**4. Report of the Portfolio Committee on Communications on its deliberations on Budget Vote 4: Government Communication and Information System (GCIS), dated 10 May 2022**

The Portfolio Committee on Communications (the Committee), having considered Budget Vote 4: Government Communication and Information System (herein referred to as ‘the Department’) and the Annual Performance Plan (APP) for 2022/23, reports as follows:

**1. Introduction**

Section 55(2) of the Constitution of the Republic of South Africa, Act 108 of 1996, states that the National Assembly (NA) must provide for mechanisms (a) to ensure that all executive organs of state in the national sphere of government are accountable to it; and (b) to maintain oversight of (i) the exercise of national executive authority including the implementation of legislation; and (ii) any organ of state. In terms of the Public Finance Management Act (PFMA), the Accounting Officers must provide Parliament or the relevant legislature with their respective institution’s Medium-Term Strategic Framework (MTSF) and where applicable with its Annual Performance Plan.

The Money Bills Amendment Procedure and Related Matters Act was promulgated in 2009, and provides Parliament with powers to reject or recommend the approval of departments’ budgets. The Act also makes provision for the implementation of recommendations emanating from the committee’s oversight reports.

The Committee met with the Department and the Media Development and Diversity Agency (MDDA), herein referred to as “the Agency” on Tuesday, 19 April 2022. The meeting with the Department and the Agency was held virtually.

**2. The Department’s APP 2022/23**

An APP sets out what the institution intends doing in the upcoming financial year and during the Medium Term Expenditure Framework (MTEF) 2022/23 – 2024/5 to implement its Strategic Plan. The document sets out performance indicators and targets for budget programmes, and sub-programmes where relevant, to facilitate the institution realising its goals and objectives set out in the Strategic Plan.

**2.1 Mandate**

Section 195(g) of the Constitution of the Republic of South Africa of 1996 forms the basis of the formation of the Department, where it stipulates that in order to foster transparency the public should be provided with information that is timely, accurate and importantly, accessible.

In 1998, the South African Communication Service was dissolved and the Department established by Cabinet, largely based on recommendations contained in the report of the Task Group on Government Communications (COMTASK).

Therefore, the Department is responsible for providing strategic leadership and coordinating a government communication system that ensures that the public is informed, and has access to government information, programmes and policies that benefit them.

**3. The Department’s Situational Analysis**

**3.1 Problem Statement**

Following the attainment of freedom in 1994, the democratic dispensation inherited an unequal society where the majority of the people did not have access to information that could empower them to live a better life. Since South Africa is now part of the global community, transformed information dissemination structures are a key focus area in marketing the country locally and internationally.

As stated above, the Department was established in terms of Section 239 of the Constitution of the Republic of South Africa of 1996 and as a strategic unit in the Presidency in terms of Section 7 of the Public Service Act, 1994 (Act 103 of 1994). This constitutional and legislative mandate empowers the Department to use its strategic location to coordinate and lead on communication-related projects that straddle across almost all government departments.

The Department is further mandated to ensure transparency in government and that relevant government structures provide information that is timely, accurate and accessible. Its coordination role cuts across all three spheres; national, provincial and local government. Although it has a constitutional mandate, it however still relies on the power of persuasion to compel some departments to fulfil their communication obligations.

The *Towards a 25 Year Review* report on the performance of government highlights a wide range of areas where service delivery has improved. It also reveals a number of areas that government still need to address, such as in building social cohesion and nation-building, and advancing inclusive economic growth.

Given the economic challenges facing the country, it is imperative to ensure prudent use of state resources by delivering services effectively and efficiently in a cost-effective manner. The principle of doing more with less should be considered under these dire financial circumstances. Information dissemination and direct interaction with communities remain key in empowering and rallying society towards a common vision for a better South Africa.

Government has seamlessly adapted to the modern ways in which the public consume or receive information, by embarking on an intensive penetration and sustained presence in the digital media space. However, South Africa remains an unequal society with some parts of the country still without internet connectivity while others are yet to enjoy the benefits

of technology.

