



MDDA GRANT FUNDING POLICY

2019/20 FINANCIAL YEAR



A. POLICY APPROVAL

Document title	Projects Funding Policy					
Document author	Chief Executive Officer					
Synopsis	This document contains the MDDA Projects Funding Policy					
Document owner	MDDA Board of Directors					
Document description	To set a strategic approach and guide the identification, selection and funding of projects activities in the MDDA.					
Final Version	1 of 2019/2020					
To be reviewed	30 July 2020					
Review Frequency	Annually					
Reviewed	MDDA Management Team					
Number of pages	29					
Recommended by the Projects Evaluation Committee	Full approval	X	Partial approval		Conditional approval	
Signature:						
Chairperson: Projects Oversight Committee						
Date:						
Acceptance status by the Board of Directors	Full approval	X	Partial approval		Conditional approval	
Signature:						
Chairperson: MDDA Board						
Date:						

B. LOCATION OF THE MASTER FINAL VERSION OF THE POLICY

After signature by the Chairperson of the Board of Directors, to facilitate future access and use the master final version of Projects Funding Policy, the original signed policy will be archived on file in Registry; an Adobe Acrobat (pdf) copy will be placed on the Intranet. This policy and any amendments thereto become effective upon the approval by the Board of Directors.

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ABBREVIATIONS

BASIC TERM	DEFINITION
Act	Media Development and Diversity Agency Act No. 14 of 2002
Accounting Authority	MDDA Board of Directors
Agency	The Media Development and Diversity Agency
AGM	Annual General Meeting
ASA	Advertising Standards Authority
CBO	Community Based Organisation
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
POC	Projects Evaluation Committee
CV	Curricula Vitae
ECA	Electronics Communication Act, 2000
EXCO	Executive Committee
FBOs	Faith-Based Organisation
Funding	Funding means financial resources and skills related resources provided by the MDDA towards community media related projects.
Funding Contract	A contract/agreement signed with the project for disbursement of approved funding and other support.
IBA	Independent Broadcasting Authority
ICASA	Independent Communications Authority of South Africa
MDDA	Media Development and Diversity Agency
NGO	Non-Government Organisation
NPO	Non-profit organisation

PFMA	Public Finance Management Act (Act No. 1 of 1999 as amended by Act No. 29 of 1999).
POC	Projects Oversight Committee
SABC	South African Broadcast Corporation
SATRA	South African Telecommunications Regulation Authority
SLA	Service Level Agreement
SETA	Sector Education and Training Authorities
SoP	Schedule of Particulars
4IR	Fourth Industrial Revolution

ACCRONYMS

BASIC TERM	DEFINITION
Beneficiary	A project that is being funded by the MDDA.
Board	The Board of Directors of the MDDA.
Disbursement	Transfer of funding grants, equipment or material resources from MDDA account to the project's accounts or premises, for development projects.
Financial Report	A report compiled and submitted by a funded organisation detailing its expenditure and adherence to its budget during the period under review.
Grant	Funding approved and disbursed to a project.
Community	A geographically focused community or any group of persons or sector of the public with common interest
Criteria	A selection criterion as per this policy, in line with MDDA regulations, 2003.
Executive Authority	The Cabinet member who is accountable to Parliament for that Department.
Emergency funding	Funding aimed at strengthening the project for sustainability.
Evaluation	A systematic and objective examination of a project to determine its efficiency, effectiveness, outputs, impacts, sustainability and relevance in terms of its objectives.

Monitoring	The continuous of the physical implementation of a project during the lifecycle of such project to ensure that inputs, outputs and external factors are proceeding according to a plan.
Project	Any media project that is owned and controlled by a community where any financial surplus is reinvested in the media project.
Project Governance	Project structures responsible for the governance of the projects at the MDDA
Project Risk	An issue or event which may negatively impact the project's delivery.
Project Tracking System	MDDA's project's IT system used to record and store information on projects (print, broadcast and research and training)
Regulations	MDDA Regulations, 2003.
Small Commercial Media	Independent media enterprises or initiatives that are run for personal gain as micro, very small or small business as Classified in the National Small Business Act, 1996.
Small Business	A separate and distinct business entity, including cooperative enterprises and non-governmental organisations, managed by owner or more, which can be classified as a micro, a very small, or small or a medium enterprise.
Stakeholders	The various groups of individuals or groups who affect or are affected by an organisation.
Sustainability	The ability of an organisation to successfully operate over a long-term period whilst fulfilling its mission.
Strengthening	Emergency funding is primarily aimed at aiding a project in need of urgent funding, which, in the absence of funding, would possibly face closure.
Tranche	Portions of approved funding that will be disbursed in specified periods of the life of the grant period with an organisation, with conditions attached to enable the MDDA to disburse the funds.

