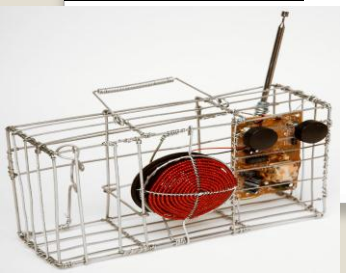
MEDIA DEVELOPMENT & DIVERSITY AGENCY

STRATEGIC PLAN AND BUDGET MTEF 2010-2013

A briefing to the Parliamentary Portfolio Committee on Communications

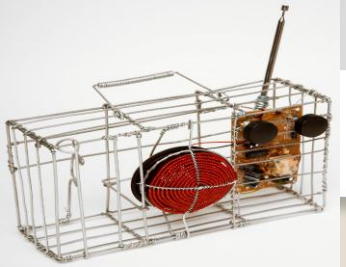
11 March 2010



MEDIA DEVELOPMENT & DIVERSITY AGENCY

Presentation led by:

Ms Gugu Msibi (Chairperson)



MEDIA DEVELOPMENT & DIVERSITY AGENCY

Introduction - Team members

- Gugu Msibi (Chairperson)
- Lumko Mtimde (CEO)
- Ms Ingrid Louw (Board member)
- Siviwe Minyi (Board member)
- Dr Tanja Bosch (Board member)
- Nomonde Gongxeka (Board member)
- Guy Berger (Board member)
- Baby Tyawa (Board member)
- Apologies from Ms Nzimande and Mr Moyane (both Board members)
- Mshiyeni Gungqisa (CFO)
- Lihle Mndebela (HR & Corporate Affairs Manager)
- Harry Letsebe (Projects Director)
- Hariet Mhlanga (Executive Secretary)

MEDIA DEVELOPMENT & DIVERSITY AGENCY

Introduction

- The Agency presents to this Committee, the Strategic Plan for the MTEF period 2010-13, with a specific focus on the financial year 2010/11.
- The Strategic Plan was tabled in Parliament by the Minister in the Presidency on the 03rd March 2010.
- The Plan and our priorities are informed by the legislative mandate and the medium to long-term planning process.

MEDIA DEVELOPMENT & DIVERSITY AGENCY

Vision

"Each and every SA citizen should have access to a choice of a diverse range of media"

Mission

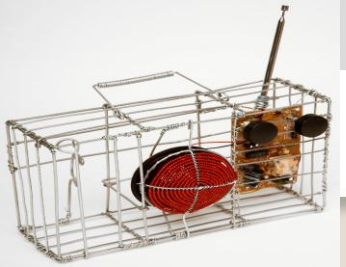
"A development Agency that will assist in building an environment where a diverse, vibrant and creative media flourishes and reflects the needs of all South Africans"

Mandate

- **CREATE AN ENABLING ENVIRONMENT FOR MEDIA DEVELOPMENT AND DIVERSITY WHICH REFLECTS THE NEEDS AND ASPIRATIONS OF ALL SOUTH AFRICANS**
- **REDRESS EXCLUSION AND MARGINALISATION OF DISADVANTAGED COMMUNITIES AND PERSONS FROM ACCESS TO THE MEDIA AND THE MEDIA INDUSTRY**
- **PROMOTE MEDIA DEVELOPMENT AND DIVERSITY BY PROVIDING SUPPORT PRIMARILY TO COMMUNITY AND SMALL COMMERCIAL MEDIA PROJECTS**

APPROACH

- The provision of grants and subsidies – both to individual media projects and to create an enabling environment for media development and diversity
- Leveraging resources and support through technical assistance
- Conducting and funding research
- Facilitating capacity building
- Advocating for media diversity



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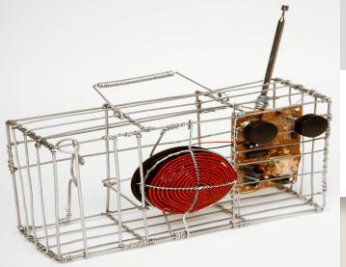
Presentation led by:

Mr. Lumko Mtimde (Chief Executive Officer)



