs that are associated with energy, signal distribution, content acquisition and personnel.
- Audience fragmentation due to the multi-channel environment.
- The proliferation of over-the-top and interactive and instantaneous media on-demand services.
- Declining public funds and frequent budget cuts, global economic downturns impacting advertising revenues, and migration from analogue to digital require hard choices on how we sustain public broadcasting services.
- Issues around efficiency, which is non-negotiable.
- Real time has become the main expectation.
- The SABC is not in a healthy financial position owing to an assortment of challenges that besieged it in the last few years.
- Some of the challenges are manmade and therefore could have been avoided.
- The majority of challenges that have besieged the public broadcaster are historical and structural. The issue is that instead of dealing with them, they are continuously deferred.
- The sustainability of licence fees as a revenue stream given the high costs of collection. In addition to the above we still have the hanging policy that emerged from transition, in particular the appointment of the SABC board through the parliamentary process and noting the events of the last 10 years again within parliament itself.
- The unresolved future of Channel Africa. These issues cannot be dealt with piecemeal, but require a comprehensive approach so that we can build an agile and resilient public broadcaster that is at the heart of South Africa’s nation-building project.

The Broadcasting Act was amended in 2002. The Electronic Communication Act further amending the Broadcasting Act was enacted only in 2005. However, none of these amendments dealt with the structural issues besieging the public broadcaster, including:

- Issues, among others, the public and commercial arrangement within the SABC and the continued rationale for it
- The universal mandate of the public broadcaster and the relationship with SENTECH as a signal distributor, given their high signal distribution and linking costs, the second biggest driver of SABC costs behind the compensation of employees.
- SENTECH’s unavoidable service that makes the broadcaster function. We need to be dealing with that kind of challenge.

The Minister noted that it is important that delegates explore solutions to address some of these questions.
Recommendations

- Explore ways in which the public broadcaster can provide information, education and entertainment and appeal to people in Welkom in the Free State and equally to people in a small village in the Northern Cape and in Mdantsane in the Eastern Cape. Look at the broader information and entertainment needs of the diverse people across the country and find common ground in public broadcasting for people from all walks of life; address the stark realities that our people face every day to access public broadcasting.
- Identify a solution to addressing the broad broadcasting needs and gaps that exist between the urban rich and the rural poor, as this gap continues to grow rapidly and cannot be addressed through pay TV.
- Reduce the basic right of access to information to economics, as the current state of affairs is not sustainable.
- The public broadcaster must play an educational role in supporting efforts towards teaching audiences the national anthem, for example (this was a case in point that the minister mentioned).
- The national broadcaster must contribute towards nation building and social cohesion.

The minister highlighted that it is only through partnership that we can move the public broadcaster to really play a critical role towards nation building, and this responsibility is in all our hands and much more deeply in our pockets.

Guidelines on the role of the public broadcaster

- The public broadcaster makes access to information available. We need to ensure that we have a public broadcaster that can ensure that we are an informed citizenry and that we can also inform other nations about South Africa. This must be information that is brutally honest about South Africa and must be reflected through the public broadcaster.
- The public broadcaster requires a thorough and robust reflection.
- The primary responsibility of the public broadcaster is the national duty, the national obligation to deepen democracy and public participation.
- The SABC must never be politically biased, and the rules within which the SABC should work, including pieces of regulation and legislations by ICASA, the IEC and the Broadcasting Act, should not be changed.
- The SABC must remain independent and be impartial. It must report in the best interests of nation building and social cohesion.

The Minister noted that of importance, the SABC must reflect deepening democracy and public participation but it must also play the critical role of nation building, appreciating our diversity focused on the end game of building a better South Africa and world.

<Tea break>

Session 2: Setting the scene

Setting the scene: Dr Mashilo Boloka
Contextualising the issues and discussions of the colloquium, Dr Boloka highlighted that because we are dealing with public broadcasting, the starting point should be to define what it is. He highlighted the importance of the public broadcaster’s role to inform and educate as the core of why a public broadcaster exists; entertainment is a secondary element, especially in developing countries.

Section 8 of the Broadcasting Act clearly articulates that the SABC is the heart of the industry. The mandate is expansive, overtly transcending broadcasting services into ancillary services. The entire industry is vested within the public broadcaster. Dr Boloka emphasised that, with this in mind and aligned to the Constitution, at all times we must protect the viability of the public broadcaster through licensing and other funding mechanisms and ensuring that this is not done ad hoc. Setting the scene, he explained the following:

Size of the SABC

- The SABC currently has three TV channels.
- The broadcaster has 18 radio stations and regional TV stations that were introduced by the Broadcasting Act of 2002.
- The internal broadcasting policy further added five to six more channels.
He highlighted that if the SABC had funding, it would have been in the multi-channel area a long time ago. We must establish what the perfect funding model would be for the SABC given our aspirations as a country.

**The mandate of the SABC**

**Development mandate**
There is a need to distinguish between development and commercial. Developmental mandate is premised on education and international rationale focused on:
- content of national interest
- sport of national interest
- education
- promotion of culture, language and music, among others
- news and current affairs.

He highlighted that at the moment these reside with other government departments, whether the Department Of Arts and Culture or Department of Sport and Recreation, or Department of Health.

**Universal access and cost drivers**

Universal access 2 (g) of the Broadcasting Act of the SABC speaks of the relationship between the SABC and Sentech. It says the public broadcaster or the SABC programmes are carried or transmitted through the signal distributor Sentech. This has to be thought about alongside the community, with the understanding that Sentech is not publicly funded, but project funded. With this in mind it needs to make itself commercially viable to remain afloat.

As a result, signal distribution is one of the SABC’s biggest cost drivers, as its relationship with Sentech means that the SABC has to raise funds in order to pay Sentech for signal distribution.

**Commercial mandate**

Dr Boloka argued that the commercial mandate of the public broadcaster is optional because it is a means to draw revenue. In South Africa this is interesting, especially in view of the public broadcaster’s financial statements. The financial statements show that the SABC’s development mandate is making more money than its commercial mandate and solutions must be developed to deal with that.

**Channel Africa**

Dr Boloka highlighted that Channel Africa has a lot of potential, as it broadcasts to many parts of Africa, including parts of the Middle East. At the moment the channel is not integrated within the SABC, because the SABC could only conduct administration. He posed the big question: Do we still need this kind of channel or should it be integrated?

The rationale for the channel is critical, especially in terms of looking at its role in contributing to advancing foreign policy and the its international mandate. Key considerations still need to be made in determining how to deal with this channel.

The SABC needs an international division, for purposes of regional integration and to meet its international mandate in line with the Broadcasting Act. Through such broadcasting South Africa’s foreign policy will be advanced, specifically for stations that reach the region and an international audience. BBC World and Australian television are classic examples and reference points.

These are key issues of concern that must be explored in looking at the size and scope of the public broadcaster, and exploring funding.

**Governance and accountability**

Giving context to the history of determining the composition of the SABC board, Boloka explained that the composition was formulated during transition. The idea was that if we could remove this process from the national party government to parliament then the board would be more representative and able to take the SABC forward and steer it in the right direction, as it demonstrated in the elections.

Twenty years later, there is a need to establish whether this has given the kind of quality and diversity we want as a country, and to determine whether it should continue in this way.

The minister is the executive authority and within the current context, it is only when things go wrong that the minister intervenes. There is a need to reflect and look at how to deal with this and establish the relevance of the procedure, bearing in mind that this was put in place during the time of transition.
Of importance is to determine the following:

- Do we want to continue with the way this has been formulated and the way it is being done?
- What size should the board composition be?
- How should people that we have not appointed be held accountable?
- What kind of board do we want?
- What measures of guarantee must be put in place?
- What public accountability can we put in place to ensure that the SABC reflects the needs of the public?

He noted that the SABC used to have a unit that dealt with public complaints, but that unit no longer exists. As result public complaints end up being channelled to the minister, then these are referred to the board. This is a long drawn out angle and some of those issues could be dealt with within the corporation.

Over the last few years the sector has changed and continues to change. The SABC is no longer the sole broadcaster within the industry. With the fourth industrial revolution, other organisations are getting bigger and some are getting smaller; the kinds of skills required for the industry have evolved, the use of spaces has changed and audience needs are constantly evolving and moving with the times. Social media and other channels of communication have changed the way in which people consume information – there is a need and demand for information, everywhere, anywhere and anytime. Even the prime time perspective has completely changed.

The Regulator must be ready to regulate the environment in this changing area, especially where the public broadcaster operates.

**Challenges**

- Signal distribution remains one of the biggest cost drivers for the SABC, and this also impacts on universal access for rural and underdeveloped areas. Hence in some of these areas the SABC is unable to broadcast, due to commercial viability. At the moment there is no solution to this challenge.
- The current three channels are very limited. In sport, for example, the channels simply do not have enough.
- The channels are limiting, as only so much can be done and at the moment the channels are not feeding the current appetite.
- There is a lot of appetite for regional television but no solution to addressing that at the moment.
- While the Broadcasting Act articulates that the SABC has a commercial mandate and that the public service should be separately administered, industry players argue that the SABC is too big and must dispose of some of its challenges to make the industry smaller and better. There is a need to understand this debate and establish how big the public broadcaster should be – and if it is big, establish how it should be funded, with enough resources to fund the size beyond what it is at the moment.

**Recommendations**

- Considerations to be made for public and community funding of Sentech for universal access across rural and underdeveloped areas.
- In that sense the SABC would have to make sure that there is content and Sentech’s role will be to ensure that communities have transmitters and signal.
- Explore other avenues for funding Sentech instead of imposing on it to raise its revenue. By so doing Sentech will price according to market-based rates depending on the kinds of costs they incur.
- The Regulator must ensure compliance with charter and what that compliance comprises. This means they have the power to summon and hold public hearings on the public broadcaster to say what is happening. Stronger lines of accountability must be established in such a way that we can build this public broadcaster moving forward.
- Of importance is to determine how this developmental mandate will be funded in future.

Dr Boloka highlighted that given that South Africa wants to be a leader in the African continent, we need a public broadcaster that will be able to advance that. We cannot continue to talk about Africa’s development without being reflected.

He committed that industry and all represented stakeholders and policy makers had the responsibility to address the challenges raised, explore what can be done to take the SABC forward, and the SABC would then implement these.
Public Broadcasting of the future: Mr Toby Shapshak, Editor-in-chief & publisher: Stuff, Forbes | Financial Mail | TED

Public broadcasting of the future, the use of algorithms as presenters and how the SABC as a major OTT player or e-content platform will generate revenues and transform public broadcasting in South Africa. What are the ideal human resources and oversight bodies?

In his presentation Shapshak reflected on a number innovations and changes that have taken place since 1993, from music to the internet, the way Yahoo pages used to look when Yahoo was first launched and how the telephone, while small enough to put in your pocket, has transformed from a telephone box to a mobile phone that provides TV functionality, video recording functionality, news channels, camera functionality. These innovations have changed the way in which the world works and how people consume information as well as how news breaks. It is no longer necessary to watch entertainment on TV, because you can watch it on anything. He shared the following:

The age of disruptive technology

Netflix

Netflix is disrupting the industry. If you don’t disrupt yourself someone else will. In the United States, Blockbuster used to be the biggest video chain, and it was an impenetrable business. Netflix took that on, and today there is only one Blockbuster store remaining in the US. Netflix spends more money every year on digital original content than anyone. In 2016, Netflix had a US$6 billion budget for content, last year it increased to US$7 billion and this year increased it to US$8 billion. If anyone makes a documentary, they want to flight it on Netflix.

Facebook

Facebook has a huge impact on democracy, so big that you can push through Brexit or influence votes or get Russian trolls on it. In the US, 44% of adults get their news via Facebook, this is going to change because of what happened with Facebook and with fake news, but Facebook still makes a huge impact. More people get their news from a social media channel than from any form of traditional news.

Uber

Uber has disrupted the taxi industry and completed destroyed it. The technology they use is not theirs, anyone with a smartphone and data can use it, their system leverages Google Maps and with everyone else’s technology they have managed to turn the world on its head. The most fascinating thing about Uber is that their only really profitable business is Uber Eats; the question is what more opportunities are there for watching TV on mobile?

He shared the following interesting facts on how content is consumed:

The mobile phone

Two years ago, 60% of all mobile traffic was video, research envisages that by 2021 this number will increase to 78%. Mobile phones are not only a tool for making calls, but have become a part of life. The mobile is the epicentre, not only of our social media life but all of our forms of entertainment and that’s what we need to look at for the SABC. The radio app on mobile is changing the way of listening to radio. News used to break in a newspaper, then would progress to TV and radio. Today anyone with a mobile phone can capture a news moment and break a story on Twitter and it can go viral. Mobile is the epicentre of all forms of entertainment and should be explored as a channel for communication. In Africa, people may not have a desktop computer, laptop or TV, but they have a mobile phone. YouTube brand is probably the biggest threat to all broadcasters in the world.

The big question is how do you build a revenue model based on advertising if people are watching two seconds or five seconds of the advert?
Challenges

- Facebook and Google are the major threats to our business models, but everybody is on Facebook.
- One of the biggest challenges with the SABC is that for the longest time the public broadcaster has been living in its own world ‘little bubble’.
- People consume the SABC not because they want to but because it’s free and if they could stream data on their mobile phones, they would quickly abandon television as a platform.
- There is not much going for the SABC at the moment. Yes, the public broadcaster has a new minister, and a new board – but it’s still not taking off.
- There is no clear strategy on how the SABC is leveraging technology to keep track with what’s currently happening in the world and with anticipated technological changes and those that are currently evolving. Technology presents immeasurable opportunities and the SABC needs to leverage this. The world has moved on and the SABC has not.
- There is opportunity for the SABC to learn to do things differently. Shapshak presented this thought: “The switch from iPhone to android may be difficult in the first few days but after between 21 and 24 days the brain adapts and creates a new pathway of doing things”.

Recommendations

- The Chinese have said that people consume everything on their phone. For our industries and especially for print, 85c of every dollar in traditional spend is going to Facebook and Google; a billion dollars is being taken from print to Facebook and there’s no going back.
- In the UK, for every £31 of print advertising lost, you only gain £1 of digital advertising. This is a significant problem.
- Go digital: Media owners must switch to digital and managers must understand the impact of digital.
- Radio still remains the greatest way to communicate in the world; even illiterate people can listen to the radio, and radio waves are still cheap and an efficient way to distribute content and information.

Emphasising the need for technology, he said technology has changed things so profoundly that Maslow’s hierarchy of needs has shifted from shelter being the number one priority to Wi-Fi taking over.

The 4th Industrial Revolution: Locating public broadcasting: Trends, challenges and opportunities: Mr Christophe Firth, AT Kearney

Speaking about work that AT Kearney has been conducting around the fourth industrial revolution, he said that while a lot is being said about it, there is a lack of clarity on it. The fact is we are all learning and we are all on the growth path in terms of knowledge about what the fourth industrial revolution is and what technologies actually are. He spoke about four technologies [namely Artificial Intelligence; block chain; Augmented Reality (AR), Virtual Reality (VR) and Reported Process Automation (RPA)], their meaning to the media sector and how these can pioneer companies in the TV space. He highlighted the following: Artificial intelligence (AI) – Artificial intelligence is not new. It has been around since the 1950s and was used especially in media and entertainment. The first AI was used for game stimulation, robots, computers and simulating chess moves. Since then AI has evolved into machine learning or deep learning, where machines have become more and more autonomous in terms of their thinking.

