(6) Communications

The Department of Communications is the centre of policy-making and policy review for the postal, telecommunications and broadcasting sectors in the country. This includes policy-making that affects state-owned enterprises (SOEs) such as Telkom SA Ltd, the South African Post Office (SAPO) (Pty) Ltd, Sentech, the South African Broadcasting Corporation (SABC), the National Electronic Media Institute of South Africa (NEMISA), as well as the regulator, the Independent Communications Authority of South Africa (ICASA).

Policy

The Department of Communications is at the forefront of government initiatives to bridge the digital divide and provide universal access to Information and Communications Technology (ICT) for all South Africans. In addition, policy development since 1998/99 has sought to restructure SOEs, introduce competition, accelerate the penetration of services into underserviced communities and streamline the regulatory framework.

Developing a stable and predictable regulatory regime on e-commerce is central to the department's vision of moving South Africa into the knowledge economy.

The Electronic Communications and Transactions Act, 2002 (Act 25 of 2002), paved the way for a secure environment for e-commerce transactions. The DOT ZA Domain Name Authority was established and incorporated as a section 21 company in accordance with the Act. A representative board was appointed, reflecting cultural and linguistic diversity.

The Convergence Bill is aimed at removing policies that hinder the development of cross-sector applications, services and businesses. The legislation is expected to reflect the integration of telecommunications with Information Technology (IT), broadcasting and broadcasting signal distribution.

It will also ensure citizens are empowered with better access to knowledge and information.

The Telecommunications Amendment Act, 2001 (Act 64 of 2001), gives effect to the policy of managed liberalisation of the South African telecommunications market. Increased competition in the sector is expected to bring down the cost of telecommunications and remove growth constraints. Liberation of the sector became effective on 1 February 2005.

It also provides for the licensing of operators in underserviced areas with a teledensity of less than 5%. The majority of these are situated in the Integrated Sustainable Rural Development Programme's (ISRDP) nodal points. This process will bring about the most significant ownership and involvement in the communications sector by women and black people in South Africa. The amendments provide for a new public emergency telephone service and an emergency number, 112. A pilot project has been established in the Western Cape to test the technology to be rolled out across the country.

Section 40 of the Telecommunications Amendment Act, 2001 requires underserviced area licences (USALs) to provide telecommunications services, including voice-over Internet protocol, fixed mobile services and public pay telephones.

The Minister of Communications, Dr Ivy Matsepe-Casaburri, granted USALs to six successful companies in 2004. The companies are Bokone Telecommunications from Limpopo, Thinta Thinta Telecommunications and Kingdom Communications from KwaZulu-Natal, Ilizwi Telecommunications from the Eastern Cape, Karabo from North West and Bokamoso from the Free State.

In keeping with its mandate of bridging the digital divide, the Universal Service Agency (USA) is subsidising the USALs with R15 million each over the next three years.

In May 2005, seven more USALs were announced to assist in accelerating the development of the economy and the building of the information society in KwaZulu-Natal, Eastern Cape, Limpopo, Free State and North West. Some of these licences are 60% to 70% owned by women and ordinary communities. Fourteen more licences were expected to be applied for in 2005 in these and other provinces. These licences are expected to improve not only access to ICTs by citizens, but also to expand services by government such as health, education, safety, security, welfare, etc.

On 17 September 2004, a licence to provide public switched telecommunications services in South Africa was granted to the Second National Operator (SNO) comprising Nexus Connexion (Pty), Transtel, Esitel, WIP Investments Nine (Pty) Ltd trading as CommuniTel, Two Telecom Consortium (Pty) Ltd, and a remaining unallocated equity shareholder. The licence was subject to the following conditions:

- acceptance of the shareholding and control structure of the SNO
- finalisation of and agreement on the business plan
- finalisation of the shareholders' and subscription agreements.

According to the structure of the SNO:

- a new company, SepCo, will be incorporated, and will hold 51% of the equity share capital of the SNO
- control of SepCo will be held by a new financial investor, which will have a 51% shareholding in SepCo, while CommuniTel and Two Telecom Consortium (Pty) Ltd will each hold 24,5% of SepCo
- Transtel and Esitel will together hold 30% of the equity share capital of the SNO
- Nexus will hold 19% of the equity share capital of the SNO
- a new financial investor will control the board of SepCo
- SepCo will, in turn, control the board of the SNO.

ICASA will manage the integration of the SNO company and the finalisation of the licensing process.

In May 2005, the Information and Communications Technology (ICT) Steering Committee presented the final Draft ICT Black Economic Empowerment (BEE) Charter to the Minister of Communications, Dr Ivy Matsepe-Casaburri.

The handover brought to an end a process that had taken over two years to reach consensus on the development of a charter that would guide BEE activities in the broadcasting, electronics, information technology and telecommunications industries.

The draft charter drew extensively from the draft codes of good practice being finalised by the Department of Trade and Industry.

The steering committee expected that the final charter (published as a code of good practice) would be in operation by the end of 2005.

In February 2005, VSNL, as part of the TATA Group and represented in South Africa by TATA Africa Holdings (SA) Pty Limited, was allocated the 26% equity stake in the SNO with immediate effect.

By mid-June 2005, the stakeholders were about to finalise the integration process. The business plan was ready and the shareholders' agreement was expected to be completed.

Telecommunications

By October 2003, South Africa's ICT industry was the 20th-largest in the world, contributing 0,5% to worldwide ICT revenue.

In the last 10 years, investment in the telecommunications sector has exceeded R60 billion.

The telecommunications sector has witnessed an accelerated growth of data communications. The rate of connections of mobile subscribers, in particular, has surpassed that of fixed line services.

Regulators and licensing

Independent Communications Authority of South Africa

ICASA was established in terms of the ICASA Act, 2000 (Act 13 of 2000). Before ICASA was established, two separate authorities regulated broadcasting and telecommunications. These were the Independent Broadcasting Authority (IBA) and the South African Telecommunications Regulatory Authority.

ICASA's tasks include:
- licensing broadcasters and telecommunications operators
- formulating rules, policies and regulations that govern the two sectors
- monitoring the activities of the licensees and enforcing compliance
- planning the broadcast frequency spectrum
- receiving, hearing and adjudicating complaints
- regulating the broadcasting and telecommunications industry as a whole.

ICASA's vision is to be a strong, service-orientated and responsive communications regulator in South Africa.

Its mission is to increase access to communications services, through the promotion of a competitive and socially responsive communications industry.

Universal Service Agency

The USA was launched in May 1997. It is a statutory body created in terms of the Telecommunications Act, 1996 (Act 103 of 1996), and its objectives include advising the minister on ways to bring about universal access and service, and co-ordinating initiatives by service-providers such as Telkom, Vodacom, Mobile Telephone Network (MTN) and Cell C.

It extends access to telecommunications by working with community-based organisations (CBOs), non-governmental organisations (NGOs), donor organisations and businesses. The Universal Service Fund is used to reinforce the development of infrastructure in underserviced communities. In addition, support is given to schools procuring IT equipment.

The USA and the Department of Communications launched the Community ICT Tele-Container on 4 June 2005 in Polokwane, Limpopo. It aims to improve universal access to ICTs by communities in the underserviced areas of South Africa.

In May 2005, the Meraka Institute, also known as the African Advanced Institute for Information and Communications Technology (AAIICT), was launched in Pretoria.

The AAIICT will contribute towards stimulating the development of the local Information and Communications Technology (ICT) industry through the provision of intellectual human capital.

Meraka is a Sesotho word meaning 'common grazing', denoting sharing, mutual benefit and the potential for prosperity.

The Meraka Institute will also support regional initiatives under the New Partnership for Africa's Development and collaborate with ICT organisations through staff and student exchanges.

It will focus on the development of people and the application of their knowledge in ICT.

It incorporates some elements of the Institute for Space and Software Applications and the National Electronic Media Institute.

The tele-container is equipped with six computers with Internet access, a photocopying machine, fax machine and printer.

The united action for equitable access provided by the tele-container involves public and private partners such as MTN, Telkom, Sentech, Vodacom, Cell C, Fundisa and Bokgoni Projects.

Information Technology

Knowledge Management Unit

The Knowledge Management Unit of the Department of Communications promotes awareness of knowledge management among stakeholders, particularly within government, focusing on local government.

The unit aims to:
- take advantage of the convergence of communications technologies in the areas of telecommunications, broadcasting, IT and multimedia
- increase the human resource capability of the communications sector
- make South Africa globally competitive by becoming a hub of multimedia development, particularly through opening up opportunities for historically disadvantaged communities

South Africa ranks 34th out of 104 countries surveyed in the World Economic Forum's *Global Information Technology Report 2004/05* – up from 37th place overall in 2003/04 and ahead of such countries as China, Greece, Hungary, Italy and India.

The report, in its fourth year, assessed countries' readiness to participate in and benefit from global developments in Information and Communications Technology (ICT).

Variables taken into account included the quality of technical infrastructure, government prioritisation and procurement of ICT, and the quality of Mathematics and Science education, as well as of scientific research institutions and business schools.

Countries are also ranked according to affordability of telephone connections and Internet access, availability of training opportunities for the labour force and the existence of a well-developed venture capital market.

- contribute towards an African communications strategy that will help build an information backbone to ensure the success of Africa's renewal.

State Information Technology Agency (SITA)

On 29 January 1999, SITA was incorporated as a private company, with the State as sole shareholder, to provide IT-related services exclusively to the Public Service. (See chapter 12: *Government system*.)

arivia.kom

arivia.kom is a leading South African IT solutions company and service-provider. The group has offices in Nigeria, Ghana and Botswana.

Its shareholders are Denel (22,98%), Transnet Ltd (31,96%) and Eskom Enterprises (45,06%).

It is rated one of the four-largest IT professional service-providers in South Africa.