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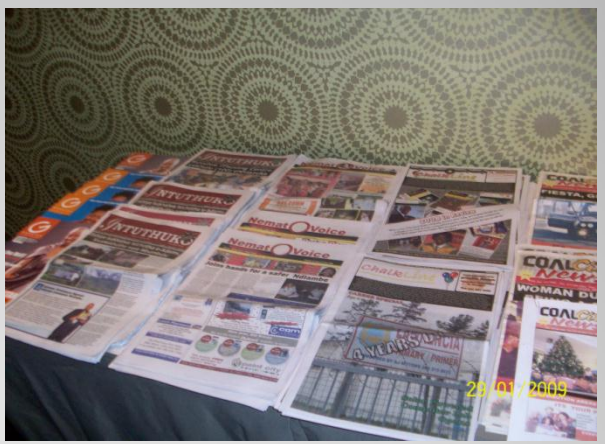
Barberton Community Radio

MDDA funded Community Newspapers



MDDA Funded Publications

MDDA projects training workshop – Learning Forum

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MDDA projects training workshop – Learning Forum

KZN – Empangeni Bay TV Launch

Media Freedom Day celebrations in partnership with ICASA, CGE, SAHRC, SABC

Minister and some staff members

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STRATEGIC FOCUS FOR 2010-2013

RATIONALE

- Historically disadvantaged communities are deprived of access to information that can assist them to participate actively in the democratic processes of our country.
- Current media (in particular print and TV) lacks diversity and recognition of indigenous languages and culture,
- Approximately 80% of the SA population is African, yet the number of indigenous language media products are counted and instead most media is produced in English,
- Advertising tends to be biased toward media houses with adequate financial resources,

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RATIONALE (Cont.)

- Broadcast frequency spectrum is a limited public resource, digital broadcasting may assist regarding availability of more frequencies.
- Small commercial media projects have limited access to printing given lack of resources (costs and facilities),
- Access to advertising for small commercial media remains a stumbling block to their growth and viability. Similarly their inability to acquire the audit bureau of circulation (ABC) certificate disadvantages them in the market place,
- The sector lacks appropriate and relevant skills in respect of marketing; management, financial management and production management.
- The sector lacks the development of strategies for inability of their projects.

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RATIONALE (Cont.)

- There is a dearth of knowledge and information that can adequately identify critical issues in the small commercial and community media sectors in South Africa for innovation.
- There is also the lack of research and information specific to the sectors that inform program development and strategic focus (e.g. Not much updated information on the number of indigenous language newspapers in S.A., number of readers of such newspapers, etc.)

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Overall Objective	Purpose
"TO ENSURE THAT ALL CITIZENS CAN ACCESS INFORMATION IN A LANGUAGE OF THEIR CHOICE AND TO TRANSFORM MEDIA ACCESS, OWNERSHIP AND CONTROL PATTERNS IN SOUTH AFRICA."	**"TO STRENGTHEN THE SECTOR THROUGH THE PROVISION & LEVERAGE OF RESOURCES, KNOWLEDGE AND SKILLS IN PURSUIT OF PROMOTING MEDIA DEVELOPMENT AND DIVERSITY."**

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KEY RESULT AREAS STRATEGIC OBJECTIVES AND OUTPUTS

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SUMMARY OF 2010/11 PRIORITIES

Key 9 Focus Areas	Key Deliverables / Outcomes	Timelines
1. Advocacy for media development and diversity	Lobby IDC and NEF for the support of the Low Interest Loan scheme for small commercial media.	April 2010 – March 2011
2. Partnerships and stakeholder management	Joint initiative in media development and diversity. Community Media Awards	April 2010 – March 2011
3. Grant and seed funding support for community and small commercial media	Ensure that: 8 Community Radios funded 6 Community Newspapers funded 4 Community Initiatives supported 2 atypical media projects supported 5 Small Commercial Newspapers and 1 Magazine supported 40 projects monitored 5 desktop project reviews done 5 capacity building initiatives monitored 2 research grants issued	April 2010 – December 2010
4. Capacity building interventions for beneficiary organisations and communities including mentorship and monitoring & evaluation *Strengthening and consolidating beneficiary projects towards sustainability*	30 beneficiaries trained 1 workshop on Financial Management 46 registered service providers in database 1 exchange event Marketing toolkit distributed Continue desktop research on the movement of trained people within the sector	April 2010 – March 2011