Blockchain: Unfortunately, blockchain is heavily associated with Bitcoin and gambling, and that hasn’t had a good reputation. However, blockchain has a much broader user space and especially for the media sector – it is achieving the most tangible results in this space.

In the public service broadcasting (PSB) space, the BBC uses AI extensively and has done so for years. Through their archives they are able to use that information to identify the contents and establish the most relevant audiences for BBC Channel 4, for example.

Blockchain can be used as a way to ensure that individual artists and small creative companies can access a wider market. It provides greater opportunity for startups; amateur content producers can upload their content rather than going into the big machine and ensure that artists are compensated. Blockchain can accelerate the processing of those payments.
Augmented Reality (AR) and Virtual Reality (VR): AR is harnessing the world in which you’re in and VR is more about stepping into a different world. These can impact the media greatly. AR has been around since 2010, covering the presidential elections in the US. Facebook is one of the pioneers of AR. AV is taking center stage, with the latest headsets prices from US$200, before they were worth about US$1000. In the coming years, it is expected that the VR kit will come in at below US$100 and probably even below US$50, thereby making it much more affordable and easily available. Ready-made VR attachments can be fitted onto your mobile phone; so that the mobile device is the device and processing power behind these applications.

Reported Process Automation (RPA): Reported Process Automation is around a machine and often done inefficiently or with a higher error rate by humans. RPA involves processes like finance processes, HR processes, where it can be used.

Firth highlighted that these technologies all have a unique selling point. AI is going to be around consumer insights. AR and VR can enhance the user experience and RPA has a role to play around efficiencies. With this in mind, there is a need to take a step back, and look at existing technology and how this can be leveraged and allow technology to transform the media sector, and how the technology can be used to enhance the way in which people engage with it.

Technology vs content consumption
The production and consumption of content is contributing a lot towards a very democratic world. Historically media was a national stage. Broadcasters in each country’s distribution network would run with this. Now doors are open and walls have come down and anyone who still thinks that media is a national stage is living behind the times. Today it’s the market that determines the talent, they decide who is going to be the YouTube celebrity. A guy from Sweden makes US$12 million a year just posting videos on YouTube and advertising. In South Africa, the top YouTube seller is a 20 year old, and these are the people changing the world of media.

Some of these people are producing everything via mobile phones. Mobile has replaced the big clunky structure that we used to have. Anyone can be a producer now, and the top forms have moved on from institutional TV channels and TV platforms, you can stream back to the previous 24 hours and the internet is unlimited.

Framework on viewing habits
Firth explained that there has been a shift away from traditional TV watching. He shared findings from research conducted by AT Kearney which reveal what we can expect from the market in the next five years: Fifty countries, including African, European and Asian countries, were chosen and 80 executives across these countries were interviewed to drive change. The research looked at connectivity and the cost of mobile and smartphone penetration and the existing TV market, and whether people speak English or not, to increase access to global content. People have credit cards and can pay for online video services with credit cards, so a whole range of different factors go into play. On storage, 50 countries were based on that and that leads us to estimate how quickly change will happen at a national level. The results from that show how much disruption we can expect to see in those 50 markets in the next five years. Findings show that linear content viewing will go through much disruptive change. South Africa is moving into the adaptation stage, which means the enablers are in place, connectivity is getting better already so the MTN-5G test this year in South Africa is going to really transform what you can do with a mobile phone, with mobile data connection. With a MTN-5G connection, you can stream 4K video and 4TV simultaneously, which can be seen as a year ahead of what we can do today. This also shows that more people have smartphones in their hands, and the country also has a very young population with almost 50% of the population aged 24 – and that is really going to catapult change in the market as well. In essence change is happening and it’s going to be celebrated.

The findings show that countries like Sweden and Hong Kong have the landscape, but with the amount of innovation coming out of the grassroots levels in those countries you can compare the TV landscape today with five to 10 years ago. You can’t even recognise the TV landscape there compared to what it was five or 10 years ago, and that’s the amount of grass roots innovation coming out; that young people in those countries are elevating.

Netflix
Netflix is increasingly putting pressure on the industry. It started off as a DVD rental company and then it moved into online streaming. Now it’s moving towards becoming more of a regional content house rather than OTT platform and that’s where it is different from Amazon.
Netflix has its eye on Africa. We have Kwese coming up and they are merging with Netflix. They have opened an office in Cape Town, so the competition is heating up, the walls are coming down, and sitting on your hands is not an option. They are investing at least US$8 billion in content.

**Perception of value – Where is my licence money going?**

Speaking about TV licence payments, Firth highlighted that not just in South Africa, but in other countries as well, people are asking, ‘Where is my TV license money going?’

The perception of value has been driven down massively by the likes of Netflix, with less than US$10 you can have access to seemingly unlimited content. The perception of value built on the promise to the people should be at the heart of what PSB needs to look into now. There is a need to move towards becoming more resilient and standing on your own two feet in terms of financing.

The BBC makes £200 million a year through its BBC worldwide line. There is opportunity to separate public broadcasting from commercial broadcasting using the commercial revenues to help reduce the reliance on just licencing, and reduce costs to the people of the country.

There is also opportunity for more tactical elements of positioning in terms of what kind of brand we want to show and clearly establishing what the brand stands for.

The SABC has the opportunity to tell the stories and preserve the culture and heritage of the country; now is the time for the SABC to take a step back and take a fresh look at what is the promise of the SABC is to the people and what is its vision and what is it that we should be supporting?

**Recommendations**

- Spotify, for example, came out of Sweden. A key learning is that infrastructure should be in place to encourage innovations.
- More broadly, we need to look at how we can encourage talent development and innovation within the country to keep up with and also to eventually drive transformation in the media sector.
- Partnerships are the main trend. In the UK, BBC, ITV and Channel 4 have a link to content production to protect their core broadcasting business. ITV now has a portfolio of media formats which are used not just in the UK but actually in syndicates abroad.
- We need to be bold with the innovations that we make in terms of content distribution channels.
- There is a need to make heavy investments in original content. Liberty Global is the biggest cable cord in Europe. They bought the regional rights to Formula 1. A few years ago no one would have thought that a cable company would own Formula 1.
- PSBs will continue to play a key role in the market. The SABC should be aspiring to a grand positioning, not just in South Africa but across the African continent, it should be looking at positioning the SABC service across the continent and establishing a big presence.
- Monetise the content for internet use.
- Make content accessible across platforms.
- Smartphones now have come down in price, making them more accessible to a lot more people and giving room to a vast majority of the market.
- Audiences are global, so any content produced in any continent should not be thinking of just the local target market but also the global audience.
- We need to be more globally minded.
- Create the perception of value that the SABC brings to motivate licence payments.
- Over the years linear TV declined, however, there is space for it. The average human makes over 30,000 decisions a day consciously and subconsciously, and people don’t always want to make another decision in terms of what content to watch, so there will still be a role for linear content. However, there is a need to look at what’s on demand.
- There is a need to look at different viewing habits for different situations and ensure that programming responds to that.
- There needs to be better articulation of the roles and objectives and the mandate of the public service broadcaster; there needs to be clarity on what’s happening and what needs to be done.
- Establish the promise of the SABC to the people.
- A few years ago, broadcasters didn’t need to worry about brand positioning, now there are hundreds of broadcasters, most people have access to hundreds of channels through DTT or through DTH so the importance of brand positioning is critical.
- The SABC needs to establish in the minds of people what the SABC stands for, what SABC 1, SABC 2 and SABC 3 stand for.
- Beyond the channels, the SABC needs to grow its digital role and review its content sourcing model and support for the local production sector, as these players can play an important role in supporting and developing talents, developing innovation within the market.
Concluding his presentation, he quoted the BBC’s positioning quotation: “Our business is storytelling, we must make sure we tell stories that people all across the country will recognise, understand and relate to.”

Firth noted that there are a lot of stories to be told in South Africa and these are stories that will resonate within the country and across the continent and even beyond. Then hopefully the SABC will play a core role in doing that.

SESSION 3: CURRENT ENVIRONMENT: LESSONS AND COST DRIVERS: VIEWS FROM PUBLIC BROADCASTERS

CONSUMPTION OF PUBLIC BROADCASTING SERVICES (INTERNATIONAL): MS SALLY-ANN WILSON: CEO PUBLIC MEDIA ALLIANCE

Giving background about the Public Media Alliance (PMA), Wilson shared that with 502 members the organisation is the biggest global association of public broadcasters. She said looking at the current public broadcasting media landscape, public media and all that it stands for has been eroded around the world and this has happened very quickly. It is being eroded by new ideas, new media systems, including social media giants.

She shared the following insights on public media and the role it should play in the 21st century:

- To address issues around the eroding of the public media, public broadcasters must modernise and become multiplatform public media players.
- Big strategic social media giants do not possess the same skills that the public broadcaster has, and so the public broadcaster must leverage its strengths and produce quality aligned to its mandate.
- Public media is about national integrity, the public broadcaster needs to do information overlay in the 21st century.
- The role of public media is not only to commission and produce, but must also be to moderate, aggregate and create accurate and trusted information.
- Public media must serve as a safe and trusted media space to its nation.

Netflix

Following through discussions on the role of Netflix and the impact it may have on public broadcasting, Wilson noted that while there are views that Netflix will pose a threat to the SABC or public broadcasting, there is a role that Netflix cannot fulfil, which can only be fulfilled by a public broadcaster. When Namibia had a drought two years ago, it was not Netflix that covered the drought, it was the public broadcaster; when Cape Town went through a water crisis, and Netflix did not cover that – it was the public broadcaster.

While Netflix may be perceived to pose a threat to the public broadcaster, there is a role that Netflix cannot fulfil because of its editorial obligations and a role that the SABC can fulfil because of its mandate.

Recommendations

Public broadcasters need to be much stronger in promoting public media as entertainment in addition to its mandate. Public media should not be judged in terms of how it competes with the global digital giants.

PMA Pyramid

She shared that two years ago, in efforts to provide support to public broadcasters, PMA conducted a survey, ‘the PMA pyramid’, where the organisation decided to use its network to provide research to inform and support public broadcasting, since the organisation has a unique network of public media CEOs, line managers and senior managers of all the organisational members that they work with on a daily basis. The survey was carried out with CEOs of their organisation and members and revealed that most public broadcasters had the following things in common:

- Priorities, value and editorial independence.
- They want to be free from pressure from governments and undue commercial pressures.
- They value journalism and journalist accuracy.
- They have a desire to prioritise digital media literacy.
- They are interested into venturing into partnerships and collaborations.
- Funding is the major obstacle to their effective working.
- While advertisers or people may want things from the public broadcaster, it is very difficult to convince them to invest in something good yet old.
Wilson raised the following concerns:

- There has been very little effort to adequately preserve and promote the public broadcaster.
- A lot of public broadcasters still lag behind with technology, but they should leverage technology and totally drive it to reach the most remote parts of the nation, because only the public broadcaster can reach the most remote parts. Where there is no internet access the public broadcaster can reach those areas.
- The public broadcaster needs to deliver well to its audiences.

Challenges

- Funding remains a drawback for the public broadcaster to venture into other innovative measures.
- Influence and pressure from government is a big challenge, especially since the public broadcaster is financed mostly by the government (in some instances) and this results in pressure from government.
- In most instances, the public broadcaster’s budget is also dictated by the government.
- It is very difficult for the public broadcaster to untie itself from government politics – but this should not be so.

Specific recommendations on governance

- Do not compromise on governance.
- Appoint a strong regulator for judiciary monitoring commands, accountability and financial accountability.
- Set clear boundaries between management and the board. The chief executive has to be responsible to the board only, and not to the government.
- Processes for the appointment of the board members must be fair and transparent.
- Set clear roles for board members – this should be set out in law.
- Untie the public broadcaster from politics.
- Appoint a public ombudsman, who will be dedicated to manage complaints independent from the public broadcaster.

Specific recommendations on funding

Wilson made the following suggestions around funding, noting that no one-size-fits-all funding model can work for all public broadcasters. The issue of funding must be addressed within the specific context of each public broadcaster – best industry practices can be drawn from other public broadcasters and adopted. These are some of the options:

- **Direct funding:** This can be done through the collection of licence fees. BBC generates an income of about £5.6 billion a year from licence payments.
- **Incentive and criminalise:** Incentivise citizens to pay their TV licences and also criminalise not paying for a TV licence.
- **Linking the licence fee to mortgage payments / municipal bills:** Licence fees can be added to electricity bills or mortgage loans to improve collections.
- **PSB tax:** In Thailand the government allocated all the tax and revenue collected in tobacco and alcohol to the financing of its public broadcaster.

In addition, Wilson noted that worldwide there are four principles that should be incorporated into a public broadcaster’s funding model and these are stable and adequate, independent from political interference, fair and justifiable. If public broadcasters incorporate these funding principles into their culture it will significantly impact their work and will be a big step towards moving the work of the public broadcaster forward.

She shared these insights on key elements to drive the public broadcaster forward:

- The public broadcaster must remain relevant, look at content that involves their public and maintain the qualities of the public media, which are truth and trust.
- Public media is about accuracy, fairness, good journalism, and honesty – all the things that make an entity trusted and credible.
- Truth and trust are good journalism, there is nothing new about checking the facts.

She urged that:

- Public broadcasters should revise the responsibility they have, because they are not working for just any media organisation, they are being financed with public money. The public is watching and the advent of social media has made it possible for the public to air their views.
- Public broadcasters must be transparent and accountable.
The board must ensure that management is accountable and call management to account, and the board itself should be accountable.

The role of citizen journalism in public broadcasting

- Citizen journalism can play a critical role in content if channels are set up to accommodate it, including training and provision of equipment, offering practice badges, providing accreditation and identifying digital platforms.
- Citizen journalism can enable the public broadcaster to be more visible in public – in public engagements with communities and soliciting feedback and generating content through story telling of those human courage stories that are often not told because there aren’t enough resources to cover them.
- Citizen journalism presents a cost-effective solution to addressing some of the challenges of reach and access.
- Citizen journalism can provide much needed content to keep the public involved and in turn can play a role in encouraging or inspiring payment of licence fees – as the public broadcaster will become more visible on the ground in communities through citizen journalists.

She encouraged that public broadcasters should strive to be innovative and try new ventures, take on new risks and challenges and begin to make use of new platforms in an imaginative way to help overcome challenges. Technology teams in public broadcasting should explore other avenues of IT that public broadcasters could use.

Questions, Answers and Comments

Question (Dimitri Martinis): Please unpack a little the idea of public funding. With licence fees as one type of funding, what would be the appropriation from the fiscus? Perhaps you could elaborate a little bit on that – for example, in South Africa the government effected policies at the 52nd conference if I am not mistaken, and there was a specific figure of about 60% effected – perhaps you could reflect a little bit on that and give your views on it?

