

6 The nature of the support given by the MDDA

The MDDA will aim to be cost-effective in allocating and disbursing its funds, and it will attempt to be creative in its support mechanisms to respond to unique needs. In addition, the MDDA will form strategic partnerships to identify, gather and distribute resources for media development.

MDDA support will include, amongst others:

- ▶ direct subsidies
- ▶ indirect subsidies
- ▶ emergency funding
- ▶ training and capacity development
- ▶ project evaluation
- ▶ research.

The identification of these support areas does not in any way imply that other bodies currently providing such support should cease their activities. Rather, it is anticipated that the MDDA will work in close co-operation with such bodies to maximise resource coordination and to further strengthen existing media development and diversity initiatives.

6.1 Direct subsidies

Direct subsidies are cash grants made to community media enterprises and may include subsidies for capital costs and operational costs, as well as various forms of capacity building through amongst other things feasibility studies, forensic audits, and project evaluations where applicable.

Application costs could include the cost of a mentor who will, as part of an initial capacity building exercise, assist an approved applicant in making a detailed application to the MDDA. This functions as part of an initial capacity building exercise, which will be expanded on by the development of comprehensive business plans for successful applicants. Funding for application costs will be available to both community and small commercial media enterprises.

Funding to assist with capital and operational costs for a limited period, however, will be confined largely to community media enterprises. Support for capital costs will primarily be aimed at new community media projects as part of start-up assistance.

Operational costs could include distribution and printing where applicable. Support will be to assist projects over a specified period to increase the chances of longer-term project sustainability.

6.2 Indirect subsidies

Indirect subsidies are grants to support the development of an enabling environment for media development and diversity. The MDDA will negotiate with public utilities such as Sentech, Telkom and the Post Office to provide indirect support, including the feasibility of discounts for signal distribution, postal rates, telephone tariffs and so forth.

In addition, the MDDA will negotiate with financial institutions to provide low-interest loans to small commercial media enterprises.

Further indirect subsidies and support may include managerial and business expertise through government business development schemes.

The feasibility of tax reductions for special cases would need to be investigated.

6.3 Emergency funding

Emergency funding is primarily aimed at fast tracking the application procedures of projects in urgent need which, in the absence of funding, would possibly face closure.

To do this, the Agency will consider a number of criteria, including amongst others, whether:

- ▶ The project declared a significant surplus or profit for at least two years before (in this case loan finance can be considered).
- ▶ The demise of the project would reduce diversity in the area or sector it serves.
- ▶ The emergency funding would ensure the strengthening and survival of the project, and not just postpone inevitable closure.
- ▶ The project has followed sound management and financial principles, and if not, has instituted corrective action.

6.4 Training and capacity development

The MDDA will facilitate training as part of its capacity development programmes, and will use the facilities of recognised training institutions with established track records of excellence.

The MDDA will consider, amongst others, the following:

- ▶ Skills development in all facets of media work, including financial and organisational management, as well as media product and programme development, with particular emphasis on supporting the development of skilled media practitioners from marginalised sectors.
- ▶ Building capacity in communities to establish media projects, including on how to apply for MDDA funding, how to draft comprehensive business plans and how to apply for radio or other licences.
- ▶ Building the capacity of community media to network and participate in the policy process.
- ▶ Supporting training institutions to include issues concerning media development and diversity in their curricula, including a development and community journalism training programme.
- ▶ Facilitating the establishment of a bursary or loan scheme to fund training at approved institutions.

Training support will include the cost of organisational as well as staff development at centralised or on-site locations.

Programme development for broadcast projects may include the costs of transport, meals, accommodation, workshops, advertising and marketing, consultants, and the hiring of studio and/or equipment.

Community television will initially take the form of Video Access Centres (VACs), which will be facilities for communities to produce their own documentaries. Specific capacity development applicable to VACs will include a Programming Fund, which is aimed at assisting producers to develop programmes for communities. In addition, the marketing and distribution of VAC products will be supported, including the negotiation of air time with the SABC and other television stations.

Networking support will include the costs of conferences, seminars, workshops and other policy related work of umbrella bodies representing community media.