The group focuses on high-end business technology solutions that support the public sector and large private-sector corporates, primarily within the Africa client base.

arivia.kom supports Black Economic Empowerment (BEE) through shareholder equity, employment equity, procurement and corporate social investment.

Presidential International Advisory Council on Information Society and Development

The Presidential International Advisory Council on Information Society and Development aims to assist government in narrowing the digital divide between South Africa and the rest of the world. The council consists of chief executive officers (CEOs) from major international ICT corporations, and industry experts. The council meets once a year to exchange ideas.

Presidential National Commission on Information Society and Development

The Presidential National Commission on Information Society and Development mobilises national

knowledge and builds common approaches. The commission recommends strategies to bridge the digital divide and helps to develop an ICT policy framework.

Internet

A World Wide Worx survey, entitled *The Goldstuck Report: Internet Access in South Africa 2004*, estimated that 3,28 million South Africans had access to the Internet at the end of 2003.

The Telecommunications Business Unit in the Department of Communications has established a specialist unit to develop a national strategy and to develop and expand the Internet. The unit is required to fulfil the following obligations under the Electronic Communications and Transactions Act, 2002:

• develop the National E-Strategy for submission to the Cabinet
• co-ordinate and monitor the implementation of the National E-Strategy
• conduct research into and keep abreast of developments relevant to electronic communications and transactions.

The unit is responsible for establishing the foundations for the requisite technical regulatory structures, including the:

• Domain Name Authority
• authentication of service-providers
• cryptography-providers
• accreditation authority
• listing of critical databases
• establishment of the Cyber Inspectorate
• alternative dispute-resolution regulations.

The unit has, in collaboration with the Department of Education, implemented a programme of connectivity in schools across the country, providing access to the Internet and e-mail.

Readership of South African Internet sites has increased by 25% since August 2004, according to the Online Publishers Association (OPA). The South African web attracted a combined local and overseas audience of 4,38 million readers or unique browsers in April 2005, generating 111,6 million page impressions.

Independently audited by Nielsen//Netratings, an Internet media and research company, the OPA's April 2005 statistics showed an increase of 900 000 online readers over August 2004.

International co-operation

As part of the New Partnership for Africa's Development (NEPAD) ICT programme, the departments of communications and of education launched the NEPAD e-schools project, which is managed under the NEPAD e-Africa Commission. Six schools from each country were selected for the demonstration project.

The project garnered a nomination for an award from the Intelligent Community Forum in recognition of its visionary outlook.

South Africa has been active in the reform of the International Telecommunications Union, chairing its Restructuring Committee. The country also chaired the Ministerial Oversight Committee of the African Telecoms Union for four years.

The African Network Information Service, which is responsible for the management and allocation of Internet addresses, has started its technical operations in South Africa with the assistance of the Department of Communications and the Council for Scientific and Industrial Research.

Telkom

On 7 May 2002, the South African telecommunications landscape faced the end of Telkom's period of exclusivity, which opened the door to competition. During this time, Telkom transformed itself into a competitive player, providing total communications solutions in the ICT sector.

During its five-year period of exclusivity, the company was required to comply with a number of conditions and obligations relating to milestone targets, as set out in its licence.

The public switched telecommunications services licence included service and fixed-line roll-out targets. Telkom substantially met all of these, with the exception of the residential fault-rate target, targets relating to service provision in underserviced villages and the replacement of analogue lines with digital ones. The company narrowly missed the aggregate fixed-line roll-out target as it decided to refrain from rolling out lines in areas that were not economically viable.

On 4 March 2003, Telkom listed on the JSE Securities Exchange (JSE) and the New York Stock Exchange.

At 30 September 2004, the South African Government owned 38,3% of Telkom's issued share-capital, Thintana Communications LLC 15,1%, and the public 46,6%. Thintana Communications LLC sold its entire stake to the South African business community in 2005.

Telkom's listing created meaningful value for BEE shareholders. Over 100 000 South African retail investors subscribed during Telkom's initial public offering, specifically targeted at historically disadvantaged individuals. In its first year as a listed company, the estimated value created for retail shareholders amounted to about R560 million.

Telkom maintains market leadership in the mobile sector through its 50% ownership of the Vodacom Group.

Highlights for 2005 included:
- growth in the number of Internet subscribers to 225 280, repesenting a 49% increase
- growth of 188% in the number of asymmetric digital subscriber line customers to 58 532
- growth of 9,8% in the Integrated Services Digital Network
- growth in fixed-line revenue of 15,6%
- growth in managed data network sites of 32%
- mobile gross connections of 6,2 million, 56% market share and total mobile traffic of 15 014 million minutes.

Telkom has a socially responsible retrenchment programme, the efficiency of which has been greatly assisted by the Agency for Career Opportunities. This is an initiative to help employees, often through reskilling, to become re-employed either internally or externally.

Telkom Foundation

The Telkom Foundation, founded in 1998, enables Telkom to play an active role in South Africa's socio-economic development.

On 1 July 2002, the foundation became an autonomous legal entity of Telkom SA Ltd and a non-profit organisation. It is now registered as a trust, with a board of trustees and its own CEO.

Despite its autonomy, the foundation remains Telkom's sole corporate social-investment arm tasked with co-ordinating the company's social-investment activities.

The foundation continues to pursue a philosophy of empowerment and sustainable development by focusing on:
- Mathematics, Science and Technology
- the empowerment of women, children and people with disabilities
- education and training.

Establishing partnerships with national and provincial role-players in government and NGOs, ensuring full community involvement and building relationships with stakeholders and structures in historically disadvantaged communities, form the core of its philosophy.

Economic empowerment

By March 2005, BEE procurement spending had increased from the previous year's amount of R4,6 million to R5,2 billion, representing 61,9% of Telkom's total procurement spend. The amount spent on black small, medium and micro enterprises (SMMEs) to provide core and non-core services totalled R901 million.

In 2004, for the second successive year, Empowerdex and *Financial Mail* voted Telkom the company that had made the most progress in terms of BEE.

By 2005, Telkom had spent R29 billion to achieve its empowerment goals since 1997 and had commissioned an independent study into the impact of its BEE programme on the sustainability of businesses that it supports.

Telkom was the first company in South Africa to launch the Enterprise Development and Affirmative Procurement Programme, which enables new black-owned companies to grow their businesses into more profitable ventures. Through Telkom's Centre for Learning, SMMEs are trained in Building Entrepreneurial Capacity – a programme provided with the support of the National African Federated Chamber of Commerce.

Representivity

By March 2005, nine of the 11 board members were black, including three women. This amounted to 82% black representation. Top management comprised 19 black people, including five black women, representing 69% black representation.

At the lower level of supervisors in the company, 41% were black compared with just 4% in 1994 – while at operational level, black representation was 62% compared with 21% in 1994.

Women represented 26,7% of the total workforce, while the technical development programme was aimed at women and black people.

Training and development spending totalled R390 million in 2004 – more than 1% of company revenue.

Centres of excellence (CoEs)

This is a collaborative programme between Telkom, the telecommunications industry and the Department of Trade and Industry to promote postgraduate research in ICT and allied social sciences. It also provides facilities that encourage young scientists and engineers to pursue their interests in South Africa.

Launched in 1997, the programme improves local telecommunications and IT skills, yielding substantial benefits for the academic institutions involved. It has helped Telkom and its local technology partners to solve technical problems and cut costs. Telkom's corporate partners are also reaping rewards, as the work undertaken at the CoEs is relevant to their areas of business.

By mid-2004, there were 15 centres located at tertiary institutions around the country. About 350 students conducted postgraduate telecommunications research through the CoE programme. Seventy-three of these received support from Telkom to conduct full-time research.

Mobile communications

Over the years, South Africa has witnessed tremendous growth in the cellular industry. Restrictions that entrenched Telkom's monopoly have been removed and the process of facilitating the reduction in the cost of telecommunications by giving service-providers and consumers more choice has started.

South Africa has three operators, namely Vodacom, MTN and Cell C.

Cell C (Pty) Ltd is wholly owned by 3C Telecommunications (Pty) Ltd, which in turn is 60% owned by Oger; Telecom South Africa, a division of Saudi Oger; and 40% by CellSAF. It also brought in Verizon Communications, the biggest cellular operator in the United States of America, as its operating partner.

Cell C has six active roaming agreements in Namibia, Mozambique, Spain, the Ivory Coast, Mauritius and Swaziland, and has entered into roaming agreements with an additional 49 international operators.

Vodacom is a Pan-African cellular communications company and provides a service to millions of customers in South Africa, Tanzania, Lesotho, the Democratic Republic of Congo and Mozambique.

Vodacom's commitment to rolling out subsidised community telephones in South Africa's underserviced areas has significantly boosted the company's coverage in rural areas.

Vodacom's shareholders include Telkom SA (Ltd) (50%), Venfin Ltd (15%) and Vodafone Group plc (35%).

At the end of June 2005, Vodacom had 17,2 million and the MTN Group 17 million subscribers on its networks across the African continent.

MTN International offers cellular network access and associated services through its subsidiaries and joint ventures in Nigeria, Cameroon, Uganda, Rwanda and Swaziland.

The Telecommunications Act, 1996 provides for 1 800 MHz spectrum (as well as 2,4 GHz – 3G spectrum) to be issued to existing operators, the SNO and underserviced area operators. A key element in this process is the determination of access fees and universal service obligations (USOs) for the allocation of the frequency spectrum.

The Department of Communications negotiated these issues, including new service fees and additional USOs, with the industry. The proposed obligations will include:

- the supply of 250 000 free phones and numbers to public emergency services over a period of five years

- the provision of Internet access, phone links and computers to schools
- public payphones in accessible places in rural areas and multi-purpose community centres (MPCCs)
- the issue of some four million free SIM cards over five years.