Answer: You need public investment to have that direct relationship, but it varies. In the US it’s all donations and then a small and now quite challenged fee from the government and some local funding. There are many different worlds, but I think it has to be more than just a commercial. There is actually an organisation called Maharaj Capital that runs radio stations along public broadcasting lines but that is actually pretty much on commercial funding. In the Caribbean there are many publicly funded, public broadcasters. So it is very viable. I think if you can get a commitment of 60% that will be great, but it has to go with every change in political leadership if there are any, because if you are going to need a managed rate from the public, you are going to need to build confidence. I also think there is a need to take a lot of advice and look around the world, share with other public media leaders and government, before we take a step. There needs to be more public money coming into the public media organisation, because that’s the initiative that will really count.

Panel discussion: Current Environment, Lessons and Cost Drivers: Views from Public Broadcasters

Panellists – Mr Stanley Similo, Director-General: The Namibian Broadcasting Corporation and Mr Philly Moilwa: General Manager: Policy and Regulatory Affairs: SABC

Speaker 1: Mr Stanley Similo: Director General: The Namibian Broadcasting Corporation (NBC)

Similo shared some insights about the NBC’s relationships with the SABC, noting that the SABC and the NBC have been sharing content to enable them to air important programmes across the region, for example the SADC discussions held in Namibia. Speaking about the NBC, lessons learnt and some of the challenges that the broadcaster has faced, he shared the following:

Challenges

Similo shared that when he took over as the Director General of the NBC, there was no research on programming and insights to inform programming for the NBC. A number of challenges at the time faced the public broadcaster and these included the following:

- Programmes that were either purchased or produced were done on the basis of NBC assuming that the type of content they have is what people want; because of a lack of research.
- The NBC has 33 DTT stations and there are seven that are ready and waiting to be switched on.
- Having done an analysis on the DTT, the NBC has found that it’s costly, and looking at the country’s structure these towers must be built. Its cost effectiveness and the numbers do not add up.
• After political decisions had been made, because of the investments made towards DTT, putting the project on hold was considered a better solution than shutting it down completely.
• The only good thing about DTT is that it has enabled the NBC to build elements of FM.
• Radio has provided opportunity for the NBC to reach the most isolated parts and people in the country and reach them in their local languages.
• A big challenge that the NBC had to tackle was control of overtime as this was becoming a pay cheque.
• Dropping of the government subsidy.
• Funding challenges.
• High cost of producers and directors to produce quality content for the NBC.
• Lack of research.
• The challenge is that more stations are needed and with more stations more content is required. A lack of content is a challenge and has been a major setback in introducing more stations, because in order for the stations to thrive they need to have enough content – expectations are high and the broadcaster must meet these expectations.

Lessons learnt
• Research: Research into programming is important. Research is critical in informing programming and better understanding what appeals to the public.
• Addressing political alignments of the public broadcaster: To address the issue of the public broadcaster being used as a tool for the ruling party, the NBC introduced a policy that provides equal distribution of airtime to each political party during elections. Where political parties require extra coverage, it’s provided to them at a fee.
• TV licensing vs streaming: There is a need to address the issue with TV licences, because soon TV licences will be a thing of the past as people will be able to stream whatever they want to watch, either on their smart cell phones, laptops or any other smart devices.
• Invest in training: Instead of spending money on directors and producers, the NBC approached media houses within the Ministry of Communications and established a good working relationship. For the price of one professional who has been in the industry for years, they would train his staff to execute the work.
• To minimise outsourcing, the NBC opened up and trained up its camera crew, production crew and directors. The NBC set the tone for what the NBC stood for; and clarified that the broadcaster was not for people wanting to advance ambitions of political parties or personal political ambitions.
• Set up proper structures internally: Previously, the NBC finance department would sign off payments for service providers with no signed off contracts. The NBC set up proper structures and contracts internally, where no contracts are signed off without the approval of the finance department.
• Trade exchange: To cut down on the cost of travel, as news reporters are always travelling, the NBC has established strategic relationships with air lines and are able to get air tickets for a reasonable amount in exchange for airtime for these companies. This has yielded good benefits.
• Control overtime: Overtime was costing the NBC a lot of money, and this is now being managed very closely to ensure that the broadcaster does not run a double pay cheque on overtime.
• Introduce performance management: Performance management measures have enabled the NBC to understand what everyone is doing in the organisation.
• Change the paradigm: Get people to see things differently and the results will speak for themselves. It’s important to get your people to believe in who they are and get them to believe that they are the strongest.

Funding
Similo highlighted that funding for the NBC was a setback and it’s a challenge that public broadcasters have to go through. Without funding producers pull out, and as a result the broadcaster cannot produce the amount and quality of content. Without funding and the money needed to pay independent producers and directors it’s difficult for them to work.

Another major challenge is getting internal staff to believe in your work and the brand – and that’s a challenge that the NBC had to go through – employees have the upper hand to lift or pull down the organisation.

He noted that public broadcasters, unlike commercial entities, have an obligation to reach out to those in remote and rural areas, regardless of what it costs. Whatever amounts there are, they have an obligation to ordinary citizens to see themselves on the platforms for which the public broadcaster is responsible; because this is the job of the public broadcaster.
Similo encouraged that the SABC as a public broadcaster should explore venturing into elements that will allow it to be commercially strong and viable. He highlighted that content will enable the success of the public broadcaster, and content must be good quality content that attracts as many children as possible, because children are very loyal to their programmes – even when they have grown up, their loyalty still remains with the broadcaster.

Speaker 2: Mr Philly Moilwa General Manager: Policy and Regulatory Affairs: SABC

In his opening, Moilwa acknowledged the value that the SABC has in the lives of the public, as evidenced by the contestation of the public broadcaster. He noted that ‘if you are public broadcaster and you’re not contested then you don’t matter. If nobody talks about you, nobody screams to you, nobody complains, it means you don’t exist. It shows that there is a lot of value that people derive from the SABC, hence any little derailment or little problem at the SABC – everybody wants a piece of the SABC.

He made the following contributions:

- There is need for a strong regulator who will deal with competition, so that the SABC can develop a new vision and be that face and voice of the nation that will have a true reflection of the country.
- The presence of a strong regulator will also place the SABC in a better space to adequately address the needs of the public in its services.
- The biggest cost drivers in public broadcasting.
- Content is one of the biggest cost drivers, followed by sport, which require a lot of funding.
- Technology is a very big cost driver to the public broadcaster, there is a continual need for upgrade to studios to keep up with technology.
- Capital injection is needed for the SABC to transition from analogue to digital content.

He highlighted that if the SABC was properly funded this would enable the public broadcaster to do a lot more.

Comments, questions and answers

Question: On the service side on how PSP global redefined itself and how DTT played an important role, I’ll just ask you to reflect on what you have heard so far, what are the takeaways that you have had so far?

Answer (Mr Stanley Similo): Much, I think, from our trajectory I think it’s on the right path, because as I was saying we are already in line now with DTT. Sixteen months back we also installed webcams in the radios, because in most cases you find that radio people know you but they don’t know you as a presenter, so we are trying to get that to tie in with our social media presence.

In terms of where we are I think our approach is that we can’t sit idle and just say, “Look, technology for whatever it is, is only for those that are commercial.” If we don’t do that we won’t find relevance. At the same time, again we will not do that at the expense of the ordinary down to earth person somewhere in the village, hence the issue of broadband connectivity becomes the key component of what needs to happen. With the DTT services, sometimes bandwidth is not all over the country. Fortunately for us we have other players within the scope of connectivity who also want to play their part. Sometimes a lot of money is not required to execute, all you need is the will. All that is needed is to keep the people on track and inform them about your plans – once they master that they will do it themselves.

Answer (Mr Philly Moilwa): The role of the public broadcaster is still so relevant, this is shown by the way the public trusts us with their money through public funding. None the less we still have a long way to go; the most important thing that one can take out of this is if you don’t adapt you die.

Question: Whenever I travel the people I talk to first are the taxi drivers, so on the way from the airport here I ask taxi drivers what they know about the SABC. My driver was talking about how he had a very strong emotional connection to SABC, because that is what he grew up watching, and he has happy memories watching SABC programming when he was young. What will it take for the youth of today to say the same thing in 20 to 30 years’ time?

Answer (Mr Stanley Similo): If we don’t react to what people want and also find means of understanding where they are we may become irrelevant. In regard to the youth, if we don’t understand what the need will be for the young people we may lose them. Once we lose them at their age they will never know what entities like SABC and the NBC would be; because they will have no affinity they will find no relevance. So it’s up to us to bring true programmes that will speak to who they are We as producers, we must go deep in understanding and have a view that will be all encompassing, that will make sure that nobody is left out of that equation.

Answer (Mr Philly Moilwa): The youth will start by saying data must fall because they want to access us across platforms. Therefore one of the biggest challenges now is that they cannot afford data. Going forward,
that is exactly what policy makers are going to look at, ensuring that the youth have not only opportunity but they can benefit from the content that will be streaming across platforms. Even though the content might not be scheduled viewing on a traditional broadcaster the youth still follow it because it matters to them. I want to correct my friend Tobi, who said people watch SABC because it’s free; as we speak, the first 15 top watched programmes on paid television are on SABC. So that says that we are doing something right, relevance is what the youth will always look for, and accessibility, and how it makes a difference in their lives. I think that is how the youth will be.

**Question:** What commitment do you think that the SABC or the NBC also need to make in terms of internal transformation?

**Answer (Umali Karuane, UPI Chief Communication officer NBC):** Our director general is an HR person by profession, so that is what he put in place when he came. I am a TV journalist by profession and I’ve been with NBC for 28 years. Our mindset was to make progress but when the DG came he told us that there was need of a paradigm shift, that we need to see the NBC not as an organisation but as a business, and in everything that we did we had to look at how can we make money, we had to monetise. That is how he started to change our perception. People used to say NBC is a public broadcaster, everything had to be free. He challenged us to value our product because of our footprint and the value, and actually tell people our value. Therefore people started to respect us, but in the beginning it was very difficult, because people said, ‘But we used to get everything free, now everything is charged.’ We have a lot of power as journalists in the profession of radio and television, sometimes we can also abuse our power. We can decide how we want the person to look when we are sitting in our editing rooms. So he taught us that we have the power to do certain things and that power comes with responsibility.

**Question (Ms Nomvula Mokonyane Minister of communications):** The challenge of our own broadcasting is that there is a lot of politics within the broadcasting itself. How do we deal with those things, because it bothers around trust, it bothers around integrity? You then question the issue of independence and impartiality, especially now where there is a causation around political preferences even to people who represent government. How do you handle that?

The second issue is that I do agree on the issues of language, but it’s one of the challenges I have and it’s something that I do respect. The issue of the language, that I’m comfortable with, but the fact of the matter is that if you look at the spread of languages Phalaphala who speaks Tshivenda is where the Venda homeland used to be. Thobela is at that particular place. This might be a national bouquet, but it is impossible that when I’m in KZN I’ll be able to get what I need. This issue of 11 official languages doesn’t integrate the nation but instead it continues to divide us. How do we help this country through a public broadcaster to deal with these particular issues? It’s not correct to assume that everyone who’s in KZN wants to listen to Ukhozi, there are people who have moved because of their own economic conditions into KwaZulu-Natal.

**Answer (Mr Stanley Similo):** I cannot have politicians working within the NBC, It’s as simple as that. If you want to be a politician go and join the political party and register formally so that you can do your campaigning there. Don’t bring it into the fold where we have professional people that want to do a great job. If the politicians are inside, they will create havoc, but if they are there they must be rooted out.

**Answer (Mr Philly Moilwa):** With regard to language the SABC is looking at one of the solutions. It is the digital radio which will assist, so there are other alternative solutions that we are working on. We hope it will be a shift of transmitters in terms of making sure that stations that deserve more will be able to get that. I think we will be able to resolve that.

**Session 4: Panel discussions: Public broadcasters for regional development, integration and cooperation**

**Facilitator:** Ms Nadia Bulbulia

**Panellists - Mr Izak Khomo, SABC: Channel Africa, Ambassador F Magubane and Leah Maina: General Manager: Licensing, Independent Communications Authority South Africa (ICASA)**

Speaking about Channel Africa, Khomo highlighted that despite the number of challenges that the station has faced, it has survived all these years. At some point, the channel faced the possibility of being shut down. Channel Africa has since become recognised as the *African voice*. The channel has become home to news from an African perspective. Channel Africa interrogates whole stories to provide in-depth analytical views of a story. From a public broadcast perspective, they look at the challenges, the falls, and from there they give people room to discuss it. Reporting is carried out to give Africans a better understanding of their own situation. Khomo highlighted that the station has an important role to play in regional integration, as it is a central unit that connects Africa in its different languages.
Challenges

- African economies are so weak that they cannot survive on their own.
- A lack of financial and human resources is one of the biggest challenges limiting the potential of Channel Africa.
- Channel Africa plays an integral role in carrying out the message of governments across Africa and facilitating strategic engagements across the region.
- There isn’t enough funding set aside for Channel Africa. Staff work overtime because they love what we do, they don’t even get paid overtime, most staff work 10 to 12 hours, and they work over the weekend and don’t get paid for that – people are not there for the money, they are there because they love what we do. It’s critical that a proper budget is set for Channel Africa and that budgets are set aside for expansion of the station.

Recommendations

- Funding issues need to be taken seriously so that the channel extends its role in sharing news across the continent.
- There is a serious need to capacitate Channel Africa to enable the channel to extend messages and create more content.
- There is great opportunity to leverage channel Africa to strengthen and enhance regional integration efforts. Channel Africa has the strength to enhance efforts aimed at regional integration, through its footprint and language offerings as it broadcasts in six languages, namely Swahili, Chinyanja, Silozi, English, Portuguese and French; and have plans to add Arabic so that the channel covers the entire continent.
- Channel Africa’s capability has to be extended, and financial support provided to the channels as currently operations run on a shoe-string budget.

Speaker 2: Ambassador F Magubane

In her opening remarks, Ambassador Magubane highlighted that the SADC region is a definite priority for South Africa’s policy. Therefore, in achieving their own national objective, South Africa values the importance and critical role SADC plays as a catalyst for regional development and integration. She spoke about Channel Africa, stating that it is important for Channel Africa to continue informing the people of regional achievements and benefits, which will ultimately attract investments for further development. She went onto speak about the role of media and how this can actually amplify the role of SADC.

The ambassador continued, encouraging the delegates that they needed to find innovative and sustainable ways to promote regional integration priorities when communicating with the general public. She mentioned how the SADC media awards coordinated by the SADC secretariat could be used as an avenue. The programme does recognise initiatives by members of the media in the region, taking SADC to the people through different media avenues.

Of priority and importance, the SABC should strongly consider covering some of the regional activities. She spoke about how broadcasters are needed in order to achieve the regional integration agenda. Not only are the broadcasters needed, their message is relied one that can be relied upon.