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SUMMARY OF 2010/11 PRIORITIES

Key 9 Focus Areas	Key Deliverables	Timelines
5. Research and knowledge management	2 research projects supported 2 research seminars held 1 exchange event held	April 2010 – March 2011
6. Media Literacy and culture of reading	Media literacy and culture of reading summit to be held in the KwaZulu Natal province	April 2010 – March 2011
7. Communications and public awareness with regard to the sector and the MDDA in general	Increased funding for implementation of Communication Strategy Develop public sector strategy	April 2010 – March 2011
8. Quality programming and production in community broadcasting	10 Community Radio Stations supported	April 2010 – March 2011
9. Fundraising and resource mobilisation	Revise international fundraising strategy and plan Increased international fundraising	April 2010 – March 2011

Presentation to Parliament

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CRITICAL ASSUMPTIONS

- Sufficient legislative, regulatory and govt policy positions exist to support efforts of the sector.
- The MDDA Act provides for the development and support of the sector and there is an approved budget for project implementation.
- The funding increases beyond current funding. Cabinet and Parliament resolves the MDDA allocation for 2012/13 in the ENE 2010 budget. NOTE - The MDDA receives requests worth in excess of R150m.
- The MDDA regulations prescribe categories to be funded by the MDDA.
- Beneficiary organisations are willing and able to participate in MDDA sponsored interventions.
- There is sufficient base of trainers and mentors in the sector.
- The budget as approved by the Board is appropriated by Parliament.

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KEY PERFORMANNCE INDICATORS

Indicators	Description	Activities
1. Community media	Print, Radio and Television	Develop strategy for increasing revenue for community media Enhance the sustainability of community media
2. Small Commercial Media	Print	Develop strategy for increasing revenue for small commercial media Enhance the sustainability of small commercial media
3. Research and Training	Promoting media development and diversity	Enhance innovation and learning in the sector Maintain a research and knowledge management programme Strengthen the impact assessment and evaluation focusing on the project, socio-economic impact of MDDA intervention
4. Other	Promoting media development and diversity	Promote media literacy and the culture of reading Enhance and position the MDDA as a leader in media development and diversity
5. Programming and Production	Radio and Television	Enhance and improve programming

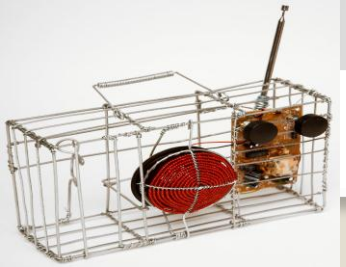
RISKS AND ACTIONS TO MITIGATE RISKS

- **Two main risks were rated high:**

1. Sustainability of funded projects
2. Lack of adequate funds for print media mandate

- **Actions to mitigate risks:**

1. Integrated development approach leading to improved socio-economic conditions of the targeted communities.
2. Continuous engagement with the print media sector and increased government funding.



Structure[1]