6.4.1 Literacy

According to Statistics South Africa, there are approximately 4 million South Africans over 15 years old who are illiterate, and a further 3,5 million adults who are functionally illiterate or alliterate. The MDDA would pay special attention to their needs within our media environment. Promoting literacy and a culture of reading is important for both individual and national development. The MDDA will liaise with the Department of Education, other relevant departments, and literacy organisations in considering support for literacy material production, and promoting reading within the scope of the MDDA.

Of particular focus initially, would be:

- ▶ Funding accessible formats such as special easy reading supplements, inserts and pages in mainstream newspapers and other publications.
- ▶ Materials produced in marginalised languages – particularly African languages.
- ▶ Funding non-governmental and community-based organisations' publications aimed at newly literate adult readers.

6.5 Project evaluation

The MDDA will ensure regular assessments of projects both prior to a funding decision as well as throughout the relevant MDDA funding cycle. This may include:

- ▶ Feasibility studies for new media projects to assess the need, nature and level of support at the outset of the funding cycle.
- ▶ Forensic audits for existing media projects to determine obstacles to self-sufficiency and consequently, to determine funding requirements.
- ▶ Performance evaluations, which will be conducted at the end of the first half of the funding cycle to assess achievements, identify any obstacles and take the necessary corrective actions where applicable. The MDDA's evaluation of projects will be solely in relation to the agreements signed between the MDDA and funding recipients.

6.6 Media research

The MDDA will, on a regular basis, commission research into the media and information needs of communities, as well as the economic and social viability of media projects. This includes identifying obstacles to sustainability and proposing solutions, and guiding future project support priorities.

One of the first research investigations will be into the needs of print media, in order to develop a more comprehensive support programme. This will include looking at obstacles to print



distribution (see 6.6.1). The MDDA will also conduct research into new electronic media (see 6.6.2)

In addition, the MDDA will fund objective and dispassionate research on various media issues in the interests of media development and diversity, to stimulate informed public debate. This will be done in collaboration with other research bodies, and will usually take the form of calling for proposals around specific research themes. Research findings will be publicly available, and will be used to stimulate an informed public discourse around media issues.

Further MDDA research topics may include:

- ▶ Progress towards media development and diversity.
- ▶ Ownership and control patterns, and empowerment trends.
- ▶ Identifying under-serviced areas and information gaps, for example access to material in Braille.
- ▶ Funding trends in the media.
- ▶ The advantages and disadvantages of placing limits on foreign ownership.
- ▶ The sustainability of community media, and the potential development of community television.
- ▶ Enhancement of media related market research methodologies – but the MDDA will not do market research itself.
- ▶ The relationship between concentration, cross-ownership and diversity.
- ▶ Language trends in the media.

6.6.1 Print distribution

The MDDA will conduct research around print distribution which will focus on mechanisms to facilitate greater access to media in "uneconomic" areas, and mechanisms to allow smaller publications easier access to existing distribution infrastructure.

In addition, the MDDA will work out details of such distribution mechanisms with distribution companies, including the nature of a possible subsidy scheme, its sustainability, regular review procedures and exit strategies – as well as any other scheme that might emerge out of research and consultation.

6.6.2 New electronic media

The accelerated development of new media raises a variety of issues for the MDDA's attention.

The Universal Service Agency (USA) has thus far been responsible for the development of telephony and Internet access. Consequently, USA projects have extended to the development of infrastructure as well as to the training of telecentre facilitators.

The MDDA will seek to form a strategic partnership with the Universal Service Agency, amongst others, to regularly assess the implications of Information and Communication Technology convergence for media development and diversity, and to develop a programme of support for multimedia initiatives that will meet continually changing needs. This could include:

- ▶ Conducting research on a regular basis on new media, paying particular attention to issues of divergence and convergence or synergy with traditional print and broadcast media.
- ▶ Enabling and developing community media's use of new media platforms.
- ▶ On-line publishing initiatives.

- ▶ Start-up services for distributing information on other media platforms.
- ▶ Encouraging innovative ways of applying new media technology to the benefit of audiences, and to improve their service quality.
- ▶ Innovation awards that, for example, would promote ideas around using media technology and content development on the Internet, as well as imaginative programmes to widen marginalised communities' access to the Internet.
- ▶ Telephony and internet access to community media, through co-operation with government and private sector initiatives.