Questions, answers and comments

Question from Nadia (facilitator): Are there any people in the house who are aware of any developments around the SADC television bouquet?

Answer (Mr Izaak Khomo): In fact, what I did pro-actively was to ask the secretary general to give an update, because I was anticipating that at that point the question would come. In fact, there were meetings, because we have about three groups within SADC; one is looking at content, second one at the technical aspects, and the third one at the commercial side. There is a meeting that will take place in Namibia on the 23rd, where the SADC secretariat will meet, so there is feedback needed there. It does appear this stage that SENTECH will also play a role in the system when we talk about the SADC bouquet itself, and it appears that production will mostly be run from Windhoek. But there are challenges on issues like regulation. Remember also the aggregation of content; we have to decide this because what works for Namibia may not work in Zambia, what works in Zambia might also not work. So these are part of the issues that are being looked at. There is progress that is happening there.
Comment: I think it is important for us to know what the other regional projects are that are under way, and were there developments, certainly in terms of this colloquium around the future of Channel Africa. Around the role that the SABC will continue to play or not.

Comment from the floor: If this channel could be made available on the African continent, some of our children will know a lot about the African continent; more than they know about Europe and America. That’s why for me that’s a critical facility. There are coincidences where the national party government established that they knew the potentials.

Question: If you could just give us some of your views around what you see as opportunities, as the critical key through its challenges for the public broadcaster going forward? Around content specifically, and around FPB place.

Answer (FPB representative): The Film and Publication Board (FPB) is a unique content regulator in the communication base in South Africa. We largely operate in the cinema and the video on demand platforms as well as the DVD shops. And yes, there are DVD shops that still operate in the South African market. One of the unique elements about the FPB is that we are charged by identifying powerful content. I think there is an opportunity for us to engage as the two institutions, to try to have synergy and uniformity in terms of the rating systems. As the various institutions we have also done quite a significant amount of consumer research where we try to understand what the South African value is and the normative system.

I think the issues that you have raised are very important, about what the South Africa is that we want to see or what the South Africa is that is there. With institutions like us as the FPB sometimes you get caught in-between, because the diversity that is there makes it difficult for you to satisfy everyone. There is something that we have identified with consumer research on adults and children in our market and looking at the amount of violence that passes through the violation of the publication code. I think as the public broadcaster there is an opportunity for us to have a conversation around that.

Another issue that maybe could be of interest to the SABC and the work that they do, is that of social content in the country – we are still very conservative about that. The local content that comes through our channel is certainly not made for children. If you want to look at the ratings, it starts from13, anything from 13 upward. So what type of content are my children consuming? As a mother of young children of those ages, what type of content are they consuming? Mostly they are consuming American content, American cartoons. Now the question that we have to ask ourselves is what values and normative systems we are allowing to be built in our country? I think this is a critical role of the public broadcaster; to think that is a niche market that they can try and find a way of focusing on, even in terms of their commissioning.

Leah Maina: General Manager: Licensing, Independent Communications Authority South Africa (ICASA)

Giving a perspective from the Independent Communications Authority of South Africa, Maina shared the following:

Following through discussions on educational programming, Maina raised concerns around the fact that SABC’s education programming for children and young people and early-childhood-development programmes in television and radio have deteriorated, noting that there were days when the SABC invested heavily on such programming, but this has change. She emphasised the role of the Department of Education as critical in enabling the SABC’s education mandate and programming for children and young people.

Speaking about ICASA and its role, she highlighted that the industry a highly regulative industry and ICASA sets the tone and framework of the conditions around licensing, programming and regulatory cause and appliance models among others.

Challenges

She said these are some of the critical challenges that have been raised that still need to be addressed:

- On concerns raised around monitoring of good compliance, Maina said, ICASA monitors the public broadcaster once a year, however as concerns were raised to increase these efforts a number of considerations must be made and resources allocated to this function.
- Increasing monitoring efforts poses a challenge as it is expensive to monitor compliance of the public broadcaster – it would be very costly to individually monitor all 15 radio stations and three public television stations.
An update from ICASA

- Maina shared that that ICASA can do more in terms of data of the actual compliance reports.
- ICASA wants to have enforcement of the charter including service availability, including universal service and access to monitor and determine the kind of reach being made by the public broadcaster across the board.
- ICASA is looking at addressing issues around children’s programming and reviewing regulations on this going forward.
- ICASA monitors the public broadcaster to ensure that programming is multilingual across provinces and will continue to do so.
- ICASA is also reviewing the community broadcast regulatory framework.
- ICASA is currently consideration implementation of the local content regulations a review of the broadcasting of the national sports events regulations.
- Regarding subscription broadcasting, the Multichoice inquiry is still underway.
- ICASA is currently working together with the Department of Communications on the conclusion of digital migration, which will also offer great opportunities for the public broadcaster.

Regulation on children’s programming

Maina shared that the regulations on children’s programming and local content were put out in 2015/2016 and now are effective as of this year (2018) and speak both to TV and radio. The regulation outlines specific conditions around educational programming which is up to 12 hours a week depending with regards to commercial television, and children’s programming also about 12 hours a week.

Going forward ICASA committed to reviewing the issues raised at the colloquium and feedback on a way forward.

Questions, Answers and Comments

Question: Please assist us with providing some insights around the high cost of the distribution of single distributions. I recall at some stage there was going to be the tariff searching regime of a single provider and how the tariffs need to be transparent and how they will have different type of structure for the public entities versus the others. Has there been any developments is that?

Answer (Ms Leah Maina): At the moment, I think there is nothing directly planned, but I know that there the authority is considering something. I am aware that Sentech has various different tiers of fees for community and commercial, but as there is nothing active that we are doing specific to that issue.

Regarding issues of affordability, once we complete the regulatory framework review, the authority will be in a better position to understand areas that require intervention.

Question: I am quite uplifted by the sentiments from ICASA, that all the things that both the chair and Philly are under consideration now. There was a time when all we heard was things are in the pipeline, how long is the pipeline? I want to know what are the timeframes for the work that’s currently underway because some of these things are 15 years overdue.

Answer (Ms Leah Maina): The pipe has shortened significantly, just to give an update:
- The review of the broadcasting regulatory framework is almost concluded. The draft regulations are already out. The final regulation should be published before the end of the 2018/2019 financial year (31 March 2019).
- The regulatory practices are also something we are working on under the performance plan for this financial year.
- The review of the Broadcast of the national sporting events is also planned for completion this financial year.
- By the end 2018/2019 there will be some progress at least on all of those issues that have been mentioned and hopefully we will have a view on these.

Question: I would like to ask about data (not #DataMustFall) but around information. The regulator has one very valuable asset apart from the staff and that is the information that you gather. What are the requirements for ICASA to public these reports annual and share this data?
Then at some point there were talks about the Department of Communications and ICASA having a joint office, what happened to this proposal – it might be something to consider to address issues capacity.

**Answer (Ms Leah Maina):** We do produce a status sector report and it is published on our website. I know previously the difficulty was navigating the website, but we have improved our website, we have a new website and information is a lot easier to find. References and compliance reports on individual licences and community broadcasters are published on the website. All the processes underway and concluded work are published on the website. We are working on having more comprehensive reports going forward and any ideas to support it will be welcome.

End of day one discussions..................................................................................................................................................................................
Day Two
Programme Director: Mr Theo Sibiya, Reflections of the previous day
The programme director reflected on the previous day’s discussions and day two discussions commenced.

The critical challenges of nation building facing South Africa today and the role of a public broadcaster in a constitutional democracy
Speaker 1: Ms Lulama Nare, Chairperson: Commission for gender equality
Ms Nare gave background on the Commission for gender equality, noting that the organisation is a Chapter 9 institution with a constitutional mandate as per section 187 of the constitution. The institution has the power to subpoena, monitor the state public institutions, private institutions, civil society and their organisations; as well as investigate and research findings and make recommendations. The organisation can subpoena anonymous tip-offs for example. Working in partnership with the SABC Foundation, the commission works to educate the SABC and other media houses on discussions on gender equality. The organisation also advises Parliament and conducts research on issues on gender equality. It also monitors compliance with regional and international conventions. The commission assists with complaints and is emboldened by the law to investigate without fear or favour where necessary complaints are reported. Part of its work also involves monitoring the SABC and its reflection of gender in its programming.

Concerns raised by the Gender Commission
- South Africa is one of the top four most dangerous countries in the world and number five in rape – which is a violent crime, and yet we have a public broadcaster that does not seem to show sensitivities of this reality in South Africa.
- Recently the SABC aired a Men’s Clinic advert that speaks to men being ‘two minute noodles’, relating to erectile disorder – with women speaking about this and giggling about it. The fact that the SABC would air an advert that equates men to ‘two minute noodles’ and sees nothing wrong with that is extremely worrying.
- The public broadcaster is using its platform to promote stereotyping of women and men.
- The public broadcaster has a role to play in ensuring that advertising shows sensitivity to gender issues. The portrayal of men in adverts on circumcision and erectile disorder issues, and the impact of these in perpetrating gender-based violence and violation of dignity, and the negative impact of adverts that speak to men’s reproductive rights and their performance as ‘two-minute noodles’ is of great concern.
- Edutainment programming of the SABC must be strengthened because most of our children watch SABC, they listen to SABC-owned radio stations and this plays a huge role in influencing the perceptions of these children.
- A major issue that the SABC needs to address is stereotyping of women’s roles in our society. Women have moved into mining, IT and are involved in more STEM careers – this must be reflected through the public broadcaster.
- Gender-based violence is a big issue in South Africa and women-headed households. These social ills and issues affecting communities must be reflected through the public broadcaster and a regulatory framework should be put in place with budgets to say what money is allocated towards these kinds of programmes.

Nare emphasised that the way in which gender is portrayed by the public broadcaster, for example, can contribute to sexual harassment and a number of the issues that the country continues to face with domestic violence, and that needs to change.

Recommendations
- The public broadcaster should work to protect women’s dignity and men’s dignity equally.
- The SABC must provide a platform to promote gender equality, correct stereotyping and reflect advertisement that promotes social cohesion, not fosters violence.
- As a public broadcaster the SABC has a role to play in its portrayal of women.
- We need to see more of our designated groups do empowering work and we need to bring government closer to the people. The private sector’s role in the rural areas and townships must be reflected.
- Some good work is being done by the SABC foundation in showing and strengthening the work of designated groups. However this must be reflected more on SABC 1, SABC 2, SABC 3 and 404 channel.
• Explore ways in which investigative journalism works around what is happening in rural areas can be reflected and shown to the people.
• Programming must connect with the people and focus on empowerment and progress. Programming needs to connect, because at the moment there is a huge disconnect.
• The public broadcaster needs to be more rigorous in changing current programming that shows degrading, violent and negative imaging of women.
• SABC policies should be reflective of this, as well as the regulatory framework. These guidelines should provide guidance on advertising, what is appropriate and inappropriate in gender representation in order to stop airing of degrading advertisements that foster stereotyping and encourage violence.
• These issues should be reflected in legislation, which must include issues on fair representation and no discrimination.
• The public broadcaster must train our journalists on gender so that they don’t report blindly on issues, but are more gender sensitive and are able to contribute towards changing stereotypes and addressing issues regarding following through on the equality clause.

If our country is progressing, then the SABC has to progress with the country and the two should feed on each other. In a civilised society, gender equality is one of the indicators of a civil society. Respect for gender equality would be a reflection of how civilised the country is.

Nare cautioned that the way women are treated in the newsroom, the way stories are portrayed, the way women journalists are treated – those stories will reflect in the kind of programming that comes out of the public broadcaster.

**Programming must reflect the realities of South Africans**

Nare emphasised that the one thing that the SABC needs to sharpen and strengthen is programming that reflects the realities of all South Africans, men and women in townships doing great work, not sensational out-of-touch programming. The stories that the SABC broadcasts have become urbanised and do not reflect the realities of South Africans, the realities of people living in townships across the country. We need to see more of these stories, packaged as edutainment and empowering.

The SABC must tell stories of rural women who are busy with sustainable development programmes, it must tell stories of women SMME-owned businesses, because not all women living in townships are beggars.

The SABC must present those empowering edutainment narratives about inspiring projects that young men are doing across the country.

Even with the country’s challenges of unemployment and poverty the SABC should be showing stories of hope and reflecting how the tide can be turned and how it is possible to have progress.

She highlighted that the SABC has access to millions of people and millions of people need to get as much positive, empowering programming as we see on the independent paid channels. It is possible for the SABC to make the same impact. The same ways the SABC sifts stories to provide the current narrative should be the way empowering stories can be sifted and included for empowering programming that will uplift and empower and show proper gender representation.

Of importance, the SABC must take the time to move forward in terms of substantive gender discussions and gender equality.

Presenter Bruno Druchen is deaf and is a national director at the Deaf Federation of South Africa. Giving background on the size of the deaf community in South Africa, Druchen shared that there are 1.5 million deaf people in South African and 40 schools and institutions for the deaf.

He expressed that DEAFSA needs the economic support of everyone in the country in order for its work to continue, including support for people with disabilities through purchasing of casual day stickers, for example, and for the organisation to empower people with disabilities.

He told delegates that he pays his TV licence, but for him, it’s sad that even though they pay their TV licence deaf people in South Africa cannot access the TV programmes on SABC.
Challenges

Druchen raised the following challenges with the SABC for the deaf community:

- Section 32 of the Constitution speaks about ‘access to information’, and yet it is disappointing that the SABC programming does not provide access to deaf people.
- The SABC also has a responsibility as the public broadcaster to follow and ensure that the editorial policies adhere to the UN convention for people with disabilities, namely article 9.
- Legislation adherence is poor, the SABC and eTV only commit approximately 240 hours to programmes with subtitles that deaf people have access to. This means that deaf people only have 17% access to the SABC channels but pay TV licences in full, whereas the hearing community has full access.
- In many national event programmes, deaf people are excluded. Key national events, including the Obama Lecture, had no interpreter on the screen, everyone else had access to that, but the deaf community was excluded.
- SABC 1, 2 and 3 are broadcast to neighbouring countries such as Namibia, Swaziland, Botswana, Zambia and Zimbabwe. However, when the SABC uses interpreters, they don’t understand the interpreter as the interpreter uses South African sign language and not international sign.
- As a result, the deaf community relies a lot on Facebook, Twitter and Instagram to gain access to information, even to access information about ‘the drama at the SABC’ and what is happening in the SABC.
- The SABC is not following through its own policies, one of which says that it will recognise peoples’ culture and their languages. The termination of DTV clearly shows a lack of recognition for the language of the deaf community.
- SABC’s subtitles do not come with captions; 7 de Laan, Generations, Muvhango and so on all have subtitles, but don’t have captions (water dripping for example) to allow the deaf community to follow through what could be the audio information as is the practice with international programmes.
- Every country has its own sign system. The international sign system is different to the local or country sign system and South African interpreters are lacking and are not exposed well enough to the international sign system.
- An even bigger challenge is that the SABC does not know how to make sure that interpreters are able to switch over into international signs for a broader international community to follow the proceedings.
- The SABC used to have a special programme for the deaf community called DTV. The SABC all of a sudden decided to terminate the programme without consultation with the deaf community.
- The SABC was the third country in the continent to turn off the service and now no longer has a programme that caters specifically for deaf people.