1. PREAMBLE

- 1.1. The Media Development and Diversity Agency (MDDA); established in 2003 in terms of the MDDA Act No. 14 of 2002; is a statutory development agency for promoting and ensuring media development and diversity. It was set up as a partnership between the South African Government, major print and broadcasting companies, to assist in (amongst others) developing community and small commercial media in South Africa.
- 1.2. Post 1994 saw the enactment of a new Constitution with a Bill of Rights guaranteeing that every citizen has the right to freedom of expression. The Bill of Rights includes freedom of the press.
- 1.3. The Independent Broadcasting Authority (IBA) was established in January 1994 in terms of the Independent Broadcasting Authority Act (No. 153) of 1993. The introduction of an independent regulator with constitutionally guaranteed independence was a significant step forward for the industry.
- 1.4. The IBA merged with the South African Telecommunications Regulation Authority (SATRA) in June 2000 to become the Independent Communications Authority of South Africa (ICASA). In 2005 there was an alignment between broadcasting and telecommunications as the Electronics Communication Act (ECA) 36 of 2005 made provision to promote convergence of the broadcasting; broadcasting signal distribution and telecommunications sectors. In terms of the ECA, all electronic broadcasters must adhere to the ICASA regulations and the Advertising Standards Authority (ASA) Code as determined and administered by the ASA.

2. LEGISLATIVE FRAMEWORK

- 2.1. Sections 16 and 32 of the Constitution of the Republic of South Africa, 1996.
- 2.2. Media Development and Diversity Agency Act, 2002.
- 2.3. MDDA Regulations, 2003.
- 2.4. Public Finance Management Act, 1999.
- 2.5. Broadcasting Amendment Act, 2009.
- 2.6. Independent Communication Authority of South Africa Act No. 13 of 2000.
- 2.7. A Guide to the Project Management Body of Knowledge, 6th Edition, 2017.

- 2.8. Electronic Communications Act, 2005.
- 2.9. National Integrated ICT Policy White Paper, 2018.
- 2.10. Promotion of Administrative Justice Act (PAJA), 2000.

3. PURPOSE

- 3.1. The purpose of this policy is to outline the MDDA's processes to identify, assess, adjudicate and grant funding to qualifying community media, small commercial and research, broadcast, print and digital projects in line with the MDDA Act (2002) and Regulations (2003). Efforts will be made to secure an equitable and fair geographic distribution of participating projects in all the provinces.
- 3.2. The policy will provide for a standard and transparent criterion for the Agency to identify, select and fund projects for the attainment of its mandate.
- 3.3. The policy will also provide due consideration to digital projects and those that use technology to advance media development and diversity, within the 4IR context.

4. THE POLICY STATEMENT

- 4.1. Funding is one of the central factors for successful empowerment, sustainability and transformation of the community media sector for access to a diverse range of media by all South Africans.
- 4.2. The MDDA is committed to a compliant, cost-effective and transparent selection and funding processes and procedures, principles of good corporate governance in line with the Public Finance Management Act (1999) and in compliance with the MDDA Act (2002) and Regulations (2003).
- 4.3. The MDDA will exercise sound financial and project management principles in all business dealings with its stakeholders; for example, the funders, the projects or beneficiaries, the Department of Communications, Partners, et cetera. To this extent the MDDA values, *Batho Pele principles* and the Public Service Code of Conduct will be the central ethical standards upon which projects decisions will be made in pursuit of the MDDA's overarching mandate.

5. THE OBJECTIVES

- 5.1. The policy is intended for use primarily in the identification, selection and for proposing community media, small commercial and research and training projects for adjudication and approval by the Board.
- 5.2. The policy applies to all projects applications for funding or non-financial support administered by the Agency and received for the financial year. It also is applicable to all the people involved with this process.

6. TYPES OF PROJECTS SUPPORTED UNDER THE MDDA ACT

- 6.1. Community media projects.
- 6.2. Small commercial projects.
- 6.3. Research and capacity building projects.
- 6.4. Digital, new and online media.