The postal sector

Policy and legislation

The cornerstone of national policy for the postal sector is the provision of a universal service at an affordable price and acceptable standard of service for all citizens. To ensure this, a USO is placed on SAPO. To offset the cost of providing a basic service in low-density, rural or uneconomical areas, it has also been common practice to confer exclusive rights and privileges, i.e. a monopoly on the provision of the basic letter service.

A USO is an obligation to provide specified services to the whole community, even though these services may not be commercially viable in their own right. The universal postal service implies that all citizens have equal access to a basic letter service:

- that is reasonably accessible to all people
- at a single uniform rate of postage
- at the lowest price consistent with meeting all its obligations, financial and otherwise
- to places outside the country
- at a standard of performance which reasonably meets the needs of the population.

On 26 May 2005, Anelisa Balfour, a 10th grader at Byletts Combined School in rural Centane village, Eastern Cape, accompanied President Thabo Mbeki for a day as part of The Presidency's participation in the *Take a Girl Child to Work* Campaign.

Cell C seeks to provide girl learners in grades 10, 11 and 12 with workplace experience to deepen their thinking and aspirations about their roles in society. About 200 000 girl learners were expected to converge on workplaces around the country on the day.

In terms of the Post Office Act, 1958 (Act 4 of 1958), SAPO enjoyed exclusive rights and privileges, including a monopoly on letter mail up to 2 kg. According to the Postal Services Act, 1998 (Act 124 of 1998), SAPO continues to enjoy certain exclusive rights and privileges. The monopoly is on letter mail up to 1 kg.

In addition, SAPO is obliged to operate under a 25-year licence, with explicit universal service targets and other terms and conditions. The monopoly and compliance with the terms and conditions of the licence will be reviewed and monitored by the Postal Regulator.

New projects of the postal policy section include the establishment of a postal training institute for the industry and postal-security improvements, both local and regional.

Postal services regulatory framework

The Postal Regulator, established in terms of the Postal Services Act, 1998, is responsible for exercising regulatory functions in relation to reserved and unreserved postal services. The regulator encourages the expansion of postal services and promotes the interests of postal-service users in terms of the cost of reserved services. The regulator is also responsible for issuing postal licences and monitoring compliance with licence conditions by the operators.

South African Post Office

SAPO's 2004/05 financial year was the most significant in the history of the organisation. SAPO increased its operating profit before post-retirement medical benefits from R36,3 million in 2003 to R266,1 million in 2004.

The 2004/05 results were achieved through a voluntary retrenchment programme that resulted in a 21% decrease in staff, a R569-million increase in the Postbank depositor base, a 35% decrease in the fleet, improved controls and streamlined decision-making processes.

The Government subsidy to SAPO (which was terminated in 2000) was reintroduced in 2002/03 at a level of R300 million a year. The subsidy is

allocated to fund postal outlets, especially in rural areas. A further R750 million was provided in 2004/05 to reimburse the Postbank for depositors' funds that SAPO utilised to fund its operations during its loss-making years.

Operations

The Post Office delivers some eight million mail items to almost 6,5 million addresses. Of these, 3,4 million are street addresses and three million are postboxes.

Speed Services Couriers move 37 tons of mail each night. To move mail in South Africa, 70 50-ton container vehicles ply the nation's major routes, together covering 19 million km a year. The area to which SAPO delivers exceeds 1,2 million km². With over 2 000 outlets and 5 500 service points, the Post Office is one of the largest business undertakings in the country. Business mail comprises 85% of the mail items moved daily.

SAPO reaches more than two million people a year with its life skills programme, which teaches people (who in many cases have never been in a post office) what services the Post Office offers, how to use these and basic skills such as addressing a letter correctly. Money gained by selling SAPO property (such as the old head office in Pretoria) has been used to build better mail-handling facilities such as the Cape Town, Johannesburg and Durban mail-sorting centres.

In 2004, SAPO started a project to upgrade and customise post offices to provide financial and business services, such as stationery, facsimiles and access to the Internet. Thirty-four new-look post offices were completed by mid-2005. There were also plans to upgrade and customise more post offices throughout the country.

Bridging the digital divide

The partnership between the Department of Communications and SAPO in addressing ICT disparities has provided a solid base for eventually bridging the digital divide. A number of projects have been earmarked in this regard, including public Internet terminals (PITs) and citizens' post offices (CPOs).

Public Internet terminals

The main objective of the PIT project is to create a communications infrastructure through which the public has access to information from government/business/SAPO, as well as to empower citizens to communicate via e-mail or the Internet.

PITs offer five basic categories of services. These are government information and forms, an e-mail service, Internet browsing, a business section, and educational services.

A PIT-customised truck houses computer terminals, which have access to the Internet and all the back-end services available to other terminals currently housed in post offices. This is made possible by the satellite link between the truck and the servers. The satellite-link technology is provided by Sentech. This has helped to broaden the PIT project's services to any place in the country.

During 2004, 600 PITs were installed throughout the country, bringing the total number of PITs rolled out to 700. Some 575 of the newly installed PITs were operational by mid-2005.

Citizens' post offices

This project provides electronic-based services as a one-stop shop in the Internet café mode. By July 2004, 17 CPOs had been launched. A further roll-out of 200 sites was planned for 2005.

The main target market for the CPOs is SMMEs. The services on offer include Internet browsing and e-mail; government services and information; Microsoft Office products like Word, Excel and PowerPoint; faxing; photocopying; binding; and all related stationery.

National Address Database

In 2005, SAPO, Statistics South Africa and the Department of Communications established a task team to launch the National Address Database and Registry aimed at ensuring that every household in the country has access to mail delivery, and that every citizen in the country has a physical address. SAPO has been providing addresses through boxes and street addresses. The target, as set out and confirmed in the licence agreement, is 4 018 100.

By July 2004, some 3 641 540 new addresses had been rolled out.

A pilot project was completed in the village of Garasai in North West. The entire community received street addresses. Early in 2005, another project was implemented in rural Eastern Cape.

Postbank

The Postbank is responsible for:

- providing banking services to lower-income groups and rural areas underserved by financial institutions
- fulfilling the need for a countrywide network of financial services
- mobilising savings and therefore contributing to domestic investment
- developing values of thrift and savings
- treasury and investment (to be the empowerment vehicle for SMMEs)
- being a deposit facility for welfare and maintenance payments.

Postbank's net contribution for the financial year to 31 March 2004 was R84,3 million (R69,5 million in 2003).

After repositioning itself, the participation of the Postbank in the Mzanzi Account has been very successful. By May 2005, the Postbank had already overtaken the four major banks with 152 000 accounts opened, which was 29% of the total market share.

The number of new Postbank accounts increased at an average of 51 000 a month compared with 47 000 a month in 2003/04. The number of Postbank accounts totalled 3,2 million at the end of November 2004, an increase of 22,2% from November 2003.

Social investment

This includes:

- supporting the fight against HIV, AIDS and cancer
- awarding scholarships and bursaries
- supporting choral development
- contributing towards poverty alleviation
- promoting the recognition of South Africa's legends and heritage through philately
- promoting the culture of writing, through letter-writing contests.

International and regional co-operation

South Africa is a member of the Universal Postal Union (UPU). The country participates in technical assistance programmes within the UPU, and uses its international accounting facility. It also participates in other international bodies such as the Pan-African Postal Union (PAPU), Council of Commonwealth Postal Administrations and the Southern African Transport and Communications Commission.

South Africa, through the Department of Communications, is a signatory to international treaties, conventions and agreements. It co-operates and works in partnership with other postal administrations through either bilateral or multilateral agreements relating to letters, parcels and financial postal services.

In February 2005, more than 190 postal services representatives from Africa attended the regional conference of PAPU in Johannesburg to discuss better ways of improving global postal services.

PAPU is a specialised agency of the African Union (AU) devoted to the development of postal services on the continent.

The media

Media freedom

According to the Bill of Rights, as contained in the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), everyone has the right to freedom of expression, which includes:

- freedom of the press and other media
- freedom to receive or impart information or ideas
- freedom of artistic creativity
- academic freedom and freedom of scientific research.

Several laws, policies and organisations act to protect and promote press freedom in South Africa.

The third Press Freedom Index by Reporters Without Barriers, released on World Press Freedom Day on 3 May 2005, ranked press freedom in South Africa as 26th in the world – beating such countries as the United Kingdom (28th), Greece (33rd), Italy and Spain (tied at 39th), Australia (41st) and Japan (42nd).

The only developing countries to earn a better score than South Africa were the Caribbean states of Trinidad and Tobago (tied at 11th with Estonia, Germany and Sweden) and Jamaica (24th).

Broadcasting

South Africa has an extremely diverse broadcast media sector catering for the unique demands of the local market.

Policy and legislation

The Broadcasting Act, 1999 (Act 4 of 1999), and the IBA Act, 1993 (Act 153 of 1993), are aimed at establishing and developing a broadcasting policy to regulate and control all broadcasting, to:
- contribute to democracy, nation-building, the provision of education, and strengthening the moral fibre of society
- encourage ownership and control of broadcasting services by people from historically disadvantaged communities
- ensure fair competition in the sector
- provide for a three-tier system of public, commercial and community broadcasting services
- establish a strong and committed public broadcaster to service the needs of all South Africans.

The Broadcasting Act, 1999 defines the objectives of the South African broadcasting system, the structure of the SABC and the role of the various sectors in meeting these objectives. It also guarantees the independence of the SABC as public broadcaster. Section 8 of the Act sets out the objectives of the SABC. The SABC is being corporatised and restructured to better fulfil its mandate of meeting its audiences' needs.

These include broadcasting accurate and credible news and current affairs programmes; South African content programming in languages reflecting the country's cultural diversity; educational programming to advance lifelong learning; and programming targeted at children, women and people with disabilities.