Druchen pleaded that in the new SABC strategy, the SABC must strongly consider bringing back DTV on its channels. He also reflected on this in terms of the impact it has on contribution to unemployment, noting that Candice Morgan, the interpreter who used to be on the programme, is now unemployed.

He explained that DeafSA has since 2003 engaged the SABC on how to turn this around and review their editorial policy to be inclusive. Subsequently, DEAFSA and the deaf community escalated this to Parliament, as the SABC was not forthcoming.

Recommendations

- Increase access to the SABC for the deaf community from 17%.
- Allow DEAFSA to work in partnership with the SABC to address some of these challenges. DEAFSA is prepared to work in partnership with the SABC to monitor and evaluate the interpreters to make sure that they are able to interpret to South African and international standards.
- Bring back special programmes for the deaf community, as these programmes are valuable for community members.
- ICASA must set up a guideline on subtitles and captions to give the deaf community a full view of what is happening. There needs to be a standardised format for captions.
- Thirteen years ago, ICASA had drafted a code of regulations for people with disabilities. The document has been drafted and has been in consultation for 13 years. ICASA needs to implement now, so that people with disabilities can begin to benefit from different programmes for them.
- ICASA needs to develop a monitoring of the implementation of standards, guidelines to the accessibility of facilities. The UN rights of Persons with Disabilities have enabled this; so that people can have these measures put into the code for people with disabilities.
• Deaf SA has been working with ICASA to make election campaign programmes for the deaf community and to ensure that the SABC does not filter views and exclude people with disabilities from their programming – and that they must provide professional captioning for these programmes.
• The SABC needs to make sure that advertisements that are broadcast are also accessible to the deaf community.
• Follow through international best practices in subtitling – i.e. considerations must be made for subtitles to come with captions – make use of SFSX labels.

Druchen explained that in 1994, the SABC started employing interpreters on all three of their TV channels, and DEAFSA played an advisory role on the system on how to establish those interpreters, how to ensure that interpreters follow the right codes of conduct; and that interpreters remain professional and do not express their own opinions.

He said that DEAFSA has also engaged with DSTV on inclusion of subtitles in movies, and since 2000, DSTV has included subtitles and is slowly implementing captions. The deaf community simply has to provide their digital decoder card number to DSTV. They download the subtitles for them and these appear when they watch – but the public broadcaster is failing to do that.

**Video Relay Services (VRS): Addressing the needs of the deaf community**

Video Relay Services presents one of the best solutions to address the needs of the deaf community and presents opportunities to really empower the deaf community to be more independent. As deaf people cannot make calls, through video relay services they can video call a call centre, where they would then be able to engage with a call centre agent in case of an emergency, and explain the emergency in sign language to the agent, for example, using video relay service. In turn the call centre agent will then be able to call emergency services on behalf of the deaf person, once all details of the emergency have been obtained. This service functionality is performed using the TV.

At the moment deaf people have to rely on texting relatives in case of emergencies – which is not feasible.

He showed a video of how video relay services work.

**Funding VRS**

Druchen noted that while funding is a challenge, this is not impossible. DEAFSA has been lobbying government on this and there is opportunity for the Department of Communications and the SABC to make this work.

Video Relay Services can have a call centre housed within the Department of Communications. ICASA as a regulator can make this happen. Network providers such as Telkom, Cell-C, and MTN can obtain VR licences to have it available on phones. The Department of Communications can pay four interpreters to work in shifts.

There is a possibility for ICASA and the Department of Communications to work together alongside all service providers to ensure that the 1.5 million person deaf community in South Africa can benefit from this.

In closing, Druchen appealed to the Department of Communications to include this as part of the policies being reviewed, noting that while this will have huge financial implications, and it will improve the lives of people with disabilities.

**Speaker 2: Ms Ankie Motsoahae, Executive Director, NYDA**

Ankie Motsoahae presented on behalf of the Chairperson of the board of the National Youth Development Agency (NYDA), who could not attend due to an emergency meeting in Cape Town. In her presentation, Motsoahae raised concerns that very often in South Africa important decisions are taken but the voice of young people is absent and that’s a travesty as South African society consists of a majority of young people.

She gave background about the NYDA, noting that the organisation is an agency of government and is the only government department with the mandate to mainstream youth development and provide strategies to government for the implementation of youth development programmes.

**Challenges**

*Motsoahae raised the following challenges and concerns:*

The SABC is important in dissemination of information and that information contributes to building young people. They are able to reflect on what they can become as they see examples on the screen. Therefore, within this context the SABC plays a critical role as enabler of both government and the public sector towards socio-economic empowerment.
Within the context of youth unemployment, in particular, youth who are not in training or meaningful employment who may be watching the SABC, we must ask the question, what type of public broadcaster do we want?

*The SABC is contributing to the challenges, not to the solutions*

Motsoahae highlighted that of concern and very worrying is that among the many compounding challenges facing the country, young people are the hardest hit by the triple challenges of poverty, unemployment and inequality. Statistics South Africa reports and presents a very large and uncertain future on the state of country, especially the position of young people in South Africa. This is because reports indicate a regressing economy, high levels of unemployment and an increase in violence against women and children, and lack of opportunities for young people. Young women to a large extent have accepted that violence continues to be meted against young women by young men, through experiences of violence in universities, in schools and society at large.

To a large extent the SABC is not contributing towards addressing these challenges in broadcast programming; instead their programming contains a lot of violent content. If nothing meaningful and earnest is done, we are sitting on a ticking time bomb where a high number of young people, those who are not in education, not in employment, not in meaningful training, rise up and say enough is enough – and the country will not be able to cope when that happens.

She noted that we should stay away from showcasing the US or Europe as the ideal destinations or precursors for success for young people – those countries have their own problems. Young people need to look at what we have in South Africa and how they can contribute locally, and not want to run away from the country the moment they have an opportunity to do so.

**Recommendations**

- The public broadcaster that we wish to see is that which has programming that responds to the needs of our young people. Responding to their needs also has to do with moving with the times, following them wherever they are.
- We need to see less violent content.
- In South Africa, there are more cellphones than there are radios, TVs and taxis combined. With this in mind, the SABC needs to prioritise the success of its app so that there is easy access to the public broadcaster for young people.
- There is a need for partnerships between the SABC, key stakeholders and the NYDA to ensure that there is guidance on programming for the youth, to support young people with programmes available for youth skills development, to inspire young people coming out of prison, for example, and not to continue to show them violent content and content that makes bad things look ‘cool’. The SABC must show meaningful content and programmes that positively impact and change the mindset of young people.
- The SABC needs to come up with meaningful programmes to empower young people in communities, in rural areas and townships, programmes that address the social ills of the country and do not contribute towards upholding them in their programming.
- Present programming that encourages national service and voluntary work for skills development.
- Showcase the beautiful stories of things that young people are doing with the aim of achieving social cohesion and nation building.
- Provide enough platforms to showcase the works of young people who are doing exceptionally well in their communities. The SABC needs to play a role in capturing their stories in order to encourage them and others and in order to influence the aspirations of other young people.

*Programming with less violence content*

It has become scary to watch TV sometimes, because of the amount of violent content that the SABC shows. South Africa already has enough violence in its reality, this should not be upheld in programming. The SABC needs to refocus and begin showing content that shows how we can build a society, how we can be kind to each other and to ourselves in the spaces in which we live and how we can rebuild the nation.

The SABC needs to promote more educational and interactive programmes. Encourage volunteerism and patriotism by our people. Broadcast content that encourages young people to be excited about being South Africans.

To draw a parallel from principles of simultaneous development, the SABC must remain sufficiently flexible to accept input from society, agencies and institutions also making efforts towards shaping our communities.
Programming should instil pride in people and in the youth

There is a need for programming that instils pride in being South African. This is the responsibility of not only the SABC, but of government and the private sector as well; but first people must be proud of themselves. We need programming that nurtures young people to take pride in themselves. She noted that when people take pride in themselves, they feel good and see good in others and in the country. She acknowledged that while this is not an easy exercise, it is necessary that all stakeholders come to the party, and that the SABC takes a leading role in influencing these perceptions through their programming.

She noted that while there is some change, as one of the challenges is that we do not see ourselves, the youth, in SABC’s programming, or our languages; this is shifting. However, the content of programming needs to change and we need to see more of this change – and this must be done immediately.

The NYDA has proposed to the President of the Republic, Mr Cyril Ramaphosa, that he look into the scrapping of experience as a requirement for low level jobs in government. In many instances adverts require experience for a secretary’s position. There is a lot we are demanding from young people who have not been exposed to any work.

Programming should facilitate entrenched democratic principles

Motsoahae emphasised the importance of the public broadcaster in entrenching the values and principles of democracy. Among the principles that should underpin the public broadcaster’s service delivery model, especially to the youth, should be entrenched democratic principles exciting young people about voting. There needs to be programming that encourages young people to vote. Young people need to be educated about the importance of voting, about South Africa’s national symbols and a better understanding of where we come from as a country, and about the relevance and importance for young people and their families in building a sustainable and progressive democracy.

Speaker 3: Mr Mbusi Nzimande, Head of Administration: Disabled People South Africa

Mbusi Nzimande is visually impaired. In his presentation he gave background on Disabled People South Africa, stating that the DPSA was established in 1984 as a movement of disabled people that promotes and defends the human rights of persons with disability. It is the largest democracy cross disability movement in South Africa, which is led by persons with disabilities themselves. “Nothing about us without us,” is the organisation’s slogan.

The Electronic Communications Act 36 of 2005 and the broadcasting digital migration policy and broadband policy clearly stipulates that:

‘Digital broadcasting must contribute significantly to accelerate building of social cohesion and achieving national identity of South Africa through the dissemination of appropriate content that adequately reflects the country’s culture. Digital broadcasting provides services for persons with disability with captioning embedded in the television signal which becomes visible when a special decoder is used. South African decoders will, as a matter of policy, enable viewers to see captions which will assist them to read what is being said in particular programmes.’

Challenges

Nzimande raised the following challenges and concerns on behalf of the DPSA relating to the SABC:

- The public broadcaster has some great policies and regulations to guide its programming; however these are not being put into practice. Relating specifically to people with disabilities, the SABC charter says, ‘being responsive to audience includes meeting the needs of the deaf, blind, and accounting on how to meet those needs.’
- Full equal access to information from the SABC remains a challenge for people with disabilities.
- In line with the UNCRPD and the white paper of persons with disability, the SABC must promote rights to equality, protection from unfair discrimination on the basis of disability. Public services need to be delivered in an accessible, affordable, user friendly electronic manner as in Chapter 10 of the Constitution.
- The white paper on the rights of persons with disabilities speaks about promotion and access for persons with disability, with new information, communication technology and systems.
- As an employer and public broadcaster the SABC must promote, protect and ensure full equal employment of all human rights. At the moment there is no clarity on the SABC’s employment equity targets for persons with disability. The SABC needs to announce a plan of action through
employment equity targets for persons with disabilities by 2030. The SABC needs to adopt a target of 7% disability equity for procurement of goods.

‘Nothing about us without us’

Nzimande expressed the deep concern and annoyance about actors on SABC programmes acting out disability when there are actually people with disabilities who can act in those programmes.

“It’s annoying when someone turns blind and they act that he is blind when he is not blind,” said Nzimande.

Recommendations

Nzimande made the following recommendations to the SABC on behalf of DPSA:

- ICASA as the regulator must enforce regulations of licensing that give effect to the existing prescripts and directives contained in the legislative and policy environments inclusive of the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD).
- The Independent Communications Authority of South Africa, the regulatory body, developed a code for persons with disability as required by section 70 of the Electronic Communications Act 36 of 2005 as well as section 2 of the Postal Service Act, and the recommendations must be followed.
- The Electronic Communications Act 36 of 2005 and the broadcasting digital migration policy and broadband policy must be put into action by the SABC to genuinely play its role as a public broadcaster.
- SABC needs to be people centred, content driven and strategically focused on sustained public service broadcasting.
- In terms of disability regulated content, the SABC public broadcasting service mandate includes providing programming that is targeted at women, youth and people with disabilities.
- The SABC Foundation Disability 360 is a step in the right direction, but more needs to be done in covering disability inclusion as an integral component of its content.
- The SABC needs to take immediate action, introduce sign language interpretation on all television news broadcasts.
- Sign language interpretation and close captioning on all actual television programmes, contracting service providers on television, close captioning on all local productions.
- Seven per cent of all actors and presenters on the SABC should be persons with disabilities themselves.
- The SABC needs to find people with disabilities to act in its programmes. If the SABC wants to sensitise audiences about disabled people or disability issues through drama, it must find skilled actors with disabilities to act the parts.

Critical questions to be addressed:

Nzimande raised the following critical questions:

1. Are all radio stations in terms of the licence conditions expected to deliver on disability content?
2. What are the minimum norms and standards for disability content?
3. What are the SABC radio and television stations’ current disability content requirements and are they meeting this?
4. Does ICASA require disability specific criteria? Why do we find that all radio community, campus radio, regional and national, will talk about disability, e.g. on Mandela day, youth day, women’s day and so on, and yet very few radio stations talk about the celebrated days within the disability sector, excluding international day for persons with disabilities?
5. If people with disabilities make up 7% of the population, they are therefore part of the total broadcasting landscape. Why are the dispersions not required in the licence to promote all the celebrated days in the disability sector?

Nzimande raised a key concern about the presentation made from the Gender Commission, that while it reflected on gender equity and empowerment, it mentioned nothing about people with disabilities. He reminded delegates that all human rights issues must include people with disabilities.
**Breakaway Commissions**
Mr Theo Sibiya briefed delegates on the purpose of the breakaway commissions, highlighting that the sessions should be used to come up with strategies and solutions to addressing issues.

**Commission 1: Mandate, size and scope (developmental and commercial) and content of interest, languages, foreign policy, universal access**
*Facilitator: Prof Franz Kruger: HOD Wits Journalism; Director Wits Radio Academy*

Professor Kruger introduced the topic to the commission. The topic was broken down into manageable subjects, namely mandate, content, languages and universal access; size and structure. These were the outcomes from the discussion:

**Mandate**
- The SABC mandate is broad but attainable, provided that the SABC invests in content to which South Africans can relate.
- The mandate is too wide, but not too big. When implementing it, we need to be mindful of the cost implication, priorities, and other players within the industry.
- The SABC cannot cover everything within its mandate and consideration must be made to bring in other players to cover other areas of broadcasting, for instance sport and news, as there are already other players providing this service.
- The mandate can be attainable if the SABC is allowed to be flexible. One point the participants mentioned is that the difficulty is not having a broad mandate but having the flexibility to execute.
- It is not possible to include all the aspects of the mandate in one programme. The SABC should be allowed to be flexible and plan their content in advance; that way they will be able to incorporate the mandate in different aspects.
- The mandate should be categorised in terms of high priority and general priority; the affordability to actually deliver on this mandate, for instance high priority objectives will be in official languages, provision of content for people with disabilities, general objectives will be ancillary.
- Other government departments should play a critical role towards the success of the SABC mandate – e.g. the Department of Sport can sponsor the streaming of sporting activities.