7. ELIGIBILITY CRITERIA

The following is the eligibility criteria will used to determine support to projects:

- 7.1. The extent to which the project promotes media development and diversity;
- 7.2. The likely impact of the project on historically disadvantaged communities and persons that are not adequately served by the media;
- 7.3. The likely impact of the project on historically diminished indigenous language and cultural groups;
- 7.4. The extent to which the project encourages ownership, control, participation and access to media by historically disadvantaged communities and persons that are not adequately served by the media;
- 7.5. The extent to which the project encourages ownership, control and participation and access to media by historically diminished indigenous language and cultural group.
- 7.6. Raise public awareness about media development and diversity issues; and support initiatives which promote literacy and a culture of reading.
- 7.7. Encourage research regarding media development and diversity;

- 7.8. The extent to which the project develops human resources, training and capacity building within the media industry, especially amongst historically disadvantaged groups;
- 7.9. The quality and innovation of the project;
- 7.10. Whether the project is likely to promote literacy and a culture of reading;
- 7.11. Compliance with the media laws and codes of conduct applicable to the media industry.
- 7.12. The good governance practices of the project, including:
 - 7.12.1. Sound financial and narrative reporting;
 - 7.12.2. Accountability to stakeholders;
 - 7.12.3. Adherence to the laws - tax and employment equity laws;
 - 7.12.4. Sound project management systems;
 - 7.12.5. Effective use and management of resources;
- 7.13. The project must not be owned or controlled by any media entity which enters into an agreement with the Board as contemplated in Section 21 of the Act; any political party or the state.
- 7.14. Must be subject to MDDA Regulation 3(2), the financial sustainability of the project.
- 7.15. Provides financial details that includes a breakdown of the project costs and income, including any in-kind and/or voluntary stipends. All appropriate documents to support the application have been provided.

8. APPLICATION REQUIREMENTS

- 8.1. A person/community wishing to apply for support from the MDDA must complete the compulsory application forms (**Annexure A**) as follows:
 - A form for community (non-profit) media projects.
 - A form for small commercial entities (micro, a very small, a small or a medium enterprises)
 - A form for research and capacity building application form.
 - A form for programme production.
- 8.2. Qualifying applications must submit compliant and requisite documents to be considered for assessment and these are:
 - 8.2.1 Completed Application form.

- 8.2.2 Founding Documents & Registration Certificate.
- 8.2.3 Valid Tax Clearance Certificate.
- 8.2.4 Audited Financial Statements; where possible.
- 8.2.5 Affidavit (ownership declaration).
- 8.2.6 Business Plan with a budget.
- 8.2.7 Three-year financial projections or sustainability report.
- 8.2.8 Proof of bank signatories (bank declaration).
- 8.2.9 Broadcast License (Class License and Spectrum).
- 8.2.10 A report on Ownership and Directorship from the Companies and Intellectual Property Commission (CPIC).
- 8.2.11 Founding documents.
- 8.2.12 Programme Schedule.
- 8.2.13 Editorial policy (Affidavit on adhering to Press Code).
- 8.2.14 Human Resource policies.
- 8.2.15 Financial policy.
- 8.2.16 Copies of CVs of the management.
- 8.2.17 Organogram.

9. NATURE OF SUPPORT PROVIDED BY THE MDDA

- 9.1. The MDDA provides different kinds of support for different types of projects. All support must assist projects become sustainable. The following kinds of support are provided:
 - 9.1.1. Direct subsidies that are cash grants.
 - 9.1.2. Indirect subsidies that are negotiations with public entities, organisations and financial institutions to acquire indirect support for projects (refer MDDA Act, 2000, Section 14(1)(d)).
 - 9.1.3. Emergency funding aimed at strengthening and ensuring the survival of media projects
 - 9.1.4. Research, Training and capacity building in all areas of media production and distribution.
 - 9.1.5. Project evaluation.
 - 9.1.6. Lobbying and advocacy.
 - 9.1.7. Seed funding (initial, once-off funding used to support the delivery or progress of a project.

10. FORMS OF FUNDING FOR DIFFERENT TYPES OF PROJECTS.

10.1. Direct funding

10.1.1 The MDDA will directly fund the following items:

- Operational costs including stipends.
- Infrastructure or capital support
- Printing and distribution costs, for community print projects.
- Broadcast Infrastructure.
- Signal Distribution.
- Programme production.

10.1.2. Once-off injections of support for projects which are aimed at increasing or ensuring sustainability (including audience research training or mentoring, feasibility studies, development of business plans).

10.1.3. Lobbying and advocacy.

10.2. Indirect support

10.2.1. Indirect support means support negotiated or lobbied for by the MDDA on behalf of the sector. This kind of support is aimed at providing a conducive environment for the sector to thrive.