The Act deals with the restructuring of the SABC to fit into the changing broadcasting environment. It requires that the SABC Board establish two man-agement boards to focus on the public and commercial services. Under the new dispensation, the public broadcasting wing will execute and meet its public-service mandate free from commercial interests. The commercial wing will be allowed to generate profit to be self-sustainable.

Editorial policy

The Broadcasting Amendment Act, 2002 (Act 64 of 2002), brings into effect, among other things, the new Code of Conduct for Broadcasters. Implementation of the Act will result in a better definition of public and commercial broadcasting services.

The SABC has developed, for the first time, editorial policies for news and other programming that cover current affairs, including content accuracy and impartiality. These policies are open to public comment.

The Broadcasting Amendment Act, 2002 provides for the establishment of two regional television licences: the first for the northern region, to cater for those speaking the Sesotho, Xitsonga, Tshivenda and Sesotho sa Leboa languages; and the second for the southern region, to cater for those speaking the isiXhosa, Siswati, isiZulu and isiNdebele languages.

In March 2004, the SABC submitted an application for the amendment of its broadcasting licences, in terms of Section 22 of the Broadcasting Act, 1999.

By mid-2005, the SABC had made applications to ICASA for two regional broadcasting services to meet provincial and language needs.

Cross-media control and South African content

ICASA released a position paper requiring local radio and television stations to increase their quotas of locally produced content as of August 2003. Quotas for public and community radio stations were doubled to 40%, while quotas for private and public commercial stations were raised to 25%. Quotas for television were increased to 55% for public broadcasters; 35% for commercial, private and public free-to-air stations; and 8% for pay stations.

Broadcasting role-players

Radio

The first radio broadcasts in South Africa took place under the auspices of a broadcasting committee of the South African Railways. The first experimental broadcast was undertaken in Johannesburg on 18 December 1923 by the Western Electric Company.

During 1924, the Associated Scientific and Technical Association of South Africa began regular broadcasts in Johannesburg. The Cape Peninsula Publicity Broadcasting Association began a similar service, and the Durban Municipality followed suit with its own regular broadcasts.

The first radio station, JB Calling, went on air in July 1924.

By 1926, all radio transmission and reception was placed under the control of the Postmaster-General, under the Radio Act, 1926 (Act 20 of 1926).

Following the contribution made by Sir John Reith, the then Director-General of the British Broadcasting Corporation, the SABC was established on 1 August 1936.

The SABC is the country's public broadcaster. It introduced its own national news service on 17 July 1950, with daily news bulletins on the English service, the Afrikaans service and Springbok Radio.

Radio Zulu, Radio Xhosa and Radio Sesotho were established on 1 June 1960.

In 2005, the SABC's national radio network comprised 15 public broadcast service radio stations, and three commercial radio stations broadcasting in 11 languages, and an external radio service in four languages that reached an average daily adult audience of 19 million.

For its internal coverage, Radio News uses about 13 editorial offices, a countrywide network of 1 300 correspondents and more than 2 000 news contacts.

World news is provided by international news agencies and strategically situated foreign correspondents.

Copy supplied to Radio News amounts to almost a million words a day, and is compiled around the clock into 300 news bulletins and 27 current affairs programmes broadcast daily on the SABC's radio services. There is a public broadcasting service radio station for each language group.

Channel Africa Network comprises four language services that reach millions of listeners throughout Africa. Broadcasts are in English, French, Kiswahili and Portuguese. It is targeted at audiences in Africa and the Indian Ocean islands, and concentrates on providing programmes with a specific African content.

Commercial radio stations

The following private radio stations have been granted licences by ICASA:
- Radio Algoa (ex-SABC)
- Classic FM (greenfield)
- Kaya FM (greenfield)
- YFM (greenfield)
- Highveld Stereo (ex-SABC)
- Radio 702
- Radio Jacaranda (ex-SABC)
- Radio Oranje (ex-SABC)
- East Coast Radio (ex-SABC)
- P4 (greenfield)
- Cape Talk MW (greenfield)
- Radio KFM (ex-SABC).

Stations such as Radio Jacaranda, Highveld Stereo, Radio Oranje, Radio Algoa and East Coast Radio were initially SABC stations, but were sold to private owners to diversify radio ownership in South Africa as part of the transformation of the public broadcaster.

On 13 January 2004, ICASA released the *Position Paper on the Ownership and Control of Broadcasting Services and Existing Commercial Sound Broadcasting Licences*. According to the position paper, at least seven new commercial sound broadcasters will be licensed over the next two years.

At least four of these licences will be granted in secondary markets, and at least three will be granted in primary markets. By March 2006, this should increase the current number of commercial sound broadcasting licensees from 13 to 23, taking into account the sale and licensing of Capital Radio in the short-term, as well as the relicensing of the

medium wave (MW) frequencies forfeited by Punt Geselsradio.

Community radio stations
Community radio stations have a huge potential for the support of, among other things, cultural and educational information exchange. These radio stations all use indigenous languages, thus ensuring that people receive information in languages they understand.

By February 2005, 92 licences had been issued. ICASA had called for applications for a further 18 in the nodal points in KwaZulu-Natal, Limpopo and Mpumalanga, Eastern Cape, Western Cape, Northern Cape, North West and Gauteng.

Satellite Communications Network
The Satellite Communications Network makes it possible for grassroots communities, through their community radio stations, to access parliamentary proceedings, general news, and government information and services.

The Department of Communications is responsible for rolling out infrastructure to radio stations.

Initially, 30 radio stations were linked. The network will, on completion, link 90 stations.

Low Power Sound Broadcasting Licences
In October 2003, ICASA published the *Position Paper for Low Power Sound Broadcasting Services*. Low power sound broadcasting is defined in the Broadcasting Act, 1999 as broadcasting services operating with the maximum of one ERP. According to the position paper, low power broadcasting is divided into commercial sound broadcasting and community sound broadcasting. On 8 February 2005, the authority published guidelines for low power sound broadcasting licence applications. By May 2005, two applications had been received, from Kriel Info Radio and Voice of Wits.

Television

SABC
A one-channel television service was introduced on 5 January 1976.

Today, the SABC's national television network comprises three full-spectrum free-to-air channels and one satellite pay-TV channel aimed at audiences in Africa. Combined, the free-to-air sound broadcasting stations broadcast in 11 languages and reach a daily adult audience of almost 18 million people via the terrestrial signal distribution network and a satellite signal.

There are more than four million licensed television households in South Africa. South Africa has the largest television audience in Africa.

About 50% of all programmes transmitted are produced in South Africa. Locally produced television programmes are augmented by programmes purchased abroad, and by co-productions undertaken with other television programming organisations. Television news is fed by SABC news teams reporting from all parts of the country, using modern portable electronic cameras and line-feed equipment via more than 220 television transmitters. Ad hoc satellite feeds are arranged from wherever news events occur.

News bulletins are broadcast in all 11 official languages.

The SABC's terrestrial television channels devote about 17% of their airtime during prime time to news and news-related programmes.

NewsBreak 082 152, a news-by-telephone service, is one of the country's most popular audio news/information lines. This joint venture with Vodacom and Marketel gives the latest news in English and isiZulu, with regular sports and weather updates.

South Africa's top online publisher is Media24, which includes News24 and Finance24, with a unique readership of over 1,7 million and almost 27 million page impressions in April 2005.

Independent Online was in second place, with a unique readership of 1,3 million and 13 million page impressions.

Third was M-Web, followed by SuperSport Zone, Ananzi, iafrica, Mail & Guardian Online, Johnnic Communications, CareerJunction and Moneyweb.

M-Net

M-Net, South Africa's first private subscription television service, was launched in 1986. Today, M-Net broadcasts its array of general entertainment and niche channels to more than 1,3 million subscribers in more than 50 countries across the African continent and adjacent Indian Ocean islands.

M-Net's television channels are delivered to subscribers through analogue terrestrial and digital satellite distribution.

The main M-Net channel, which is available as a terrestrial and satellite service, offers movies, sport, children's programmes, international and local series and local reality shows.

The second terrestrial channel, CSN (Community Services Network), offers sport as well as programming aimed at a variety of South African communities.

Development of the local film and television industries is a priority for M-Net and is supported by various projects such as New Directions, which identifies and mentors emerging film-makers; the learner initiative; and EDIT, which gives final-year film and television students the opportunity to produce programmes for broadcast on M-Net.

In 2003, M-Net commissioned seven full-length films to boost the South African film industry. Among them was the Oscar-nominated drama *Yesterday*.

Satellite broadcasting

MultiChoice Africa (MCA) was formed in 1995 to manage the subscriber services of its sister company, M-Net. It became the first African company on the continent to offer digital satellite broadcasting.

Operations include subscriber-management services and digital satellite television platforms broadcasting 55 video and 48 audio channels, 24 hours a day. Included are six data channels, which were the first interactive television offerings on the continent.

Multichoice's digital bouquet is the home of several M-Net channels: M-Net Movies 1 and 2, DStv subscribers' all-day movie ticket; The Series channel; the Afrikaans channel kykNET; Channel O, the first TV music channel playing back-to-back music aimed at Africa's youth; Action X, the home of high-adrenaline movies and series; AfricaMagic, a channel featuring movies and programmes made on the African continent; and various SuperSport channels.

MCA is owned by the MIH Group, which is listed on the JSE, NASDAQ in New York, and AEX in Amsterdam.

Free-to-air television

The *White Paper on Broadcasting Policy*, released in June 1998, provided for the extension of free-to-air, pay and regional television services. On 30 March 1998, the consortium Midi Television was awarded the first privately owned free-to-air television licence.

The station they operate, e.tv, is a commercial service dependent on advertising. It does not charge subscription fees.

Since its launch in 1998, e.tv has shown phenomenal audience growth. News broadcasts and a 24-hour service were introduced early in 1999.

e.tv appeals to all race, age and income groups and is the most watched English language channel. By mid-2005, viewership totalled 11 461 000 according to the All Media Products Survey 2004A.