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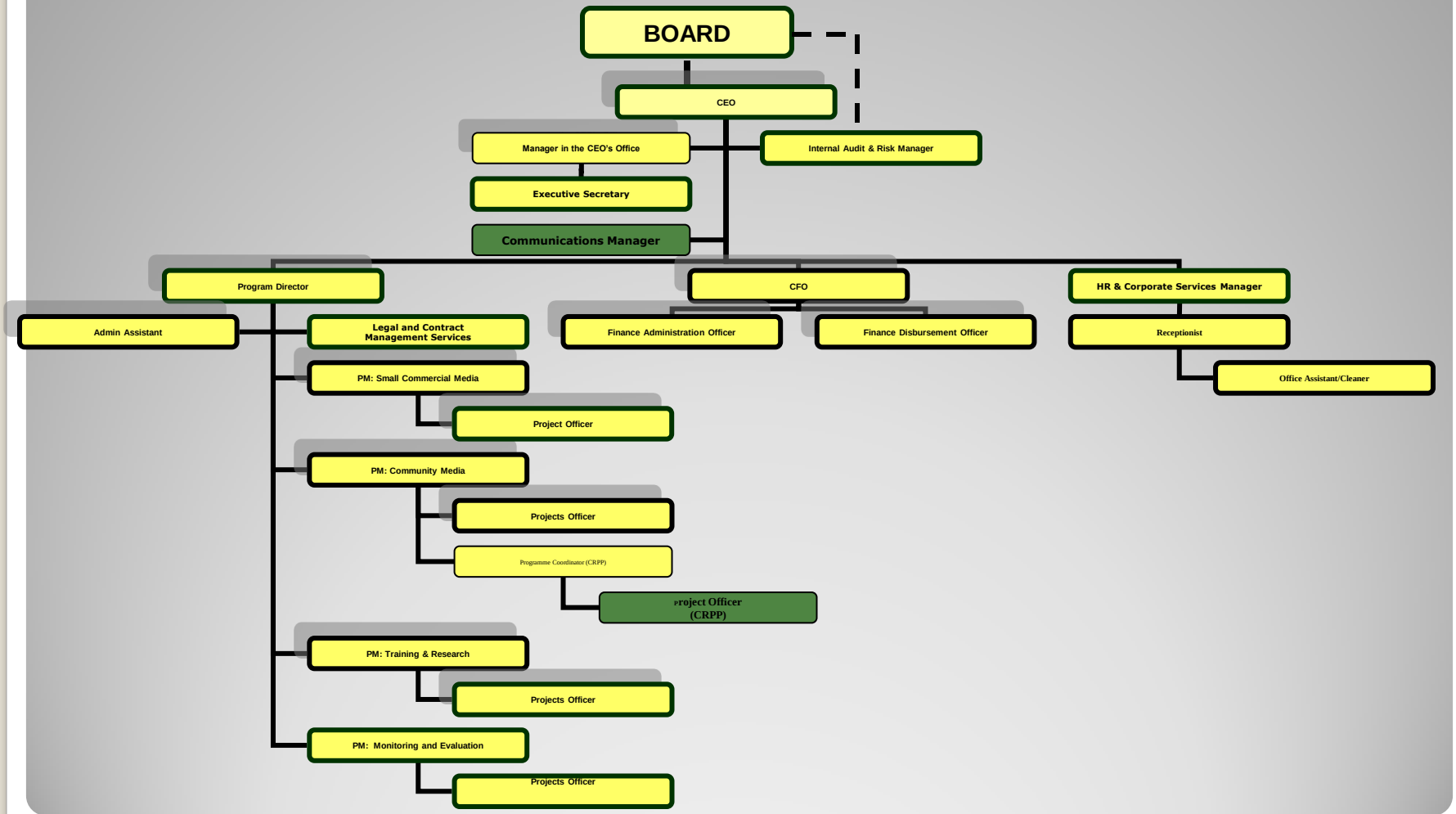
REQUIRED ORGANISATIONAL CAPACITY FOR THE PERIOD AHEAD



[1] Note that green reflects approved but non-funded position.

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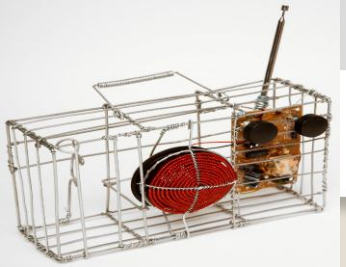
Presentation led by:

Mr. Mshiyeni Gungqisa (Chief Financial Officer)



Presentation to Parliament

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MDDA SUMMARY BUDGET

	2010/11 Budget (R)	2011/12 Budget (R)	2012/13 Budget (R)
INCOME	39,251 ,907	42, 394, 780	44, 224,630 (if ENE is not amended) 23 133 630
TOTAL EXPENDITURE	39, 251, 907	42, 394, 780	44, 224,630
Programme Costs	27,950, 658	29,338, 158	30,100,158
Operational Expenses	11,172, 249	12,833,622	13,931, 872
Capital Expenditure – Capex	129,000	223,000	192,000
DEFICIT/SURPLUS	**0**	**0**	**(21 091 000)**

MDDA SUMMARY BUDGET

- **Notes**:
- Financial Year 2010/13
  - Budget based on the human resources requirements as per the organogram.
  - This budget is in compliance with the regulatory limit of 25% for administration.
- The assumption is that funding Cabinet and Parliament will resolve the allocation for 2012/13.
- The budget excludes :
  - The R20m partnership with the Department of Communications.