10.2.2. Indirect support will be negotiated with and provided by a strategic partner that will be selected by MDDA to meet conditions of the Act. It may include partnerships with training or learning institutions, SETAs, other funding institutions for short term and low interest loans, etc., for small commercial media.

10.3. Funding for Strengthening

10.3.1. Emergency funding is primarily aimed at aiding a project in need of urgent funding, which, in the absence of funding, would possibly face closure.

10.3.2. It will apply to past, current and future beneficiaries of the MDDA. Emergency funding will also include funding linked to natural disasters.

10.3.3. To do this, the Agency will consider several criteria, including amongst others, whether:

- 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 the inevitable closure.
- The project has followed sound management and financial principles, and if not, has instituted corrective action.

10.3.4. The project must provide the MDDA with audited financial statements; bank statements of the trading account (for two previous years) copies of publications or profit for at least two years before (in this case loan finance can be considered).

10.4. Training and Capacity Development

10.4.1. The MDDA will facilitate training and capacity development programmes as part of its capacity development programmes by a reputable service providers or persons with established track record of excellence.

10.4.2. The MDDA will consider, amongst others, the following:

10.4.2.1 Skills development in all facets of community media work, including financial and organisational management, as well as product and programme development, with emphasis on supporting the development of skilled media practitioners from marginalised sectors.

10.4.2.2 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 licenses.

10.4.2.3 Supporting accredited training institutions to include issues concerning media development and diversity in their curricula, including a development and community journalism training programme.

10.4.4 Programme development for community media initiatives may include the costs of transport, meals, accommodation, workshops, advertising and marketing, consultants, and/or hiring of studio and/or equipment.

10.4.5 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.

10.4.6 Supporting initiatives that encourage the culture of reading and learning and children will be of focus.

10.5. Project Assessment

10.5.1 To support the equitable and transparent distribution of funds, the MDDA will assess applications based on:

10.5.1.1. Eligibility or ineligibility as outlined in this policy (Section 7);

10.5.1.2. Demonstrated compliance with the criteria for funding as in accordance with the criteria highlighted in the MDDA Regulations (2003) and funding policy (Section 7).

10.5.1.3. Adherence to the assessment process, which includes the use of a checklist that details if the criteria for funding has been met.

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

10.5.2.1 Feasibility studies for new media initiatives to assess the need, nature and level of support at the outset of the funding cycle.

10.5.2.2 Due diligence for existing projects to determine obstacles to self-sufficiency and consequently, to determine funding requirements.

10.6. Media Research

10.6.1 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 community media sector. This includes identifying obstacles to sustainability and proposing solutions and guiding future project support priorities.

10.6.2 In addition, the Agency 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.

11. EXCLUSIONS

The MDDA will not fund the following; amongst others:

- 11.1. Media projects owned and/or controlled by government or other funders of the MDDA (Caxton, e-tv, Independent Newspapers, Tiso Black Star, Kagiso Media, Media 24, M-Net, Primedia, SABC, et cetera).
- 11.2. Special event licensees or once-off publications (except in exceptional circumstances).
- 11.3. Any advocacy except if it promotes media development and diversity.
- 11.4. Media projects owned or controlled by any political party.
- 11.5. Conferences, seminars and attendance at any of these; unless the Board dictates otherwise.
- 11.6. Media earmarked for foreign audience.
- 11.7. Media aimed at reinforcing, boosting or promoting any particular entity or organisation that suits only the end of that entity or organisation.

12. SELECTION CRITERIA

- 12.1 The Board assisted by management will select projects that meet the following criteria:
 - 12.1.1 Legally registered and operating in South Africa.
 - 12.1.2 Has a valid Broadcast License, for broadcast projects. The licence is valid for the duration of the MDDA contract with the project.
 - 12.1.3 The company is a Section 21 (non-profit), Trust, Cooperative, non-government organisation (NGO), community-based organisations (CBO) and non-profit organisation (NPO) and small commercial media.
 - 12.1.4 Promotes indigenous languages and indigent communities and/or groups of South Africa.
 - 12.1.5 Is compliant with Tax and Employment Equity and any other relevant laws of South Africa.
 - 12.1.6 Has submitted all required and compliant documents to support the application.
 - 12.1.7 Project is currently receiving different funding than it is applying for. Funding a project that is currently receiving support or funding from the MDDA; will only be

happen in exceptional circumstances, if at all. *(in the event the new application is for an item not covered in the main application)*