A recommendation was made that the Board needs to present its plan for the next three years and clearly articulate key areas of focus and prioritisation, highlight how much content will be allocated to youth programming etc., or to priority programming on education or gender-based violence etc., but the plan must be presented, actioned and progress monitored. It must be a specific, measurable plan, because the difficulty is not in having a broad mandate, it is in having the flexibility to be able to report against the interests of the mandate.

One of the questions raised during the discussions, and presumably one that has also been raised by the Department of Communications, is whether the SABC is the only vehicle to deliver the public broadcasting mandate as there are currently already a number of public mandate elements being carried elsewhere, including sport and news.

**Content**
- The SABC should invest in content which South Africans can relate to and a programme review must be done in order to measure the effectiveness of the broadcaster’s content.
- A programme review must be done in order to measure the effectiveness of the broadcaster’s content.

**Structure and size of the SABC – to privatise or not to privatise (commercial)?**
There was a lot of debate around the structure of SABC as an organisation with three TV stations and 18 radio stations, and whether the organisation is too big. Four options were presented: whether to return the status quo, to remove the divisions, commercial services to be formally separated or privatise the commercial services. A majority of the participants suggested that the SABC should privatise commercial services since that could generate much needed income for the SABC and this would bring a lot of foreign media companies into the country that will support OTT.

Some participants were of the view that SABC should maintain the status quo and use the commercial services to achieve universal access since they can reach most parts of the country.
The structure needs to be assessed in terms of where we are and where we are going, and in terms of what needs to be done to accommodate all the different elements.

Suggestions were made for the online platform to substitute some of the SABC structures, and this should focus on identifying very good and cheaper platforms that can substitute some of the structures.

**Challenges**

- With such a wide mandate, it’s important to be mindful of the cost constraints, especially given the SABC’s financial challenges.
- One of the biggest challenges is the SABC’s unclear communication lines, which makes it difficult for other government departments to contribute or work closely with the SABC.
- Government departments are willing to provide funding towards achieving the SABC mandate; however it is unclear on who to deal with at the SABC since there are a lot of bosses and no clear lines of communication. For instance, the Department of Social Development noted that they would be willing to support the SABC in the production of content for people with disabilities, but there are a lot of people to report to in the SABC.
- Funding is one of the biggest challenges and has been a big drawback.
- The three current SABC channels are limiting the potential of the public broadcaster. The SABC has much content, but there are not enough distribution channels for the content.
- Various government departments spend a lot of money on specific programming, i.e. on Early Childhood Education (ECD); however the SABC’s programming and content does not tally with the spend on ECD content. There are no measures in place to assess cost vs benefit.
- In terms of affordability there is a huge problem with sport.
- Fragmentation and too many bosses within the SABC are challenges, when one wants to support Disability 360 for example, because it forms part of the SABC mandate but cannot be covered because the programme rests with the SABC Foundation.
- Establish an office within the SABC for government departments to engage with the SABC when they need to have an event, for example, or paid for programmes. There needs to be one central point of contact at the SABC for ease of communication.
- There has to be a division that deals with government engagements around who should pay for sign language interpreters, for example, and that division should be responsible for facilitating monthly meetings with key government departments to discuss ways in which the SABC can work together with the departments.

The SABC should invest in training national content developers as the mandate says that the public broadcaster shall nurture South African talent and train people in production skills. The SABC needs to assess the kinds of skills that they will require and identify opportunities for partnership with state-owned entities, and begin training talent and developing skills.

**Specific policy recommendations**

*Below were the specific policy recommendations made in the session:*

1. The starting point should be for the SABC to fulfil public media purpose within South Africa, and public media is about content and content aggregation and distribution.
2. The content that the SABC produces needs to align with the requirements of the constitution and the requirements around non-sexism and gender equality etc.
3. Relook the SABC Charter against the Broadcasting Act, and establish whether it is very clear where the charter starts and ends and exactly what it includes, which will make things a lot clearer. In terms of the charter there should be a public process in deciding what should be in that charter.
4. Every 10 years, the Charter should be revisited, reviewed and a decision taken on whether or not we are happy, and a way forward mapped. This should be done with civil society organisations.
5. There is already work that has been done by civil society in that regard; there is an SOS public broadcasting charter currently on the table. The Charter has three broad headings and suggests that:
   a. The first thing that a charter should do is to promote the values of the Constitution – and that is one of the most essential things. Whatever programming is produced should deepen the constitution and principles of the constitution.
   b. The public broadcaster should provide programming of the highest quality; it should be the sector leader in the country in terms of ensuring quality cutting-edge programming.
   c. The public broadcaster should contribute to the development of our country's culture languages and local culture industries.
6. There needs to be a distinction between the mandate and elements. What is the mandate and what are the elements – as the elements can relate to expenses and the costs.

7. The Regulator needs to work closely with the SABC in focusing on changing stereotypes about women and effectively monitoring progress in this regard. There needs to be a change in the way adverts are positioned towards women and this must be regulated and monitored closely to foster gender equality and eliminate stereotyping being portrayed in some of these adverts.

8. The structure of the SABC (the public-commercial and public division was identified as an issue) does not work. It has not done what it set out to do, and the so-called developmental channels are subsiding commercial channels. Remove the divisions.

1. Add a parliamentary channel to the SABC so that people who cannot afford pay channels can follow parliamentary proceedings as well.

2. Include a new mandate that promotes digital literacy and identify where this would fit in as the public broadcaster moves forward.

3. The SABC should give marginalised content developers an opportunity.

4. Include national sports programming as well as developmental and minority sports and reflect this in programming.

Overall recommendations
• For any universal issue there are 18 PBS radio stations and these should be accessible nationwide.
• Digital radio should be considered for universal access.
• Mzansi is claiming the same space as the SABC.
• The current three channels on television are very restrictive, while on radio the SABC has managed to achieve a lot in terms of reach. With digital radio a lot more could be done – and the same will be achieved with TV to meet the expectations of South Africans.
• The SABC has a mandate to the public and needs to stop being apologetic for that, because there are specific things that the SABC is not – and that’s nothing to be apologetic about.
• Cost the mandate – look at each element, do research and development on each element and access sources of funding for each element.
• SABC should invest in digital literature.
• Should SABC consider adding other services specific costing for the service must be done to address the issue of funding?
• The SABC must teach us how to use the online media, the TV, the radio in a more responsible way. They must take into consideration that they have to bring in the future.

Best practice learnings
Recommendations were made around learnings that can be drawn from the following around specific challenges:
• Gender equality: Lessons can be learnt from the BBC, as it has 100 days where it talks about gender and women’s issues – their format is a five to seven-minute panel discussion. That is a kind of discussion that we must have at SABC about women and other gender issues in the country.
• Addressing stereotyping: CNBC Africa has various programmes focused on discussions aimed at changing gender stereotypes – conversations are short and present discussions in an interesting manner that appeals to both a younger and older generation audience.

Commission 2: Funding and sustainability (commercial vs. developmental mandate)
Facilitator: Mr Dimitri Martinis, ICT expert and consultant

Opening discussion on funding and sustainability, the commercial vs developmental mandate, Martinis explained that discussion would focus on the following key areas:
• Analysing the current funding model
• Defining broadcasting in this era of convergence
• Funding and financing.

He explained that these inputs would then inform the policy proposal to the SABC.

He highlighted the following macro issues to be considered in discussion on policy and noted the importance of engaging with the right context in order to come up with the appropriate response. These are some of the macro issues raised:
Macro Issues:
- Convergence both of technology platforms and convergence of markets.
- There is a need to think about how these changes in the political economy impact on policy making.
- There is a need to look at the impact of technology in policy making.
- Considerations must be made that the SABC does not operate in a vacuum, and there are a number of other stakeholders and policies to be taken into account including the National Development Plan.
- It’s about diversification, a development model focusing on radical economic transformation and social inclusion.
- Processes in motion need to factor into account that policy making in the fourth industrial revolution means that we are shifting from a resource based extractive primary economy to a post-industrial services-based economy.
- In talks about policy we should stay away from thinking of policy from the perspective of who benefits and who loses.

Funding and financing for the SABC
- There is a need to make a distinction between funding and financing, especially within the context of wasteful expenditure of R5 billion. Funding means paying for something to receive value and financing is about raising capital to start a business or finance a business plan.
- There isn’t a need for financing of the SABC; there is a need for funding for specific types of programmes.

Recommendations
The idea in as much as there can be digital migration, reconfiguration of the social aspect if not reconfigured will come to destroy those things aimed at advancing the needs of society.
- We need to move away from skilling to knowledge production.
- We need to move away from perceptions of intelligence as criticising the ANC or the ruling party and criticism for the sake of criticism.
- Government should play a major role in driving and funding public institutional demand for the good.
- We need to shift geography reasoning and invest in knowledge and move away from quantifying things in monetary terms.

Considerations
- When looking to influence, policy stakeholders should be involved and engaged from the onset, not consulted when the policy discussions and changes have been discussed.
- The public broadcaster must commission 40% of local content from their independent producers.
- The idea of an unfunded mandate is a mandate that is not commercially viable. SABC has public service obligations, funeral coverage, etc. This should not be so, unless it’s paid for.

Discussant 1: Dr Blessed Ngwenya, Department of communication science, University of South Africa (UNISA)
In an attempt to define the public broadcaster, Ngwenya said that when it comes to the SABC we need to think about the public broadcaster in terms of where and how the SABC is located, because this positioning will actually determine a number of things including where it speaks from and how that links to issues of funding and sustainability.

He gave the following background about the SABC, highlighting the importance of understanding its genealogy. This is vital to reimagine broadcasting and understand different conflicts in order to know who is benefiting from the public broadcaster, the factors going into decision making, location and issues of access. A brief history of the SABC enables better understanding of historical challenges of the public, to help inform some of the solutions for the reimagining of the public broadcaster. He shared the following:

- It is important to understand how we are diagnosing the SABC; identify areas where we have failed to diagnose and why there is a lack of diagnosis.
- The SABC’s funding problems date as far back as 1934. The SABC needed funding then for new technology, which was expensive to maintain. That was the beginning of the SABC’s funding problems; these problems have continued until today, seemingly with no solution.
• SABC’s first stations were based in Cape Town, Johannesburg and Durban. Two years down the line the Johannesburg station closed down through lack of finance, as people refused to pay their TV licences.
• Now what is happening in South Africa is that public institutions that are produced by modernity are criticised in this age of hypercriticism.

Ngwenya cautioned against these three presentiments, the first one being the crisis of hegemony, the second the crisis of legitimacy, and institutional crises, and explained these as follows:

*Crisis of hegemony:* This is the questioning of cemented common world views; which have come from a particular universal viewpoint. Within the context of the SABC, it’s not a concern over international domination but it’s the questioning of knowledge that informed the existence of the public service media and its epistemic location, its epistemic domination, the knowledge that informs the foundations of the SABC.

*Crisis of legitimacy:* The SABC is caught up in both a developmental and a commercial mandate, but the question is, how can it be a broadcaster, broadcasting for the public good, and be judged on a commercial imperative? If broadcasting is for the public good, then it must be determined what the public good is, and who are the public. Looking at South Africa, one realises that the golden location where the SABC is positioned will determine these factors. Within this context, the question is, who are we taking lessons from? Are we taking lessons from Europe or Australia or from the citizens, consumers and subjects in South Africa? Within this context there are imbalances, because inequalities really disqualify people who belong to the zone of “none” as citizens – even in as much as people are asked to pay their licences. Crisis of legitimacy is about maintaining the integrity of the social value system. The question is does the SABC meet its mandate?

*Institutional crisis:* This is a break in continuity of a production which can never be fulfilled by commercial relations but always requires public intervention into the daily lives of citizens, subjects and consumers.

Ngwenya argued that to address some of the challenges the SABC is facing, funding, public and content must be at the centre of its focus. However, he cautioned against loosely using the term funding, as it is a ‘very dirty term’, which could mean to apply something for one’s own benefit.

**Considerations**
• In as much as there can be digital migration, it is important for the reconstitution and the reconfiguration of the social content, because if this is not reconfigured it will come back to destroy certain structures that will advance the needs of society.
• We need to move away from skills to knowledge and production of media intelligence; and we must move away from thinking knowledge is a cost. It’s an investment and we must invest in knowledge.

**Discussant 2: Mr Groovin Nchabeleng: Group CEO: Blue Print Group**

Speaking about the possibilities of advertising in generating an income for the SABC he shared the following insights:
The SABC has a 25 million viewership and listenership, 17 radio stations and three TV stations. This gives an average of a 17 million viewership per night.
According to research conducted by MyBroadband in March 2018, SABC has the most viewed locally produced content, mainly soaps such as:
- Uzalo on SABC 1 has 9.9 million viewers
- Generations on SABC 1 with 9.6 million viewers
- Skeem Saam on SABC 1 with 7.4 million
- Muvhango on SABC 2 with 5.7 million viewers
- Isidingo on SABC 3 with 1.3 million viewers.

**What do advertisers really want?**
They want reach and impact and want to be with great distributors of content.
• A total of R45 billion is spend on advertising across all media channels and R26 billion is spent per annum on TV advertising – which is more than half of all advertising spend.
• While Multichoice reaches only six million people, it generates more than R33 billion in advertising on its channels.
Challenges

- SABC viewers do not want to pay their TV licences.
- The SABC’s content is undervalued and given away at a very low fee to advertisers compared to similar programmes on DSTV.
- The SABC has not made much effort in proactively seeking advertising opportunities.
- Even if people were not paying licence fees SABC could sustain themselves with advertising.
- SEOs are advertising everywhere else but the SABC. Telkom, for example, spends just over R500 million on advertising and they are not spending much of that ad-spend on the SABC.

Recommendations

- Digital migration will assist in the adoption of the user pays principle.
- 100% government subsidy to five million ‘poor TV households’.
- All other eight million households must pay a media licence.
- Abandon the TV licence as we know it.
- The SABC must ring-fence the advertising revenue of state-owned entities and government. For instance Telkom spends about R500 million per annum on advertising.
- SEOs must be forced to advertise with the SABC.
- Create a structured mechanism that will review their credit facility based on advertising revenue.
- Consideration must be made for the SABC to buy the sports rights from PSL, take the rights and sell them to advertisers to generate revenue.
- The SABC needs to create strategic and sustainable revenue generating mechanisms.
- The SABC must partner with the public and private sectors.
- The SABC must promote cost leadership strategy that seeks to achieve value for money in the SABC’s overall objectives for public service broadcasting.
- The SABC needs to look at its role and go back to driving campaigns that unite the country and bring it alive, similar to campaigns that the social broadcaster ran for the 2010 world cup – that’s the kind of SABC that we need.