Signal distribution

Sentech began operating in 1992 under the auspices of the SABC as a signal distributor for all transmissions related to the public broadcaster. This mandate included services provided to M-Net, Radio 702, Radio Ciskei, Radio Transkei and the Bophuthatswana Broadcasting Corporation.

After an inquiry was launched and the subsequent report approved by Parliament in March 1996, Sentech started operating as a commercial SOE with its own board of directors.

Sentech owns and operates about 210 terrestrial transmitter sites where short-wave, MW, Frequency Modulation (FM), television and multichannel multipoint distribution service transmitters (more than 1 200) are accommodated to serve the various broadcasters in the country.

In May 2002, Sentech was granted two telecommunications licences, thus allowing the company to move into international telephony and multimedia communications. The International Telecommunications Gateway licence allows Sentech to carry

international traffic on behalf of other licensed operators. The multimedia services licence enables the company to deliver e-commerce, Internet, broadband and value-added telecommunications services directly to consumers and businesses.

Sentech has assisted in connecting over 50 MPCCs and expanding television coverage. The AU has asked it to provide secure telecommunications infrastructure to its headquarters and contribute to the Pan-African Radio and Television Network. Sentech is working with SITA, the Medical Research Council and the USA to provide bandwidth for underserviced areas in the Bohlabela/Sekhukhune nodal points for tele-medicine tests.

Orbicom (Pty) Ltd was registered in 1993, and grew to become a leading-edge satellite communications company, which was acquired by MTN Group Holdings, formerly known as MCell Limited, in September 1999. It provides wireless communications solutions and services.

Print

Technical handling of the print media in South Africa rates among the best in the world. On the editorial side, concerns have been raised about the general quality of content from a journalistic point of view. Research has shown that journalists lack certain basic skills, and the juniorisation of newsrooms has affected most of the major publications negatively.

Over the last two years, the industry has held strategic planning sessions and implemented special training programmes in an attempt to improve the quality of newspapers' editorial content.

The roots of the print media in South Africa can be traced back to the 19th century, when the first issue of a government newspaper, the *Cape Town Gazette and African Advertiser/Kaapsche Stads Courant and Afrikaansche Berigter*, was published in 1800.

The first independent publication, *The South African Commercial Advertiser*, was published in 1824 by Thomas Pringle and John Fairbairn. It was banned 18 months later and reappeared only after various representations had been made to the authorities in London.

South African newspapers and magazines are mainly organised into press groups, which have burgeoned over the years as a result of take-overs.

The major press groups are Independent Newspapers (Pty) Ltd, Media24 Ltd, CTP/Caxton Publishers and Printers Ltd, and Johnnic Communi-cations.

Other important media players include Primedia; M&G Media; Associated Magazines; Ramsay, Son & Parker; NAIL (New Africa Investments Limited); and Kagiso Media. NAIL has unbundled into a commercial company (New Africa Capital) and a media company (New Africa Media).

Johnnic Communications clinched a deal with NAIL in which it acquired NAIL's shares in New Africa Publications, the owners of *Sowetan* and *Sunday World*.

Since 1994, the major press groups have embarked on programmes to boost BEE in media ownerships.

Newspapers

Most South African newspapers are based on the British model. Management and editorial departments are controlled separately.

The size of the country – 1 400 km separating the main centres of Cape Town and Johannesburg – still precludes national dailies in the true sense of the word.

In 2003, an attempt to break into the daily market by *ThisDay* failed and the newspaper ceased to exist in October 2004.

Some of the bigger titles and specialist newspapers such as Business Day are distributed in metropolitan areas. The only truly national newspapers are the *Sunday Times, Rapport, Sunday Independent, Sunday Sun, City Press* and *Sowetan Sunday World*.

All are published simultaneously in various cities, using the printing facilities of related dailies. A number of newspapers have introduced separate weekend editions of their daily newspapers, e.g. *Saturday Dispatch* and *Weekend Witness*. *The Post Weekend* and the Saturday edition of the *Herald* in Port Elizabeth ceased trading.

Sunday World, launched in March 1999, soon lost its initial popularity. It was relaunched in 2000 as *Sowetan Sunday World* and almost doubled its circulation.

The ongoing biggest success story of the South African newspaper scene is that of *Daily Sun,* with a daily circulation of more than 300 000.

This Gauteng newspaper, launched by Media24 in July 2002, has become the biggest daily in South Africa. Imitating the tabloid format and the controversial content line that appears in its British namesake, *The Sun*, it took the South African daily market by storm.

Tabloid journalism was the new trend in 2004/05 with another English title *The Daily Voice* being launched in the Western Cape. It is published by Independent Newspapers. An Afrikaans version, *Die Son*, launched on 28 March 2003, initially focused its distribution within the Western Cape, but has extended its circulation to Gauteng with the launch of its North edition in November 2003.

By mid-2005, there were 21 dailies and eight Sunday papers in South Africa. Almost 150 regional or country newspapers, most of which are weekly tabloids, serve particular towns or districts in the country, by covering local affairs and carrying local advertising. Most are published in English and Afrikaans. The most popular publication day is Thursday.

Newspapers appearing only in certain neighbourhoods are also part of this section. They are known as knock-and-drops, free-sheets or freebies, as they are distributed free of charge. They have a guaranteed readership with advertising being their only source of income. More than 4,5 million newspapers in this sector are distributed weekly.

In 2004, there were more than 200 such papers listed. They are distributed mainly in urban areas, and number in the hundreds when unlisted ones are considered. Press groups such as Media24 and CTP/Caxton are major players in this field.

Since 1996, local newspapers, freebies and corporate newspapers have ventured into reporting in indigenous languages as well. In Durban, Independent Newspapers started the isiZulu newspaper *Isolezwe*, which is steadily growing.

With 11 official languages, it can be expected that more home-language publications will emerge. Separate newspapers for different cultural groups are still preferred, with English being the popular language of choice.

Circulation

Community newspapers

Paid-for community newspapers showed significant growth in circulation from 268 000 in 2003 to 393 000 in the latter half of 2004 (July to December). The free-sheet newspapers showed a huge increase in circulation from 3,1 million per week in 2000 to 4,5 million per week in 2004.

Winners of major annual press trophies					
	Frewin*	**McCall****	**Cronwright*****	**Hultzer******	**Joel Mervis********
2001	The Star	The Mercury	Chronicle	Herald Potchefstroom	Rapport
2002	Beeld	Natal Witness	Paarl Post	Herald	Rapport
2003	Beeld	Business Day	South Coast Herald	Springs and Brakpan Advertiser	Mail & Guardian
2004	Beeld	Witness	Paarl Post	Eikestadnuus	Naweek-Beeld
2005	The Witness	The Witness	–	–	Weekend Witness

*	Best daily newspaper
**	Best daily with a circulation under 50 000
***	Best community newspaper with a circulation exceeding 10 000
****	Best community newspaper with a circulation below 10 000
*****	Best urban weekly
–	Not available by time of going to press

Source: Print Media South Africa

Daily newspapers

Daily Sun still remains the biggest selling daily newspaper in South Africa and showed an increase in circulation from 235 386 (July to December) in 2003 to 364 356 for the same period in 2004. *Isolezwe* also showed an increase from 55 195 to 65 109 in 2004.

The Star remains South Africa's second-biggest newspaper, with a circulation of 166 461 compared with 165 948 in 2003.

Sowetan saw a slight decrease from 123 590 to 122 825 in 2004. *The Citizen* also saw a decline from 98 228 in 2003 to 76 183 in 2004.

Weekly newspapers

South Africa's biggest weekly Sunday newspaper, *Sunday Times*, saw a slight decrease in circulation from 505 717 to 505 402 in 2004. *Rapport*, the second-largest Sunday newspaper, showed a similar decrease from 324 882 to 322 731 in 2004, while *City Press* increased from 167 885 to 173 992 in 2004.

Soccer Laduma increased from 217 594 to 244 509 in 2004, and *Die Son* increased from 90 015 to 199 959 in 2004 (ABC July to December 2003 versus the same period in 2004).

Newspaper readership

Daily newspapers showed an upward trend in readership from 20,2% in 2003 to 21% in 2004 with 6,357 million readers. Weekly newspapers remained stable at 31,2% or 9,422 million readers. In general, newspapers saw a decline in readership among 16- to 24-year-olds.

Magazines circulation and readership

The magazine industry in South Africa is a fiercely competitive environment in which new titles appear all the time, despite the worldwide challenge from electronic and interactive media. It seems that many readers are still attracted to print, considering the proliferation of titles on the shelves in supermarkets and bookstores. However, there is evidence to suggest that the overall magazine reading population in South Africa is shrinking, which is a concern for the industry.

A positive development has been the segmentation of the market into niched publications that provide opportunities for advertisers to reach target markets.

Because of rising printing and paper costs, prices have increased accordingly and magazines have had to offer readers value for their money to retain their loyalty. Weeklies *Huisgenoot* and *You* are the two biggest money-making magazines in South Africa and gossip and celebrity titles are the biggest over-the-counter sellers. *FHM* and *Heat* are in the top five.

Women's magazines

In the women's magazine sector, publications have had to market themselves aggressively to survive. Consumers are now spoilt for choice and if a magazine is to be sustainable it has to compete, especially with new entries such as *Glamour*, *Heat* and *Seventeen* being launched against the established brands.

Overall, there was a general decline in readership in this sector. *Cosmopolitan* dropped from 119 562 to 117 255. *Glamour's* sales declined from 121 591 to 92 552. *Elle's* figures went down from 38 215 to 37 267, *Essentials* from 78 448 to 76 295 and *Fairlady* from 93 607 to 88 123. *Femina* dropped from 48 932 to 44 883 and *Marie Claire* from 51 923 to 43 110. *Oprah's* sales remained more or less steady at 62 754.