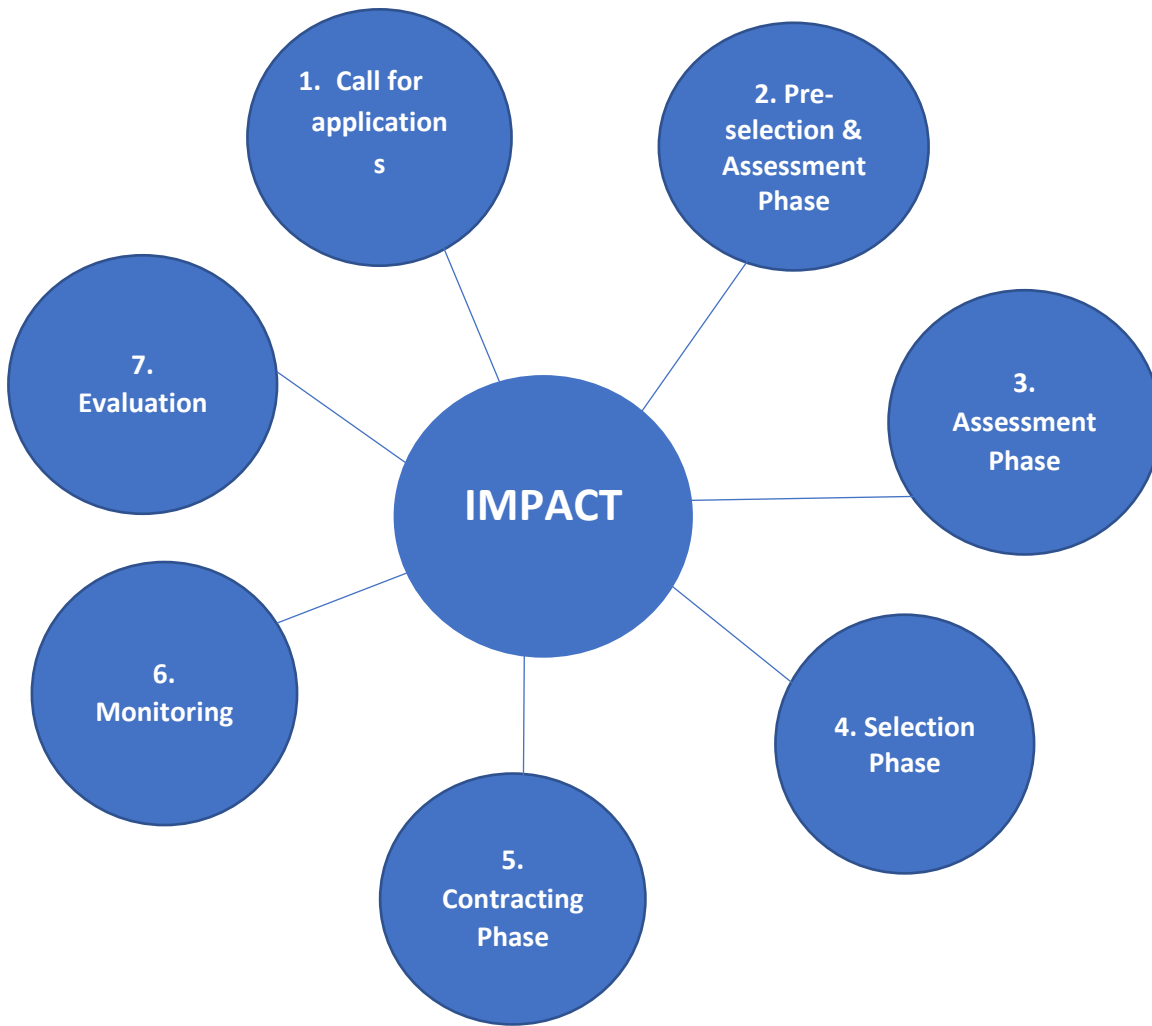
- 12.1.8 Has the capacity and skills to run the project, demonstrated through the submission of the organogram and internal policies.
- 12.1.9 The project requires emergency funding; for sustainability or strengthening purposes.
- 12.1.10 Project has submitted establishment and ownership reports.
- 12.1.11 The project has submitted Board structure and AGM minutes.
- 12.1.12 Project has submitted a CIPC report.
- 12.1.13 Project has submitted bank signatories.
- 12.1.14 Compliance report is obtained from ICASA.
- 12.1.15 Three-year financial forecasts.