Nchabeleng emphasised the need for the SABC to live its mantra ‘Vuka Sizwe’ and command its rightful space in the marketplace, because without the SABC advertisers would not have business.

He highlighted that one of the biggest challenges with the SABC is that they have not adequately valued their content, they have devalued their content and given it away to advertisers. For example, Skeem Saam on SABC 1 has 7.4 million viewers and its rate card is R150,000 – which translates to two cents per viewer. The Queen, on the other hand, has 756,000 viewers and its rate card is R85,000 which translates to R11.2 cents per viewer. For fewer viewers, Multichoice charges at least nine times more per viewer than the SABC does.

DSTV has six million subscribers and SABC reaches 17 million viewers and it’s the only channel in South Africa that’s free for all, with the widest reach and distribution; yet the SABC only makes R9.7 billion in advertising revenue (for 17 million viewers) and DSTV generates 12 million in advertising revenue for its six million subscribers.

Funding

With the 13 million households on the SABC database, at a fee of R265 per TV licence per household, the SABC can possibly generate a total revenue of R3.4 billion per annum, and yet the SABC currently only receives R900,000 which means there is R2.6 billion revenue lost. He highlighted that there is also opportunity for the SABC to generate significant revenue through advertising, and noted the following:

- Review advertising pricing model
- Market and position SABC and position itself to the industry that is critical to its survival – the advertisers
- Advertisers are spending more with DSTV than with SABC, yet Multichoice has six million people and SABC 17 million.

Nchabeleng noted that with this model, even if people were not paying their licences SABC would survive. He emphasised that the SABC must leverage the power of its reach and distribution channels to attract substantial advertising.

Following Nchabeleng’s presentation, delegates engaged in robust discussions around some of the issues raised by the discussants. These were some of the insights from the discussions:
Challenges

- The SABC is not proactive in its approach to soliciting advertising, the SABC never approaches anyone.
- The SABC does not believe in its own product, so it would be difficult to convince someone else to believe in it.
- The SABC doesn’t run from a regulatory solution perspective, and never solves problems, if any change is to take place or any repositioning, the SABC must begin to strategically develop responses to addressing its most pressing challenges and take action.
- SABC’s biggest threat is internal, and its biggest threat is that it has been underselling the brand and now must relook at how to sell the brand in line with its brand value.

Recommendations

- Establish an office or unit within SABC to drive innovation and efficiencies in all aspects of organisation content diversity.
- Bring in the consumer, retain, and essentially content then becomes a means of earning revenue for the broadcasters, content that is relevant today for the consumer.
- Content must be relevant to the consumer.
- The SABC has the SABC Foundation, it should look into leveraging the foundation as a vehicle for mobilising resources that can be used to discharge its mandate.
- Seventeen million people watch the SABC. For this reason there is a need to reposition the relevance of the SABC in the digital world.
- The SABC must look at a campaign to change perceptions about licencing and the public broadcaster in general.
- It is important to understand the biggest spenders in advertising and target them by positioning what the SABC has to offer from an audience perspective.
- The SABC must get onto a multichannel platform as soon as possible.
- The SABC must take advantage of technology and begin to really push content on mobile devices.
- The SABC must look at post-advertising value add to extend the lifespan of content.
- In terms of the mass carry recommendation, the specific amendments should be in line with the Act itself.
- The SABC must develop a template for partners to enable partners to budget for SABC spend. Educate partners, to make it more institutionalised would be better, donor funded programmes, editorial remains with SABC, national public broadcasters.

Specific policy recommendations

1. SABC to take advantage of technology, use technology in the most efficient and most affordable ways, DTT, DDH in other areas and do deals with network operators so that we don’t use data to deliver content etc.
2. Broaden to open view TV.
3. SABC needs to get onto multichannel platforms as soon as possible.
4. There is a lot of regulatory uncertainty.
5. Review Must Carry, sports of national interest and sports rights.
6. Transparency in pricing and rate card must be included as a policy directive.
7. Amend section 37 of the Broadcasting Act to enable people outside of the SABC to collect the money. That section says SABC must collect, but to allow people outside of the SABC will not necessarily make them agencies of the state.
8. Invest in our level of content production, because that is the driver of the future. As a policy driver, there has to be investment in high quality content that travels the world, non-negotiable.
9. There were 22 policy recommendations made by the SABC ad hoc committee. Nineteen of those were implemented by the ad hoc committee, the rest still have not been implemented because those are supposed to be implemented by Parliament. Those outstanding recommendations should be implemented.
10. Licence fees must be part of the funding mix. A more disruptive model for collection can be charged to manufacturers.
11. Look at smaller channels for advertising at a different rate than big players to assist in collection of revenue.
12. Policies have regulatory tools and must achieve specific purposes, ensure that people are able to access public service programmes. SABC are not on satellite platforms, that is the reason. It’s a specific purpose, not about us not wanting to pay.
13. For high profile funerals that attract a global audience, there has to be proper planning and budgeting and a policy directive on the broadcast of these events in order to leverage
advertising opportunities during such events. For example, Winnie Mandela’s funeral was a big event, but not much happened in terms of advertising because there is no plan in place to leverage these events for advertising. There has to be a policy directive on such events.

14. There needs to be a policy that forces SOEs to spend on SABC.

A key recommendation was made for the SABC to develop a more efficient internal sales strategy.

Commission 3: Governance and accountability
Facilitator: Ms Nadia Bulbulia, Executive Director: National Association of Broadcasters

Discussant: Prof William Gumede, Director: Programme for the management of public enterprise, University of Witwatersrand (Wits school of governance)

In his opening Professor Gumede shared that in 2009 he did a report for the Presidential Review Commission on the appointment of boards and CEOs for state owned entities. In 2013, the report came out and it’s on the Presidency’s website but unfortunately none of the things have been implemented.

He said the manner in which we think about and define the media will inform the way in which it should operate. In his view, the media is public institution and the role of the media as a public institution, especially the public broadcaster means there are a whole lot of stakeholders who have a stake who want to be consulted on issues and who have to be involved. Speaking about governance he said:

Governance

- Governance works in a frame work and the Constitution is the very framework of our governance system.
- Whatever we do, whatever institution, whether it’s the media, or whether it’s the private sector has to fit into that framework of governance which is our Constitution.
- From the viewpoint of the SABC, this means that if reporter goes out on a story and a decision is made anywhere in the SABC or by any of its reporters the rules that should be followed are the Constitution, whether it’s a decision to take a decision on a news angle, or what story should be covered, the Constitution should be used a framework for the SABC.

He noted that South Africa’s democracy is slightly different to other democracies as it is a mix between the Indian democracy and the German Reichstag. While a lot of countries have liberal democracies, ours is actually beyond that - it’s a much more socially democratic one. With that come mix of things in our Constitution, and some of these things include:

Constitution

- What we do in line with the Constitution should be participatory and representative at the same time – which means reporting has to be from a participatory point of view and be representative.
- South Africa has a history of colonialism - apartheid and a very big part of our Constitution is nation building. While other countries they have a Constitution that deals with the rules, ours speaks of nation building, addressing the ills of the past – things that are not normally in Constitutions – which means from whatever public institution there has to be a way of doing nation building. It’s part of the core function because it’s the Constitutional mandate.

Governance structure

- In appointing boards, determine the kind of environment in which these board are being created, determine the challenges and then appoint.
- The SABC has to be profitable enough to pay its people, it has to be a business.
- We need to explore how the SABC can be run as a business, which is a very big part of institutions.
- As the fiscal space has shrunk there is going to be more pressure for the SABC and other state owned institutions to run like a business and become profitable.
- With fiscal changes this is also going to impact on advertising and the SABC needs to be ready for that.
- The reality is that the majority of the SABC’s audience do not have a lot of money.
- The shareholder cannot appoint the board, the shareholder cannot even appoint the CEO. This has to be done by the organisation itself.
• Telkom the last couple of years are doing better, because of private sector shareholding who are also involved in governing.
• While the state is there, it still has to engage and negotiate with other stakeholders.

Challenges

• South Africa’s regulation is outdated. Our regulation doesn’t even respond to some of these disruptions including how to Netflix in South Africa.
• Netflix is disrupting broadcast and yet does not pay any licence fees in South Africa.
• Technology is rapidly evolving and the rise of the digital era is disrupting the broadcasting economy and has destroyed the traditional model and the biggest challenge is looking at the SABC at the moment, there is no thinking around where the SABC has been in the past and where it is going.
• Traditional competition remains, but there is also new types of competition Newspapers, eTV and DSTV have become more competitive. Newspapers are writing and broadcasting stories on their YouTube channels. These businesses are leveraging social media and exploring opportunities for revenue generation utilising digital, the SABC is not playing in this space.
• New types of competition have emerged – these are the ‘intermediary technology platforms’ such as Google, Facebook, YouTube. With the rise of livestreaming and Netflix that has disrupted broadcasting, the SABC, the BBC and Canadian Broadcasting Corporation (CBC) among others are battling because people can got to Netflix, you can get the newspaper on Facebook – and this is a new type of competition that the SABC for which it is not prepared.
• As a result of these disruptions, advertising is now migrating, advertisers are looking at whether they really need to SABC when they can do it on YouTube and other platforms.
• The SABC is a state-owned entity but it’s a public broadcaster. It’s only under 3% funded and yet it looks as if it has become a state broadcaster but it’s only 3% funded by the state. Other broadcasters are 100% funded by the state; yet the state funds 3% of the SABC and yet has so much say in the public broadcaster.

The SABC must get into the digital space in order to respond to some of these challenges.

Recommendations

• Everything is happening on mobile phones and the SABC model must make room for the SABC to get into this space.
• Allocate money for digital innovation immediately.
• Get content right, because content is king, it’s what will set the SABC apart to beat the competition.
• We need to look at how we can create that kind of impact with the SABC and look at what kind of content can we produce for ourselves and export purposes.
• We need to build a communications industrial sector from writing scripts to production, filmmaking, animating, and everything to do with communications.
• Leverage industrialization and export whatever the SABC does – for example if the SABC produces a soapie, the SABC should be able to sell that soapie almost everywhere in developing countries. The content has to be very good.
• We need to see broadcasting and the SABC as an industrial sector. The SABC is not just alone but is part of the eco-system of development so the eco-system of development. With this in mind the SABC must create filmmaking hubs, create production hubs, contributed by local talent. The content, technology, equipment and everything must be looked at from this viewpoint.
• There needs to be better accountability and governance within the institution because when you set a bad precedent from the top or from the outside, it filters into within the institution itself and we see this being played out around the editorial review process and the public participation in that. Internal accountability of the SABC is critical as well.
• In order to determine the success of the SABC, it must deliver on its mandate. It must be run effectively. If it didn’t make a surplus, it should be able to explain why it didn’t do that and explain in a rational way.
• The SABC must have an open AGM and the requirement for attendance should be that participants or attendees should have a TV licence. If you pay your licence, you arrive at the AGM and actually engage.
• We need to look at funding and operational models of the NBC and ABC and look at how these can be included within the SABC
• In terms of governance, Parliament should interview people appointed and then the public nominate ordinary citizens and civil society to serve on the board.
Then considerations can be made on whether a civil society council can play a part in this process and in content.

There are some weaknesses with the laws at the SABC, we must review these and consider changing the SABC Act to correct all of these things. The SABC Act must fit into the Constitution.

The appointment process should be two-way, informed by the Parliamentary process and nomination process with the board appointing the chairperson.

There are weaknesses in our law, the PFMA requirements must be revisited. The Companies Act provides great laws, but SEOs are exempted. In the Companies Act says the Board appoints the Chairperson.

There needs to be consistency in appointments, with SABC appointments, the top three don’t go to Cabinet but with other entities, they go to Cabinet.

Key points of discussion
From the questions and answer and engagement session after Professor Gumede’s presentation, these were the inputs provided by delegates around challenges, concerns and recommendations:

Challenges
- Every five years a new strategy is developed in line with the long-term strategy, the biggest challenge in the public service is that there is a traditional structure with people employed for that mandate and things are changing, innovation is changing there is a need to reskill quickly and upskill people and hire other people who can work in parallel to those people for continuity.
- We need different skills when a person has been in a position and has been there too long, don’t wait for them to retire, fill positions with people with dynamic skills – there is a need to reflect on that.
- There needs to be an extent on influence on the executive authority of the SABC for example as that is currently problematic and this has to be determined by a judicial body.
- Funding is a big challenge and dependence on licence fees is not a sustainable funding model as the culture of non-payment is a big challenge in South Africa compared to countries like the UK, where 95% of the BBC is publicly funded.
- There needs to be a constant review of strategies in terms of where the public broadcaster should be going.
- One of the things crippling the public broadcaster is that everyone, mothers, national coaches, everyone is telling the SABC what they need to do and what they are doing wrong and as a result what the SABC is doing becomes almost a tick box exercise to respond to what everyone want. As a result this carries on the legacy of crippling the public broadcaster.
- There is ministerial interference into executive appointments and this should not be so, the minister should not interfere in executive appointments or direct influence over appointments of executives.
- While there is the PFMA to provide governance guidelines for state owned entities, the King III must be made compulsory for all institutions to follow, we would be able to address a lot of the challenges faced by state owned entities; because currently some of the provisions of Section 27 of the PFMA conflict with the Companies Act and the King recommendations.
- Regulation in Parliament has not moved with the time, it speaks of must-carry obligations and a public service mandate that is not funded; as a result every funeral that is classified provincial or national has to be on TV but the money doesn’t come to actually fund this. Some of this programming does not attract advertising, and advertising is needed for sustainability.
- Government has not been very supportive from a regulatory environment framework and this is a real governance issue, the same government that makes decisions on behalf of the SABC.
- The state is a shareholder but the state actually stays very far away except for setting the criteria and making certain that the criteria is met.
- The state sets up a five-year strategy in terms of all the obligations that the state wants and the state only intervenes when it makes a loss or when its obligations are not met.

Board nominations and representation
- A big challenge raised was also around the SABC board nominations. The current process of appointing the board is there, the public call for nominations, the board members get interviewed in Parliament, we’re concerned about the horse trade among political parties and the final people who are then put on those boards, in addition there is a lack of rigour in the process of vetting people who ultimately get on those boards.
- More critically from a civil society point of view and from representation in terms of our dynamic society is there needs to be a broad wide representation of people who get on the board, wide in terms of the plurality of our views.
• Civil society will always put names down, the unions will always put names down, there will always be names, but the final list will not actually reflect directly on those diverse interests and that’s a big concern.

• There has to be mechanisms to strengthen that. Members of Parliament are not concerned with that, they are concerned with the politics of doing things.

• A lot of our entities have their own Acts which override the new Companies Act and that’s the biggest and number one challenge.

• The process requires public participation to an extent that there is a representation, even at the parliamentary level, for the public.

• Before people get appointed, their names and CVs must be made public as an extra dimension. This should also be applied with the nomination of the Public Protector so that there is an understanding of how the people were nominated and an appreciation of the process; and to ensure that people do not manipulate the process.

• Give the civil society or the public the opportunity to question why people are there and why people are not there.