In the Afrikaans market, the same trend was apparent. *Rooi Rose* declined from 127 271 to 119 994 and so did the weekly *Vroue Keur* from

The Audit Bureau of Circulations' calculated figures for the period January to June 2005, released on 16 August 2005, showed continued growth over the past five years in magazine and newspaper circulation.

The youth consumer and customer magazine categories showed marked growth in circulation – also due to new entrants to the market.

Other growth categories included the home (consumer), woman's special interest (consumer), parenting (consumer), and travel, tourism and hospitality (business-to-business).

119 994 to 100 121. *Sarie* remains a leader in the sector, but its figures also decreased. *True Love* saw similar decreases, but *Dit* gained from 70 994 to 77 811.

General interest titles

Sales of the weeklies, *You* and *Huisgenoot*, 222 845 and 340 570 respectively, declined by about 2 500 and 1 500 each. *Drum*'s figures went down alarmingly and *Bona* declined from 103 599 to 96 584. *People's* figures decreased too, but *TV Plus* gained about 30 000 readers.

Décor

Décor magazines, on the other hand, proved to be a major growth area.

However, not all titles are doing well. *House and Garden*, *House & Leisure* and *Habitat* all declined while *Elle Decoration*'s figures remained stable. *Visi* continued to be popular and *SA Home Owner* increased its sales by about 10 000.

Parenting

This category is also booming. *Baba en Kleuter*, *Parents* and *Your Baby* all remained fairly stable, while *Healthy Pregnancy* gained readership and *Living and Loving*'s figures declined slightly.

Youth

There has been a proliferation of magazines in the youth sector in the last few years. *Wicked* increased from 20 609 to 25 311 and *Saltwater Girl* maintained its position as the top-selling female teen magazine in South Africa. New entry *Blunt* grew from 16 936 to 18 329 and *Seventeen* from 28 097 to 30 741. *Teenzone*'s sales declined slightly, as did figures for *Barbie*.

Male interest

GQ's figures dropped, while *FHM* increased from 105 194 to 118 428. *Men's Health*, too, showed an upward trend.

Motoring

Car declined from 108 693 to 105 934, *Leisure Wheels* was consistent at 14 000 and *Speed and Sound* increased from 29 295 to 44 644. *Topcar's* figures also grew, while *Wiel* declined to 7 648.

Lifestyle

Judging by the most recent circulation figures, *Weg* has cornered the Afrikaans outdoor lifestyle market while *Getaway* remained constant. *Style*'s figures declined dramatically, while Woolworth's *Taste* became increasingly popular, attaining sales of 20 075. *SA Country Life* and *Caravan and Outdoor Life* are extremely niched publications that have a consistent readership.

Sport

Amakhosi dropped from 40 051 to 37 772, *Bicycling SA* remained fairly steady and *Bike SA* declined slightly. *Compleat Golfer* remained at 24 115 while *Golf Digest* grew from 19 382 to 21 479. Football magazines, *Kick Off* (60 893), *Soccer Laduma* and *Full Time* continued to attract loyal readers, although *Soccer Life*'s sales figures went down from 30 662 to 17 163. *Runners' World* remained steady at 17 000, while *Sports Illustrated* grew from 38 000 to 42 145. Niche publications such as *SA Rugby*, *Complete Fly Fisherman* and *Stywe Lyne/Tight Lines* remained stable.

The 29-year-old surfing magazine, *Zigzag*, declined slightly.

Special interest

Finance Week/Finansies en Tegniek both grew by about 5 000 and 6 000 in sales, but the *Financial Mail* decreased slightly from 26 691 to 25 612. Targeted publications *Popular Mechanics*, *Threads and Crafts* and *Wine* continued to attract a loyal readership.

Distribution

In cities, newspapers rely heavily on street sales and door-to-door delivery. Cafés, spaza shops and general stores provide additional selling points. In rural areas, newspapers are distributed mainly by special truck deliveries, often covering hundreds of kilometres in a single run. The cost of bulk transport by air is very high.

Newspaper Circulation Services and Magazine Circulation Services handle all Johnnic Communications' circulation. The Afrikaans press group, Media24 (*Nasionale Nuusdistribueerders*), handles most of its distribution itself. Allied Publishing handles Independent Newspapers and RNA Distributors handles distribution for Caxton/CTP.

Online media
South African websites attract more than 3,5 million highly educated users.

Johannesburg has the largest audience with 24% users, followed by Cape Town (15%), Pretoria (10%) and Durban (6%).

Media organisations and role-players
Several organisations and associations play an important role in the media field.

Print Media South Africa (PMSA), formed in 1996, is an umbrella organisation administering individual bodies, namely the Newspaper Association of South Africa (the oldest communication organisation, established in 1882), Magazine Publishers Association of South Africa, and the Association of Independent Publishers (AIP). The AIP was formed in September 2004 after the major publishing groups withdrew from the Community Press Association (CPA) to give independent publishers an opportunity to transform the CPA into an association that would serve their own specific needs. The AIP represents the interests of more than 200 independent publishers in southern Africa.

The purpose of the PMSA is to represent, promote, interact and intervene in all matters concerning the collective industry and matters of common interest. It represents some 617 newspaper and magazine titles in South Africa. PMSA is a member of a number of international bodies such as the World Association of Newspapers and Federation of Periodical Press. Allied to PMSA, but not a constituent member, is the Audit Bureau of Circulation, responsible for auditing and verifying print-media circulation and cinema attendance figures.

The South African National Editors' Forum (SANEF) was conceived at a meeting of the Black Editors' Forum, the Conference of Editors, and senior journalism educators and trainers in October 1996.

SANEF's membership includes editors and senior journalists from the print, broadcast and online/Internet media, as well as journalism educators from all the major training institutions in South Africa.

SANEF has facilitated the mobilisation of the media in the *Partnership Against AIDS* Campaign, and in campaigns to end violence against women and children.

Various seminars and debates are held on media freedom and transformation, especially in relation to gender and technology. SANEF is involved in train-

Sold magazines with the largest circulation, July – December 2004			
Name	**Frequency**	**Language**	**Audited circulation**
Huisgenoot	W	A	340 570
You	W	E	222 845
Sarie	M	A	137 970
TV Plus	F	B	135 563
AA Traveller	Q	E	133 593
Rooi Rose	M	A	119 994
FHM	M	E	118 428
Cosmopolitan	M	E	117 255
True Love	M	E	114 793
Car	M	E	105 934

The abbreviations used are the following: W (weekly), F (fortnightly), E (English), M (monthly), Q (quarterly), A (Afrikaans), B (bilingual).

Source: Audit Bureau of Circulation

Daily and weekly papers					
Name	**Publisher**	**Contact information**	**Frequency**	**Language**	**Audited circulation Jul – Dec 2004**
Beeld (Daily)	Media 24	PO Box 333, Auckland Park, 2006 T. 011 713-9000 / F. 011 713-9960 E-mail: beeld@beeld.com	MD, M-F	A	102 070
Beeld (Saturday)	Media 24	PO Box 333, Auckland Park, 2006	W, Sat	A	88 402
Burger, Die (Daily)	Media 24	PO Box 692, Cape Town, 8000	MD, M-F	A	104 102
Burger, Die (Saturday)	Media 24	PO Box 692, Cape Town, 8000 T. 021 406-2214 / F. 021 406-3211	W, Sat	A	117 092
Business Day	BDFM Publishers (Pty) Ltd	PO Box 1742, Saxonwold, 2132 T. 011 280-3000 / F. 011 280-5505 E-mail: bday@tml.co.za	MD, M-F	E	40 541
Cape Argus, The	Independent Newspapers Cape Ltd	PO Box 56, Cape Town, 8000 T. 021 488-4911 / F. 021 488-4173 E-mail: josepha@ctn.independent.co.za	AD, M-F	E	73 230
Cape Times	Independent Newspapers Cape Ltd	PO Box 56, Cape Town, 8000 T. 021 488-4911 / F. 021 488-4173 E-mail: chriswh@independent.co.za	MD, M-F	E	49 526
Citizen, The (Daily)	Caxton Publishers & Printers Ltd	PO Box 43069, Industria, 2042 T. 011 248 6000 / F. 011 248 6222 E-mail: news@citizen.co.za	MD, M-F	E	76 183
Citizen, The (Saturday)	Caxton Publishers & Printers Ltd	PO Box 43069, Industria, 2042	W, Sat	E	57 935
City Press	RCP Media Bpk	PO Box 3413, Johannesburg, 2000 T. 011 713-9002 / F. 011 713-9977 E-mail: news@citypress.co.za	W, Sun	E	173 992
Daily Dispatch	Dispatch Media (Pty) Ltd	PO Box 131, East London, 5200 T. 043 702 2000 / F. 011 702 2968	AD, M-F	E	33 338
Daily News	Independent Newspapers KZN	PO Box 47397, Greyville, 4023 T. 031 308-2472 / F. 013 308-2662 E-mail: tbruce@nn.independent.co.za	AD, M-F	E	51 194
Daily Sun	Media 24	PO Box 333, Auckland Park, 2006 T. 011 713 9000 / F 011 713 9960	MD, M-F	E	364 356
Diamond Fields Advertiser	Independent Newspapers Gauteng Ltd	PO Box 610, Kimberley, 8300 T. 053 832-6261 / F. 053 832-8902 E-mail: pbe@independent.co.za	MD, M-F	E	8 948
Herald (Daily)	Johnnic Pub. Eastern Cape	PO Box 1117, Port Elizabeth, 6000 T. 041 504-7911 / F. 041 585 3947 E-mail: epherald@tmecl.co.za	MD, M-F	E	29 719
Ilanga	Mandla Matla Publishing Co (Pty) Ltd	PO Box 2159, Durban, 4000 T. 031 309-4350 / F. 031 309-3489	BW, Th, Mo	Z	103 597
Isolezwe	Independent Newspapers KZN	PO Box 47549, Greyville, 4023 T. 031 308 2878 / F. 031 308 2885	MD, M-F	Z	65 109
Independent on Saturday, The	Independent Newspapers KZN	PO Box 47397, Greyville, 4023 T. 031 308-2472 / F. 013 308-2662	W, Sat	E	56 216
Mail and Guardian	M&G Media (Pty) Ltd	PO Box 91667, Aucklandpark, 2006 T. 011 727-7000 / F. 011 727-7110 E-mail: newsroom@mg.co.za	W, Fr	E	40 162
Mercury, The	Independent Newspapers KZN	PO Box 47397, Greyville, 4023 T. 031 308 2472 / F. 031 308 2662	MD, M-F	E	39 343
Witness	Natal Witness Pr & Pub Co (Pty) Ltd	PO Box 362, Pietermaritzburg, 3200 T. 033 355-1111 / F. 033 355-1377 E-mail: news@witness.co.za	MD, M-S	E	23 514
Post	Independent Newspapers KZN	PO Box 47397, Greyville, 4023 T. 031 308-2472 / F. 031 308-2662 E-mail: khalil@independent.co.za	W, Wed	E	42 626