13. APPROACH TO SELECTING, EVALUATING, FUNDING AND MANAGING PROJECTS.

13.1. Process of advertising

- 13.1.1. The MDDA will advertise twice a year for applications relating to projects funding. Advertisements will be placed in both print and electronic media, MDDA social media accounts; in line with the annual performance plan.
- 13.1.2. Where necessary, calls for proposals will be published. These will follow the procurement processes and policies of the organisation.
- 13.1.3. Depending on the availability of funding, applications that cannot be funded during a time period will be rejected and however, invited to re-apply.
- 13.1.4. Annually, the MDDA Board may determine areas of focus where a proactive approach may be undertaken to achieve the mandate of diversifying and transforming the media landscape.
- 13.1.5. The Board may therefore direct management to only advertise in identified or targeted areas or target certain previously disadvantaged groups, persons, cultures or languages; as part of its strategic focus.

13.2. MDDA Grant Funding Cycle



14. RECEIVING AND ASSESSING PROJECTS FOR READINESS.

14.1. The Projects Administrator

14.1.1 The Projects Administrator will receive and register all applications on the projects tracking system (PTS), allocate a project number for each project.

14.1.2 An automated acknowledgement of receipt will be sent to project.

14.1.3 Verify all administrative requirements.

14.1.4 The Projects Administrator is also a System's Administrator for the system.

14.1.5 The responsibilities of the Projects Administrator shall include but not limited to providing different types of projects reports as may be required.

14.1.6 The Administrator will allocate applications to projects managers, 14 days after receipt; with a report and full list of applications.

14.2. Projects Managers

14.2.1 Project Managers will receive the list of all new applications with funding or proposals for other support from the Projects Administrator, during an application period (twice a year).

14.2.2 Project managers will, upon receipt, review applications to determine whether the projects meet the set criteria or not. If not, they will write to the project/s immediately to inform the applicants of such, providing reasons why they did not meet the criteria. If they do, they will review their level of compliance, as set out in the application forms.

14.2.3 For projects that meet most of the criteria but need one or two documents to be fully compliant, the Projects Managers may write to such projects requesting missing information, in support of the application.

14.2.4 In preparing applications for readiness for evaluation by the Projects Evaluation Committee which recommends projects to the Board; Projects Managers will undertake site visits to verify if projects exist, conduct needs analysis, confirm compliance, verify organizational structure, et cetera.

14.2.5 Projects Managers will identify any emerging risks or issues per project, during the process of preparing projects for Board adjudication and/or approval and will make the Board aware of these. This includes whether there is an ongoing dispute with the Regulator (ICASA), threat on the lease agreement, Board non-coherence, management issues, etc. This is because it may not be easy to detect these through application documents.

15. CONSTITUTION AND FUNCTIONS OF THE PROJECTS' EVALUATION TEAMS.

15.1. The Projects Director

15.1.1. Is responsible for establishing and maintaining all governance surrounding projects implementation.

15.1.2. The Director will present to the Projects Oversight Committee; the list of all qualifying and compliant project applications received during an application period with projects justification reports for proposed projects.

15.1.3. The Projects Director will present both the national footprint and provincial footprint when motivating to the Board for projects approval. This will keep the Board informed of where the entity's footprint is and is not; in line with the 'One District Municipality, One Community Radio Station' rule.

15.1.4. The Projects Director keeps the Accounting Officer abreast of the performance, challenges, issues and risks facing projects; including governance and compliance matters.

15.1.5. Presents bi-annual progress reports on projects implementation to the Projects Oversight Committee on projects achievement or non-achievement of their objectives.

15.2. Chief Financial Officer (CFO)

15.2.1. The CFO will analyse and interpret all projects financial information for the Chief Executive Officer and the Accounting Authority.

15.2.2. She/he will receive and evaluate audited annual financial statements and three-year financial forecasts for projects selected for presentation to the Projects Oversight Committee and the Board; prior to the Committee meeting.

15.2.3. The CFO will make findings on financial analysis and submit his/her findings to the Projects Oversight Committee and the Board on each project.

15.2.4. The CFO will confirm the budget available for projects approval.

15.2.5. The CFO will sign off on financial information for each project before submission to the Oversight Committee and the Board.

15.3. Chief Executive Officer (CEO)

15.3.1. Develops mechanisms, strategies and plans to ensure sustainability of the projects and that of the community media sector.