• The Board should appoint its chairperson and deputy chairperson; because if no one takes the chairperson seriously (and perceives them to be a political appointment) how are they going to take the organisation seriously?

• Considerations should be made for a public appointments committee set up in South Africa as an alternative if parliamentary appointments are not working, as this might benefit society across the board and not just the SABC and ensure that there is a more independent public appointment committee that has civil society inputs – this can be an effective way of doing it. In some countries this process is called Commission for Public Appointments.

• A legal community is set up for the appointment of judges. Government has their percentage and the rest is allocated to the professional body, the same should be done with the SABC.

• The SABC must strengthen the participation from the public point of view. - Its civil society and sectoral communities.

• The appointment of the Chairperson by the by government within the current SABC framework is totally wrong and needs to be relooked, the board should be able to provide its own government. That’s the very first start of our corporate governance which is totally wrong.

• Peers should be able to nominate and decide among themselves who has the skills to be their Chairperson, the President absolutely should not be making these appointments. Not only in the SABC, but in any entity, the President should not have a say on this, it should be the peers.

Public vs. state broadcaster

As the SABC is a public broadcaster there has to be oversight. Where we have gone wrong with the SABC is that we have made it a state broadcaster.

Although as Parliament people nominate, it’s actually the state that makes the decision. The President or the Minister. So already we’ve undermined our own process.

Explaining the difference between a state and public broadcaster Professor Gumede shared the following:

State broadcaster: In a state broadcaster, the state makes all the appointments. The state decides who should be chairman, who should be the board members, who should be the executive, what content should be reported and so on.

Public broadcaster: Public means the state is one stakeholder but the public is also a stakeholder. Everyone is a stakeholder, even the opposition party is a stakeholder, civil society is a stakeholder, and the viewers must also have a voice.

The public broadcaster is not like Telkom or any of the other state owned entities. The public broadcaster deals with our culture, our heritage, our sense of identity and all those things. The public broadcaster is the voice for all of us – the public.

Delegates argued on whether or not the SABC is a state or public broadcaster. Those in support of the notion that the SABC is a state broadcaster highlighted that if you look at the AGM, only the Minister is there as the shareholder to vote for the resolutions. Currently there is no public representation. There needs to be public representatives to in the AGMs for accountability and public representatives should sit in the executive.

The GCIS argued that the SABC is not a state-owned enterprise as the board is appointed by parliament and not government and there is a difference between the two. For this reason the SABC would not be a state broadcaster but a public broadcaster. Given that parliament is supposed to be representative of all of us and
representative of the public, the SABC would not be an SEO; and it’s not a state broadcaster because it has a public service mandate that is in the Broadcasting Act.

**Governance and accountability**

The SABC must strengthen governance and accountability. Three pages of the audit report for the 2017 financial statements show that there is R4 billion that the auditor as reckless expenditure. The SABC generated a revenue of R7 billion, there is R4 billion that is unaccounted for, the SABC is spending R1 billion collecting licence fees that are worth R2 billion. There has to be accountability, there are low hanging fruits, this R4 billion is money that we could have, what was it used for, who is responsible and what steps have been taken to make sure that we stop this ship from rocking before we add any more money to it, this must be addressed.

The SABC needs to address the trust deficit issue, it’s not only the SABC, it’s the SABC and other entities in the country there is a trust deficit between the private sector and the public sector, the SEOs, Parliament – trust has eroded. We need to establish how we can regain trust so that decision making processes are trusted again.

**Internal governance**

- There are two parts missing internally at the SABC, internal audit function. The most critical part of governance is strengthening and beefing up the power of the internal audit.
- The internal auditor should report to the chairperson of the audit committee.
- As the moment, the system cannot work, because if you go to the CEO and say there is corruption and the CEO is involved then you are in trouble.
- Protection measures must be put in place as well for whistle blowers. We have to protect them so that we give that person the ability to feel that they are not going to be fired and so on because in the event that they report corruption.
- Strengthen the position of the audit chair and make sure it’s always independent. Completely change the internal structure to accommodate this.

**Best industry practice lessons**

- **South Korea:** Lessons can be learnt from South Korea on how they changed from where they were in the 1980s to becoming one of the top biggest economies in the world. One of the things they did was commercialise gaming – they created a sector for it and an entire industry out of and they are now the global leaders.
- **South Africa:** South Africa as a country needs to look at how we can jump from where we are to having effectively addressed issues of poverty in the next 30 years.
- **China and Brazil:** There is a need to draw learnings from the best run state entities around the world and what they are doing in terms of governance including China and Brazil.
- **UK (BBC):** In the UK, 95% of the BBC is publicly funded, we understand how this model has worked.
- **Norway:** Lessons can be drawn from Norway which is 100% state funded, yet its government does even appoint the board or anyone. The mandate is quite clear, its focus is on quality content which can be exported and the public broadcaster must run as a proper business that makes a profit. There’s no interference in anyway, the board members appoint the chairperson and they have a law that no politician or ex politician get on the board. It’s also in other countries, with us it’s the same thing. The SABC must explain why this can’t be done by the SABC, because other countries can achieve it.
- **CCMA structure (South Africa):** In terms of board composition, some lessons can be drawn from the CCMA, which is a tripartite by law, the state appoints a third of the board, business brings in their third and then the trade unions bring in their third. The chairperson is independent, and the chairperson of the audit committee is independent. For this reason, the CCMA has not been in chaos, decisions are taken and no one has ever protested against the CCMA or its structures.
- **Sweden open AGM:** In Sweden all state-owned entities are compelled to have an open AGM where it must be open also to the media in order to report because it’s a public entity the media must also be there.
- **PPS AGM:** With the PPS, members are invited as well as mutual companies and they vote for their board members and make a resolution there.
Critical actions
1. Four board appointments are still outstanding on the SABC board, these must be finalised, and cannot fall off the radar. We need accountability and good governance.
2. During the ad hoc committee on the fitness of the SABC to hold office, one of the key questions that we got was around the SABC and the Companies Act – and which supersedes which? This aspect needs to be looked at.
3. Look into what the sections of the PFMA that prohibit the SABC from doing certain things this is critical.

Commission 4: Strengthening policy, regulatory capacity and oversight
Facilitator: Ms Nomvuyiso Batyi, Group Human Capital and Regulatory Affairs Executive Primedia
Discussant: Mr Joe Mjwara: Independent Consultant

Mr Mjwara spoke about the internet age and how the broadcasters and South Africa could position themselves in the changing environment. He noted, with that in mind, that broadcasting has also taken a turn. He highlighted the following:

Content
- Content needs to respond to the challenges.
- The broadcaster and regulator need to look into how current platforms can be improved in terms of the policy and mapping a way forward in order for the public broadcaster to deliver great services.
- There needs to be shared responsibility of the South African content and the South African programming within the new channels that are coming.
- Content distribution must be prioritised for all South Africans, and the network distribution of public broadcasting must reach all South Africans.

Mjwara raised a concern around the SABC’s ability to respond to the content needs of people with disabilities and emphasised that the public broadcaster must prioritise broadcasting for those people.

Structure
- A lot of work was done in learning and understanding licencing procedures of the three-tier system.
- The idea of a four-tier system to ensure that the services are fully provided can be further explored.

Funding
- There needs to be clear understanding of what should be funded and the funding mechanism. It is not possible to fund something one does not know.
- A survey must be done to gain better understanding of what needs to be funded. We cannot fund a commercial activity under the banner of public broadcaster and say they are funding public broadcaster.
- We need a structure that is going to clearly show how much is required to move forward.
- Equal distribution of funds: this should not be unfair to others who are also providing similar services to the SABC.

Lessons learned
- Everyone in the industry has moved over to commercial broadcasting, especially resulting from the increase in smartphone services which are increasingly providing content services.
- There is a need to further explore issues around commercial broadcasting services in South Africa, as this comes with certain issues, the main issues being competition.
- We need to look at advertising revenues, as this is the life blood of free to air broadcasting.
- With respect to public broadcasting, also we dealt with the nature of the service, the mandate and the process to serve that mandate. We accepted that from time to time, we need to review this mandate, and also measure whether it has been met.
- Review and measurement of the mandate to see if it has been met and explore changes in structures and policies to ensure that the mandate can be engaged with.
Following the presentation, delegates engaged in a discussion and these were the inputs from the discussions:

**Issues raised**

- There is a need to view the broadcasting system as a whole delivering on South African broadcasting needs.
- Diversity of the broadcasting system can be assured with the existence of a strong public broadcaster.
- The entire system must contribute towards displaying and offering South African public interest programming including news, current affairs, children’s programmes and creative entertainment programmes.
- Consider the possibility of a four-tier content system taking into consideration the emergence of the other distribution platforms both from within and outside the country.
- Focus of regulation should be on both content and as well as carriage.
- All multimedia platforms must contribute to the display of South African public interest programmes.
- Funding must be specific and quantifiable without introducing unfair competitive conditions.
- There is diversity of ownership and broadcasting.
- We cannot fund a commercial under public broadcasting, because that is not benefiting the public broadcaster.
- Looking at governance, people need to put something compelling in front of the government that needs to be funded, and there should also be clarity. The government needs to be aware of what they are funding.
- Funding should not distort the market.

**Challenges and concerns**

- Universal service is still a challenge as reportedly 10 million South Africans are underserviced.
- Disability policies have not produced the desired results of universal access.
- The emergence of new services prioritising foreign content and now offering South African catalogues with the view to substitute local content services.
- Regulations which have become outdated, some tending to supersede the legislative provisions.
- ICASA has not empowered enough to deal with some of the internet-based services.
- Emergence of new platforms not contributing to the distribution of South African content.
- A fragmented regulatory regime which needs to be consolidated.
- Definition of broadcasting to include nonlinear broadcasting-like services.
- Diminishing share of advertising revenues for the public broadcaster and free to air, which rely on it for life blood of provision of services.
- Access to premium content.
- The licence fee current regime.
- Rules which are antiquated and requiring urgent attention for all platforms.
- Regulator not capacitated enough to effectively regulate in the public interest.

**Specific policy recommendations**

- The DTT policy needs to be reviewed (to make the policy enable a more sufficient roll out).
- Define structures and processes to review and determine new mandates.
- Regulations to be reviewed from time to time to determine relevance and appropriateness.
- Regulator to be adequately resourced including retaining portion of fees and levies charged on a cost recovery basis.
- Impose limits on the share of advertising on subscription services.
- SABC to quantify funding requirements and identify areas of funding.
- Government must fund implementation of disability requirements, early childhood development programming, and universal roll-out of infrastructure.
- Urgently deal with institutional alignment.
- Redefine broadcasting to include linear and nonlinear broadcasting-like services; adopt a graduated approach to regulating non-linear services.
- SABC to be empowered to offer linear and nonlinear services.
- Policy to undertake a study on regulation of online media.
- Must carry and must pay obligations on all profitable content services.
- Introduce measures to limit exclusive rights to premium content.
• The regulator to undertake periodic and regular reviews of all aspects of the mandate and the regulations.
• Increase more funds which are directed to the production of the new content.

Report back and closure
Delegates reported back on discussions and gave a summary of the above.

Handing over of the recommendations to the Deputy Minister of Communications: Ms Sally-Ann Wilson: CEO Public Media Alliance
Wrapping up the two-day colloquium, Wilson made the following key recommendations raised during the colloquium:
• The SABC is critical in building change in South Africa as a democratic nation. It is critical for SABC to be repurposed to be able to fulfil its mandate.
• The SABC should remain independent from government pressure.
• The SABC’s commercial mandate should be understood and implemented particularly in a review of its governance mechanisms.
• SABC must build and maintain public trust. It must build and maintain public trust in a multi-platform environment.
• One of the things that explicitly came out is that going forward, the SABC should not just be a public but it should be a public services multi-platform and has to reach out wherever public citizens are.
• The SABC is the heart of the creative organisation and has to be put at the heart of everything.
• The SABC must innovate and invest in local content for a multi-platform environment.
• There is a need for a fixed model for funding.
• Funding should be stable and adequate.
• There needs to be more independent, transparency and accountability measures put in place.

Going forward, Wilson cautioned against the notion of an unfunded mandate, and noted that there can be no such thing as an unfunded mandate. Those things that government may feel should be covered by the public broadcaster, then government should properly and adequately fund them. Sharing similar sentiments with the Namibian Broadcasting Corporation, she said, large national events should be funded in order to be covered.

Of importance, discussions from the colloquium should be taken seriously and recommendations considered for implementation so that the new management of the SABC can take them forward to a new future.

Wilson emphasised that change is needed and it should be now, but it should not be reckless – she cautioned.

Closing Remarks: Dr Mashile Boloka, Director General, Department of Communications
Officially closing the two-day colloquium discussions, Dr Boloka expressed his gratitude to the Minister of Communications, Ms Nomvula Mokonyane and the Deputy Minister of Communications Ms Pink Kekana. He thanked volunteers, civil society organisations, and the public and private sector representatives for taking the time to engage and make contributions towards building a resilient public broadcaster.

In his closing remarks, he highlighted a few points from discussions from the two days and said, the Department of Communications notes the concerns raised on various issues, including the need for additional channels, children’s programming and increasing the production of children’s content, facilitating discussions through programming to ensure that our children grow up knowing the history of the country, and how these efforts will in turn improve the work of the FPB.

Reflecting on some of the discussions, he highlighted that issues of technology were raised as a critical issue, as well as definitions of what television means for South Africa, television licencing issues and the changes required to facilitate progress going forward and proposals made to include licence fees in municipal bills and electricity bills.

He noted that in the future, it will be critical that while we raise challenges and concerns we also come together to develop solutions to addressing the challenges. The need for systems changes review was among some of the considerations made as well as regulation capacity as well as enforcement of advertising in a 3-tier system.

Speaking about some of the challenges identified during the discussions, he noted that he agreed with all the challenges identified and acknowledged that in order to effectively address these, management systems must be strengthened, because the challenge in South Africa is we inherited a particular system but instead of changing the system, we maintained it or continued with it; and continued with the existence of all these regulators. He noted that what we have failed to do is to ask, what kind of regulator do we need?
He emphasised the importance of following through these discussions with action and taking considered steps to address the challenges raised.

Reflecting on the ICT Integrated White Paper by the Department of Telecommunications, he said that a lot of the work from the colloquium will support the work currently being done and in the development of a new policy framework for the audiovisual sector. All things going well, the draft-policy framework for the audio-visual sector will be published for public comments in the next few months and the intention is to include the inputs in the proposed audio-visual sector policy to be finalised by the end of the current financial year (31 March 2019).

Dr Boloka cautioned that this work will be prioritised to inform the priorities of the new administration on the legislative process.

He highlighted that the recommendations at the colloquium are going to be incorporated into the bigger policy review.

On behalf of the Ministry of Communications, Dr Boloka thanked the programme director for facilitating discussions, expert contributors, all stakeholders represented, including regional and international speakers who shared their experiences and lessons learned, and the Department of Communications for all the hard work put into the event.

End of the South African Public Broadcasting Policy Review Colloquium..............................