The fervent drive to boost economic growth will culminate in attracting more potential investors and visitors to the country, which is a catalyst for the creation of much-needed jobs. By providing developmental-related information such as available government programmes and services that empower citizens to actively participate in improving their lives, our provincial and district offices – through the District Development Model (DDM) – contribute to progress in communities.

By also consistently communicating the remarkable progress being achieved by government in terms of providing sustained service delivery to communities, the Department helps to spread a positive message of hope to the public. Also importantly, the use of all our official languages in communicating with the public, especially those in the far-flung rural areas with minimal access to the mainstream media, contributes immensely to nation-building and a sense of belonging.

**3.2 External Environment**

The 2021/22 financial year has been premised on government’s key priorities, as set out in the February 2021 State of the Nation Address (SoNA). These priorities centred on defeating the Covid-19 pandemic; promoting economic reforms and recovery, building a capable state and combating corruption. In addition, Gender Based Violence and Femicide (GBVF) and intensifying the fight against corruption remained top priorities.

These priorities informed the Department’s coordination of the government-wide communications programme, as well as the support it provided as a Department, within The Presidency, to the President as the Communicator-in-Chief, the Deputy President and the Minister in The Presidency. Government’s performance against these priorities assumed diverse forms, all of which presented a combination of communication opportunities and challenges.

The Department was awarded R50 million in the 2021/22 financial year to drive a centralised Covid-19 vaccination roll-out campaign. Through this allocation, communication activities ranged across the following areas from 1 April 2021 to date:

* Educating and reassuring the public around the roll-out of Covid-19 vaccines during the early phases of the vaccination programme;
* Combating vaccine hesitancy and disinformation;
* Profiling the President’s globally important role as African Union (AU) Covid-19 champion;
* Profiling South Africa’s emergence as a Covid-19 vaccine production centre – from the Aspen Pharmacare investment in Gqeberha in the Eastern Cape to the NantSA facility established in Cape Town in January 2022;
* Communications support to the Deputy President as Chair of the Inter-Ministerial Committee (IMC) on Vaccines;
* Communications support to Vooma Vaccination Weekend activations;
* Communications support to the National Coronavirus Command Council (NCCC), Cabinet, the President’s Coordinating Council (PCC) and special sessions of Cabinet devoted to Covid-19; and
* The National Communication Partnership (NCP), which brings together government communicators and professional communicators from the private sector and more broadly, civil society.

The Department delivers a wide range of communication services. In spearheading the government communication agenda, it provides communication planning and coordination; media engagement services domestically and internationally; content development for its own platforms; media monitoring and analysis; streaming services and community mobilisation through its provincial and district operations, and other activities.

Communication is diverse, and messaging and content should always resonate with the targeted audience. The range of the Departments’ platforms align with the Government Segmentation Model (GSM) developed in 2016. In terms of the model, South African society is segmented into five tiers, namely Rooted Realists (48 per cent of the South African adult population), City Seekers (25 per cent of the South African adult population), Safely Suburban (10 per cent of the South African adult population), Metro Mobiles (11 per cent of the South African adult population) and Cosmopolitan Capitals (6 per cent of the South African adult population).

The distribution of communication products and platforms should be diverse to appeal to and reach all five segments of society. The Department goes into the new financial year armed with a wealth of insights from the GSM (which delineates different audiences geographically and psycho-graphically), public opinion research, cyclical reports from Statistics South Africa (SSA), research insights presented to Cabinet, clusters and other platforms of government, as well as studies by global institutions in the State, non-state or multilateral sectors.

**3.3 Internal Environment**

The Department has demonstrated great resilience over the last two years. Despite the Covid-19 National State of Disaster restrictions and the varying levels of the risk-adjusted response strategies, the staff of the organisation continued to deliver and implement the mandate of the Department derived from the Constitution of the Republic of South Africa of 1996.