15.3.2. The CEO will, twice a year, compile progress reports to the Board on the status of projects under disbursement or implementation. This may include whether:

- the projects are achieving their objectives;
- there are governance issues with the project,
- there is any ongoing process with the Regulator (ICASA),
- turnover and capacity issues to implement project, et cetera.
- If, any, what is the corrective action in place.

15.3.3. Assists the Board enter into agreements with other organisations in terms of financial and non-financial support for the MDDA projects.

15.3.4. Creates awareness about the objectives of the Agency, media development and diversity, to all South Africans.

15.3.5. Will receive a report from the Oversight Committee on their evaluation of the new applications; for presentation to the Board for its consideration and/or approval.

15.3.6. The CEO will sign off each project for submission to the Projects Oversight Committee and the Board.

15.4. Projects Oversight Committee

15.4.1. The Projects Oversight Committee is made up of three members of the Board. It is by the Board and has approved Terms of Reference.

15.4.2. The Projects Director, the Chief Financial Officer; the Chief Executive Officer and the Director for Strategy and Monitoring and Evaluation will attend all meetings. These Executive Management members have not voting rights.

15.4.3. The Projects Director will present the list of all projects' applications received and the projects justification reports of all selected projects, with the national and provincial footprint per project. Projects files will be made available to the Committee, for perusal.

15.4.4. The Committee will:

- Meet and evaluate or assess projects applications received on a quarterly basis, in line with the Terms of Reference set out for the Committee.
- Review all applications received for support during an application period.

- Select from the applications received, those that meet the criteria and are ready for adjudication. Availability of funds will also be considered by the Committee.
- Invite applicants/projects to do a presentation or request for further information, where necessary.
- Prepare a report on the evaluation of projects, making recommendations for consideration and/or approval by the Board.

15.5. The Board

15.5.1. The Board will **only** adjudicate projects that have been reviewed and recommended by the Projects Oversight Committee.

15.5.2. The Board may consider special projects; only if they advance the mandate of the MDDA.

15.5.3. The Board, at its discretion, may request for more information on projects before it for consideration, reject or approve projects.

15.5.4. The Chairperson of the Committee will present a summary report to the Board on the Committee's evaluation of the projects.

15.5.5. The CEO will present the list of all applications received, together with project justification reports of proposed projects.

15.5.6. The CEO will also present the list of all unqualifying projects for support, for Boards decision.

15.5.7. The Company Secretary will take and keep records of when the projects were approved together with the list of approved projects. This list will be placed on the MDDA website for public consumption.

16. CONFLICT OF INTEREST

16.1. Any person involved in selecting and processing funding for a project must declare conflict of interest upfront, if a project with the following has been selected for support:

- An MDDA employee is a former employee of a project being selected for funding, the MDDA employee must declare conflict of interest;
- Employees of the MDDA and their immediate families are not eligible to apply for funding with the MDDA;
- Former employees of the MDDA can apply for funding after a cooling period of at least 3 years.

16.2. It is compulsory to declare conflict of interest by everyone involved in the selection, evaluation, adjudication and approval of projects, including the Board, and at every meeting where the conflict arises.

17. ACCOUNTABILITY

17.1. The Accounting Officer shall present bi-annual reports to the Accounting Authority, on the progress made in the implementation of projects; highlighting the status on disbursements, compliance levels of the project and any risks or matters of concern, for its consideration.

17.2. The reports will also address with whether the project is achieving its objectives; and whether there are other intervention requirements, for consideration by the Board.

17.3. Funded projects shall only receive subsequent tranches after submission of progress and financial reports. Funded projects will be made public on MDDA website and annual report.

18. COMMUNICATION

18.1. Within 14 days of the Board approving or rejecting a project for support, the draft response letters to all applicants informing them of the outcome of the Board meeting.

18.1.1. Unsuccessful projects will be informed in writing of the outcome, with reasons why were not successful.

18.1.2. Other projects may be advised to re-apply, depending on the circumstances surrounding each application.

18.1.3. The Accounting Officer will sign all outcome letters to applicants on behalf of the Board.

19. CONTRACTING PHASE

- 19.1. The Legal and Compliance Unit will assist the MDDA enter into service level agreements with approved projects and approved service providers for the centralised procurement of broadcast equipment, if any.
- 19.2. The Chief Executive Officer and the Chairperson of the Board shall sign all service level agreements, as delegated by the Board, followed by projects' delegated signatories; for contracting purposes.
- 19.3. Projects must take part in the Agency's compulsory grantee orientation workshops and learning forums which are designed to take projects management through compliance requirements for utilization of the grant funding.
- 19.4. The grant agreement and/or schedule of particulars must stipulate how the funds will be utilised and when reporting occurs, these must reconcile.