Daily and weekly papers

Name	Publisher	Contact information	Frequency	Language	Audited circulation Jul – Dec 2004
Pretoria News (Daily)	Independent Newspapers Gauteng Ltd	PO Box 439, Pretoria, 0001 T. 012 300-2000 / F. 012 325 7300 E-mail: tle@pretorianews.co.za	AD, M-F	E	28 690
Pretoria News (Saturday)	Independent Newspapers Gauteng Ltd	PO Box 439, Pretoria, 0001 T. 012 300-2000 / F. 012 325 7300	W, Sat	E	17 406
Rapport	RCP Media	PO Box 333, Auckland Park, 2006 T. 011 713-9002 / F. 012 713 9977 E-mail: aleroux@rapport.co.za	W, Sun	A	322 731
Saturday Dispatch	Dispatch Media (Pty) Ltd	PO Box 131, East London, 5200 T. 043 702 2000 / F. 043 743 2968	W, Sat	E	27 927
Saturday Star, The	Independent Newspapers Gauteng Ltd	PO Box 1014, Johannesburg, 2000 T. 011 633-9111 / F. 011 834-3918 E-mail: starnews@star.co.za	W, Sat	E	137 385
Soccer-Laduma	CT Media Proprietor	PO Box 787, Sea Point, 8060 T. 021 439 8080 / F. 021 439 7434	W, Thu	E	244 509
Son, Die	Media 24	PO Box 692, Cape Town, 8000 T. 021 406 2075 / F. 021 406 3221	W, Fri	A	199 959
Southern Cross, The	Catholic News-papers & Pub Co Ltd	PO Box 2372, Cape Town, 8000 T. 021 465 5007 / F. 021 465 3850	W, Sun	E	9 931
Sowetan	New Africa Publications (NAP) Ltd	PO Box 6663, Johannesburg, 2000 T. 011 471-4000 / F. 011 474-2074 E-mail: editor@sowetan.co.za	MD, M-F	E	122 825
Sowetan Sunday World	NAP Ltd	PO Box 6663, Johannesburg, 2000 T. 011 471-4200 / F. 011 471-4163 E-mail: newsed@sundayworld.co.za	W, Sun	E	143 208
Star, The	Independent Newspapers Gauteng Ltd	PO Box 1014, Johannesburg, 2000 T. 011 633-9111 / F. 011 834-3918 E-mail: starnews@star.co.za	MD, M-F	E	166 461
Sunday Independent, The	Independent Newspapers Gauteng, Ltd	PO Box 1014, Johannesburg, 2000 T. 011 633-9111 / F. 011 834-7520 E-mail: newstips@independent.co.za	W, Sun	E	41 464
Sunday Sun	RCP Media Ltd	PO Box 8422, Johannesburg, 2000 T. 011 713-9465 / F. 011 713-9731	W, Sun	E	173 738
Sunday Times	Johnnic Pub.	PO Box 1742, Saxonwold, 2132 T. 011 280-5101 / F. 011 280-5111 E-mail: suntimes@tml.co.za	W, Sun	E	505 402
Sunday Tribune	Independent Newspapers KZN	PO Box 47549, Greyville, 4023 T. 031 308-2911 / F. 011 308-2662 E-mail: clarke@independent.co.za	W, Sun	E	109 774
Volksblad, Die (Daily)	Media24	PO Box 267, Bloemfontein, 9300 T. 051 404-7600 / F. 051 447-7034 E-mail: mvanrooyen@volksblad.com	MD, M-F	A	29 018
Volksblad, Die (Saturday)	Media24	PO Box 267, Bloemfontein, 9300 T. 051 404-7600 / F. 051 430-7034	W, Sat	A	24 431
Weekend Argus	Independent Newspapers Cape Ltd	PO Box 56, Cape Town, 8000 T. 021 488-4528 / F. 021 488-4229	W, Sat & Sun	E	103 953
Weekend Post	Johnnic Pub. Eastern Cape	PO Box 1121, Port Elizabeth, 6000 T. 041 504-7911 / F. 041 585-3947	Sat	E	33 372
Weekend Witness	Natal Witness Pr & Pub Co Pty Ltd	PO Box 362, Pietermaritzburg, 3200 T. 033 355-1377 / F. 033 355-1377	W, Sat	E	31 073

The abbreviations used are the following: MD (morning daily), AD (afternoon daily), BW (biweekly), M-F (Monday to Friday), Mo (Monday), Tu (Tuesday), W (Wednesday), Th (Thursday), Fri (Friday), Sat (Saturday), Sun (Sunday), A (Afrikaans), E (English), Z (Zulu), n/a (not available)

Source: Audit Bureau of Circulation

ing initiatives and in setting practical standards in journalism education.

Against the backdrop of positive political developments on the African continent, SANEF spearheaded the formation of the All Africa Editor's Conference.

The Southern African Editors' Forum was subsequently formed in 2003. South Africa is its first chairperson, while the secretariat is held by Swaziland. The Central, Eastern, Western and Northern African Forum bodies are in various stages of being formed.

The Forum of Black Journalists, consisting only of black journalists, tackles issues that directly affect its members.

Members of the public who have complaints or concerns about reports in newspapers and magazines can submit their grievances to the Office of the Press Ombudsman.

Should they not be satisfied with the resultant ruling, they can lodge an appeal with an independent appeal panel. The Office of the Press Ombudsman was set up by the PMSA, SANEF, the Media Workers' Association of South Africa, and the South African Union of Journalists (SAUJ).

As self-regulating mechanisms of the media industry, the Press Ombudsman and the appeal panel act in accordance with the South African Constitution, 1996 and embrace the spirit of transformation in South Africa.

The Freedom of Expression Institute (FXI) was established in 1994 to protect and foster the rights to freedom of expression and access to information, and to oppose censorship.

The FXI undertakes a wide range of activities in support of its objectives, including lobbying, educating, monitoring, research, publicity, litigation and the funding of legal cases that advance these rights.

In the process, it networks and collaborates with a wide range of local and international organisations.

Another body that protects freedom of speech is the Freedom of Commercial Speech Trust. Backed by the marketing communication industry and supported by organised business and consumer organisations, the trust focuses on transparent negotiations with legislators.

The SAUJ has fought consistently and primarily for a free and independent media, and for acceptable working conditions for its members. To this end, the SAUJ has signed formal agreements with most employer groupings, and participates in structures aimed at fostering and enhancing media freedom.

In September 2004, the Forum of Community Journalists (FCJ) relaunched the organisation as an independent body to serve the interests of all community newspaper journalists in southern Africa. The FCJ was originally set up as a substructure of the CPA and only represented journalists employed at member organisations.

The decision to become an independent body followed the restructuring of the CPA into the AIP. The restructuring was triggered after the major groups withdrew from the CPA to create a platform for independent publishers to transform the association into a body that will better serve and address their specific interests.

The FCJ's launch as an independent body allows it to represent all journalists, including independent community press journalists, and assists in meeting its objective of becoming a more diverse and representative body for the community press industry.

The Broadcasting Complaints Commission of South Africa is an independent self-regulatory body, which serves as a voluntary watchdog to adjudicate complaints from the public about programmes flighted by members subscribing to its code of conduct. It is empowered by its members, which include, among others, the SABC, M-Net, Radio 702 and Trinity Broadcasting Network. However, the commission does not deal with X-rated material which, under criminal law, is prohibited.

The Broadcasting Monitoring Complaints Committee (BMCC) was established under sections 21 and 22 of the IBA Act, 1993.

It monitors broadcasting licensees for their compliance with, or adherence to, the terms, conditions and obligations of:
• their broadcasting licences
• the Code of Conduct for Broadcasting Services
• the Code of Advertising Practice.

The BMCC receives and adjudicates complaints from the public with regard to licence conditions, and is also entitled to initiate its own investigations into suspected non-compliance by a broadcaster.

If a member of the public is concerned that a broadcaster is not observing its licence conditions, that person may lodge a complaint with ICASA. If a broadcaster is found to be guilty of contravening its licence conditions, the BMCC makes recommendations to ICASA about action that should be taken.

Material that could be considered X-rated must be submitted to the Film and Publication Board prior to being shown. (See chapter 5: *Arts and culture*.)

The mission of the National Association of Broadcasters is to protect the interests of broadcasting as a whole, at the same time interfacing with ICASA on matters such as freedom of speech.