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SAVINGS AND COST CUTTING

CONSULTANCY EXPENSES

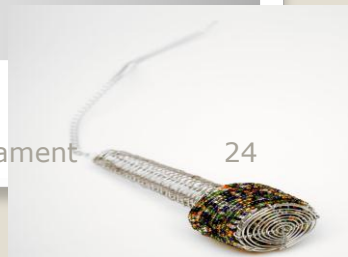
2006/7	2007/8	2008/9
389 000	157 000	324 000

2009/10	2010/11	2011/12	2012/13
161 447	146 647	171 979	185 910

Others –

- All travel economy class (including Board and CEO)
- Unfunded positions – not filled / frozen
- Largely use electronic business cards
- Improving efficiency of the Grant Funding Cycle / Project Management and Project Tracking System

Presentation to Parliament



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PROGRAMME COSTS - BUDGET

	2010/11 Budget (R)	2011/12 Budget (R)	2012/13 Budget (R)
SMALL COMMERCIAL (25%)	5, 963, 362	6, 249, 307	6 , 379, 448
COMMUNITY MEDIA (60%)	14, 312, 069	14, 998, 337	15, 310, 675
RESEARCH (5%)	1, 192, 672	1, 249, 861	1, 275, 890
OTHER (10%)	1, 345 345	1, 279, 723	1, 101, 779
COMMUNITY MEDIA AWARDS	640, 000	720, 000	800, 000
MONITORING AND EVALUATION	400, 000	500, 000	650, 000
TOTAL COSTS	**23, 853, 448**	**24, 997, 228**	**25, 517 792**

MDDA BOARD – BUDGET

	2010/11 Budget (R)	2011/12 Budget (R)	2012/13 Budget (R)
TOTAL COSTS	**495, 674**	**580, 483**	**622, 683**

OFFICE OF THE CEO – BUDGET

	2010/11 Budget (R)	2011/12 Budget (R)	2012/13 Budget (R)
PERSONNEL COSTS (4 staff members)	2, 868, 393	3, 034, 624	3 , 193, 837
ADMINISTRATION COSTS	2, 078, 362	2, 628, 769	2, 840, 870
TOTAL COSTS	**4, 946, 755**	**5, 663, 393**	**6, 034, 707**

FINANCE DEPARTMENT - BUDGET

	2010/11 Budget (R)	2011/12 Budget (R)	2012/13 Budget (R)
PERSONNEL COSTS (3 staff members)	1, 157, 446	1, 217, 920	1, 298, 051
ADMINISTRATION COSTS	3, 154, 714	3, 381, 996	3, 575, 938
TOTAL COSTS	**4, 312, 160**	**4, 599, 916**	**4, 873, 989**

HUMAN RESOURCE DEPARTMENT - BUDGET

	2010/11 Budget (R)	2011/12 Budget (R)	2012/13 Budget (R)
PERSONNEL COSTS (3 staff members)	875, 081	1, 267, 467	1, 452, 769
ADMINISTRATION COSTS	241, 865	287, 392	310, 671
TOTAL COSTS	**1, 116, 946**	**1, 554, 859**	**1, 763, 440**

PROJECTS DEPARTMENT – BUDGET

	2010/11 Budget (R)	2011/12 Budget (R)	2012/13 Budget (R)
PERSONNEL COSTS (11 staff members)	4, 097, 210	4, 340, 930	4, 582, 366
ADMINISTRATION COSTS	300, 713	434, 971	637, 053
TOTAL COSTS	**4, 397, 923**	**4, 775, 901**	**5, 219, 419**

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CLOSING REMARKS by Chair

- The Agency would like to express our appreciation and thanks to the Minister in the Presidency (the Honorable Minister Collins Chabane) , GCIS (in particular the CEO, Mr. Themba Maseko) , this Portfolio Committee for the support to the Board and Management.
- Further we hope -
  - to ensure diversity of media in each and every municipal district of our country.
  - to ensure increased media in different indigenous languages, reflecting unity in diversity,
  - to ensure rural communities are empowered, jobs are created, poverty is alleviated and we have an informed society.

Thank you

11 March 2010