20. DISBURSEMENT OF FUNDS

- 20.1. Funds will be disbursed within 30 days after the agreement has been signed by both parties; after projects approval by the Board, upon submission of required documents, signing of Service Level Agreements, and as soon as all due diligence has taken place and compliance of the project ascertained by the monitoring and evaluation report.
- 20.2. Funded projects shall only receive subsequent tranches after submission of compliant progress and financial reports to the MDDA. Audited Financial Statements will be submitted at the beginning of an application and at the end of the funding cycle, for reporting on the utilization of, and impact of the MDDA funding.
- 20.3. Contracted projects shall receive funds in tranches agreed to by both parties and aligned to the project implementation plan/cycle. When savings have been accumulated, the project must declare these to the MDDA when reporting and further advise how it intends utilising such savings.
- 20.4. No funds will be disbursed if the project fails to attend the grantee orientation workshop or cannot fully account for the previous funding tranche.

20.5. MDDA shall take legal actions or file a lawsuit to claim its unlawfully allocated, withdrawals and unaccounted funds; including misappropriation of the MDDA funds.

21. DEVIATIONS

21.1. Deviations on the implementation of the project must be negotiated with and approved by the MDDA Board prior to implementation.

21.2. The Board reserves the right to approve or decline deviation applications, based on merit. Another consideration would be the achievement of project objectives and MDDA mandate.

21.3. The Board may approve each project with a deviation threshold, delegated to the CEO. However, all infrastructure deviations will be approved by the Board.

22. BRANDING

22.1. All projects supported by the MDDA shall bear the logo of the Agency as part of the branding of the radio and TV station, newspaper, magazine or a certificate, in a case of a training project.

22.2. The Communications and Stakeholder Manager shall make available the branding manual and as part of the grantee orientation workshop, projects will be inducted on how to apply it.

23. MONITORING AND EVALUATION

23.1 In terms of Section 20 of the MDDA Act, the MDDA Board should monitor and evaluate projects receiving support so as to assess the progress of such projects; and to ensure approved projects are achieving their agreed goals.

23.2 The Monitoring and Evaluation unit shall be responsible for monitoring and evaluation of projects' progress and to produce reports for the Board.

- 23.3 The Accounting Officer will present projects quarterly performance reports to the Board, highlighting issues or risks, per project, for Board's intervention or decision.
- 23.4 The Accounting Officer shall also report to the Board on legal issues arising from previously funded projects.
- 23.5 The Research unit shall commission an impact study on all supported projects, to determine if the entity is achieving its mandate; every five years of projects implementation. It will conduct an impact study on the impact on the implementation of projects through grant funding and other support, etc., every 10 years.

24. TERMINATION OR SUSPENSION OF SUPPORT

- 24.1 In terms of Section 20(2) of the Act, if the Board is of the opinion that a project is not achieving its goals, it may instruct the project, in writing, to rectify the problem identified. The Board may delegate this function to the CEO, in writing.
- 24.2 If the instruction to rectify the problem is not adhered with, the Board may suspend or terminate the support provided to the project.
- 24.3 If the support is suspended, the project will be given time within which to rectify the situation; and once rectified, the Board may extend the agreement to accommodate the suspension period.
- 24.4 If the support is terminated during a valid agreement, such agreement will be terminated at this point and the grantee will forfeit the balance of the grant amount.
- 24.5 Subject to paragraph 24.3 above, agreements with such projects will be implemented and terminated in 24 months of the initial agreement.

25. WRITING BACK COMMITTED FUNDS

- 25.1. Funds that are committed but not disbursed to the project during the non-compliance period, not exceeding 24 months, among others, will be written back. The Board may instruct that these be re-utilised on other projects or projects related matters.

26. RECOVERING MISAPPROPRIATED FUNDS

- 26.1. Deviations that amount to misappropriation without the required written authorisation by the Board or its Delegate, to depart from the agreement will be considered a breach of the grant agreement; and the MDDA Board will have the right to suspend or terminate the grant agreement.
- 26.2. If the Board is of the opinion that the funding has been misappropriated, it may institute legal proceedings to recover such losses in terms of section 20(1) of the Act.

27. POLICY ENFORCEMENT

- 28.1 All officials are to comply with this policy. Any official found acting contrary to this policy shall be subjected to disciplinary action which may lead to any decision including termination of employment.