Other press organisations operating in the country are the Foreign Correspondents' Association of South Africa, the Printing Industries Federation of South Africa, the South African Typographical Union, the Specialist Press Association, the South African Guild of Motoring Journalists, Professional Photographers of South Africa, the Media Institute of Southern Africa, and press clubs in major centres.

The mission of the OPA is to provide a non-profit forum in which South African online publishers can address issues of common interest, and which can represent these publishers before advertising agencies and the advertising community, the press, government and the public.

News agencies

The South African Press Association, which is a national news agency, is a co-operative, non-profit news-gathering and distribution organisation operating in the interests of its members and the public. SAPA's foreign news is received from Associated Press (AP) and its representatives in London.

The main foreign news agencies operating in South Africa are *Agence France-Presse*, AP, *Deutsche Presse Agentur*, Reuters and United Press International.

Other agencies are the Eastern Cape News Agency and African Eye News Service in Mpumalanga.

Training centres

Over 40 institutions offer media training in South Africa.

Tertiary institutions include various universities of technology and universities such as Tshwane University of Technology, and Rhodes, Potchefstroom, Stellenbosch and Witwatersrand universities; and organisations such as the Cape Town Film and Television School; the SABC's Television Training Centre; the Radio Freedom Institute; the Institute for the Advancement of Journalism; Cross Media Training Centre; and NEMISA, a government-funded training institute specialising in broadcasting, news media and multimedia skills.

The Media, Advertising, Publishing, Printing and Packaging Sector Education and Training Authority (MAPPP-SETA) was gazetted on 15 March 2000.

It has six advisory committees, comprising representatives from labour, business and government, which advise on:
• print media
• advertising
• publishing
• printing
• packaging
• film and electronic media.

The MAPPP-SETA is responsible for co-ordinating a sector training plan across the media industry, and assesses the quality of training courses that are run by the industry.

Parallel to this, the South African Qualifications Authority has approved the establishment of several standards-generating bodies for the media industry.

Similar bodies were implemented for journalism training and communication studies. These bodies are substructures of the National Standards Body (language and communication), which co-ordinates standard-setting in the communication and language sectors.

Journalism awards

The most important awards include the:
• Mondi Shanduka Newspaper Awards
• Nat Nakasa Award for Courageous Journalism
• SAPPI Magazine Publishers Association of South Africa PICA Awards

- Sanlam Community Press Awards
- Vodacom Awards for Journalism Across All Mediums
- South African Breweries (SAB) Journalism Awards
- Sanlam's Financial Journalist of the Year Award, which was won by Tim Cohen, *Business Day*'s editor-at-large, in May 2005.

The winner of the 2005 Nat Nakasa Award for Courageous Journalism was veteran photographer Alf Kumalo.

In April 2005, the Mondi Shanduka Newspaper Lifetime Achiever Award was given posthumously to Dr Aggrey Klaaste.

In 2005, the Sanlam Community Press Journalist of the Year was Annelien Dean from *The People's Post*.

Media diversity

Media diversity in any country is regarded as a sign of the status of its democracy. South Africa is on its way to achieving wide diversity and, apart from the public broadcaster and an array of major commercial newspapers and broadcasting services, it has established the Media Development and Diversity Agency (MDDA), which is tasked with providing financial and other support to community and small commercial media projects.

Media Development and Diversity Agency

The MDDA was established in terms of the MDDA Act, 2002 (Act 14 of 2002), which provides for the establishment of an independent, statutory body, jointly funded by government, the media industry and other donors.

The MDDA Act, 2002 was developed after extensive discussion with major media players who agreed to jointly fund such an agency with government to develop media diversity. The MDDA is tasked with creating an enabling environment for media diversity and development by providing support to media projects, and research into media development and diversity issues.

The agency functions independently and at arm's length from all of its funders and from political party and commercial interests. This arrangement enables government, the media industry and donors to work together towards addressing the legacy of imbalances in access to the media.

The MDDA awarded its first grants to community and small commercial media projects in January 2004.

By the end of March 2005, the MDDA had provided support to close to 60 different media and research projects around South Africa.

In addition, the MDDA has provided workshops and training opportunities to a wide range of media projects and has set aside support to assist up to 15 new community radio initiatives to prepare for the licence application process.

Apart from providing financial support, the MDDA is further working together with a range of media-sector and other related organisations to leverage resources for the sector to create an enabling environment for media development. For example, the agency has established partnerships with advertising and marketing organisations to run workshops that deal with securing advertising across the country.

Advertising

Since 2004, two publications have recognised excellence and achievement in South African advertising, namely *AdFocus* as published in *Financial Mail,* and *AdReview* as published in *Finance Week* and *Finansies en Tegniek.* Their 2005 acknowledgements are summarised below:

AdFocus 2005 winners:
- Agency of the Year – Net#work BBDO
- Media Agency of the Year – Nota Bene
- Agency Leader of the Year – Keith Shipley
- Media Owner of the Year – Primedia
- Newcomer of the year – Wingwing Mdlulwa
- Lifetime Achievement – Nkwenkwe Nkomo.

AdReview winners:
- Agency of the Year and Medium-sized Agency of the Year – Net#work BBDO
- Large Agency of the Year – Ogilvy SA
- Small Agency of the Year – MorrisJones
- Newcomer of the Year – 9November
- Marketing Services Company of the Year – KingJames RSVP

- Broadcast Marketer of the Year – RSG
- Media Agency of the Year – The Mediashop
- Cape Agency of the Year – Ogilvy Cape
- Durban Agency of the Year – The Hardy Boys
- Personality of the Year – Gary Leih
- Event of the Year – Business Trust Long Run
- The Big Idea – *Joe* Campaign
- Campaign of the Year – Hyundai SA.

Advertising awards

The Loerie Awards are the best-known South African awards that recognise excellence in advertising. The Association of Marketers (ASOM) established these awards in 1978, to coincide with the advent of commercial television in South Africa. The first ceremony took place in 1979.

The Loerie Awards ceremony is a self-liquidating event, with excess monies ploughed directly back into the industry in the form of bursaries for under-privileged advertising and marketing students via the Loerie Education Trust Fund, and as a donation to the Advertising Benevolent Fund.

The main objective of the Loerie Awards is to encourage creative advertising. The Marketing Federation of Southern Africa, which was instituted in 2002 after the merger of ASOM, the Direct Marketing Association and the Institute of Marketing Management, recognises and rewards those creative people who strive for excellence by producing highly creative, mould-breaking advertising.

The organisation has been restructured, starting with the formation of a section 21 company. Through the new committee, the Loerie Awards are now managed by the industry for the industry, and profits will be used to promote the industry and develop its future creative leaders.

The 2005 Loerie Awards presentation was held on 15 and 16 October 2005 in Margate on the KwaZulu-Natal south coast.

Net#work BBDO was judged the most creative advertising agency by winning the most above-the-line awards at the annual Loeries Festival held in 2004. Of the total 115 advertising awards across 12 mediums, Net#work BBDO scooped 32 of them, including one of only two Grand Prix for its successful Virgin Atlantic poster campaign.

The win of one Grand Prix, four golds, 11 silvers and 17 bronzes kept Net#work at the top of the creative ratings for 2004. The agency also did well in below-the-line disciplines.

Other advertising awards

The Vuka! Awards celebrate excellence in public-service announcements where budgets are substantially lighter than they are for product, service or image advertising.

The Pendoring Awards reward excellence in Afrikaans advertising in both verbal and non-verbal form. Categories consist of radio, television, magazines, newspapers, outdoor advertising and campaigns.

Other marketing communication awards

In academic circles, advertising is regarded as one of the core elements of any marketing communication strategy. Marketers are increasingly integrating other core marketing communication elements, such as direct marketing and sponsorship – two of the fastest-growing areas in marketing communication – into their overall campaigns.

The Assegai Awards were introduced in 1998 to honour excellence in direct marketing strategic

In April 2005, the marketing and advertising sectors committed themselves to broader transformation of the industry by adopting the draft Black Economic Empowerment Transformation Charter and Scorecard in Sandton, near Johannesburg.

The commitment represents the culmination of extensive consultation among industry players and government, and over four years of interaction with the Parliamentary Portfolio Committee on Communications.

The development of the charter also follows on the signing of the values statement for the marketing and communication industry, which articulated that transformation of the industry is essential for its long-term growth and the upliftment of people who have been historically disadvantaged.

prowess and innovation, with an emphasis on results. These awards are the only South African marketing communication awards that recognise return on investment – measurable and accountable – talking directly to targeted prospects and existing customers by way of various integrated and actionable media. The awards are recognised as the industry benchmark with a mandate to promote growth and recognise and reward excellence in the direct marketing arena.

Online and offline advertising

In February 2005, the results of the ROAR Online Advertising Awards were announced, with top honours going to Ogilvy One and Saatchi&Saatchi AtPlay.

Sponsored by MPower, Media24 Digital's online advertising sales arm, the ROAR Awards reward creativity and innovation in online advertising.

A judging panel, including industry experts from traditional advertising and online marketing spheres, reviewed a total of 60 submissions in the first year of the competition. Winning entries were awarded in two categories.

Ogilvy One Cape Town picked up the honours for Best Existing Online Advertisers and Saatchi&Saatchi AtPlay Cape Town was awarded Best Online Advertising Newcomers.

The online advertising sector in South Africa posted impressive growth figures of 136,7% for 2004, making it one of the fastest-growing marketing mediums, according to figures released by OPA and Nielsen Media Research/AIS AdEx in April 2005.

The figures show that the South African online advertising industry was worth R116 million in 2004, meaning that the sector is beginning to grow its share of local advertising spend, which still lags behind other mediums at just under 1% of the total market. These figures represent a more-than-tenfold increase over growth figures for the previous year.

Advertising Standards Authority (ASA)

The ASA is the protector of the ethical standards of advertising in South Africa and protects consumers against manipulative advertising and unfair claims.

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