The Department managed to reduce the vacancy rate from 8.44 per cent in the 2020/21 financial year to 6.32 per cent by 28 February 2022. The three new Deputy-Director Generals (DDGs) assumed duty on 1 March 2022. Overall, the Department experienced a turnover rate of 5.95 per cent between 1 April 2021 and 28 February 2022. In support of the ambitions of the Presidential Youth Employment Programme, the Department recruited 22 graduate interns during the 2021/22 financial year to alleviate unemployment amongst young graduates and provide opportunities to gain work experience.

Representation of youth in the Department was improved through the employment of 10 graduate interns into permanent vacant positions and this increased the representation of youth by one percentage point from 30.1 per cent in 2020/21 to 31.2 per cent during 2021/22. To enhance the achievement of Employment Equity (EE) targets, the Department designated a certain number of posts to promote representation.

This was achieved through targeted recruitment and partnership with institutions for persons with disabilities. Eight employees from designated groups were recruited during the reporting period. The national target of 2 per cent was achieved at 3.22 per cent, exceeding the national target by 1.22 per cent. Women representation at Senior Management Service (SMS) level was achieved at 55 per cent.

The Department will continue to mitigate the structural challenges through reprioritisation and possible redefining of job profiles in line with organisational needs. Through implementation of the Recruitment Plan, informed by the MTEF Human Resource Plan, the Department will continue to recruit and retain a suitably qualified, capable and skilled workforce aligned to the EE targets of the Department and maintain the vacancy rate below 10 per cent as prescribed by the Department of Public Service and Administration (DPSA).

A total of 36 graduate interns will be recruited during the 2022/23 financial year for 24 months. The interns will be exposed to working areas not limited to creative concept development, copy and scriptwriting, radio advert production, graphic design, video production and photographic services, all of which are in great demand and usage in the communications sector. Efforts continue on transforming the skills and relevance of HR aligned with the Fourth Industrial Revolution (4IR) ambitions of the organisation.

A list of Hard-to-Fill Skills relevant to the Department and broader communications environment was developed in 2021/22. The WSP of 2022/23 will continue to prioritise training in areas such as Artificial Intelligence; Big Data Analytics; Business Impact Analysis; Business Intelligence; Business Process Mapping; Cloud Computing; Cyber Security; Digital Transformation; Infographics and Animated Gifts; Social Media and Digital Marketing; Smartphones As An Essential Social Media Tool; Graphic Design; Creative Writing; Drone Operation Licence; Information and communication technology (ICT) infrastructure; Internet of Things;

Problem-Tree Analysis; Communication; Customer-Centric; Emotional Intelligence, and Fore-sighting and Forecasting. E-learning programmes will be encouraged to minimise physical contact.

**4. Annual Performance Plan 2022/23 – 2024/25**

The Department is allocated R719.9 million in 2022/23, R714.9 million in 2023/24 and R746.8 million in 2024/25. Transfer payments to public entities, Brand South Africa (BSA) and the Agency, are included under Programme 2: Content Processing and Dissemination and amount to R254.9 million in 2022/23, R256.6 million in 2023/24 and R268 million in 2024/25, see table below.



Transfer payments to the aforementioned two public entities (36 per cent) and compensation of employees (39 per cent) comprise on average 75 per cent of the budget over the medium term while 75 per cent of the Department’s allocation over the medium term is shared between the Programme: Content Processing and Dissemination and Programme: Intergovernmental Coordination and Stakeholder Management, and 25 per cent in the Programme: Administration.

The Department’s funded establishment is expected to be 467 permanent posts. Spending on Goods and Services over the medium term is expected to be primarily on operating leases which comprise mostly of the lease of office accommodation, operating payments that relate mainly to the publication and distribution of the fortnightly Vuk’uzenzele newspaper, travel and subsistence which relate mainly to the covering of events of the President and Deputy President, and computer services in respect of transversal systems, data lines software licences and subscriptions.

Over the medium term, the Department will focus on coordinating and professionalising government communication and making it as cost-effective as possible.

**4.1 Expenditure Overview**

To expand its reach to more South Africans, the Department aims to harness and coordinate various communication structures across the government communication system over the medium term. Essential to doing this economically is joint planning, the sharing of resources and the integration of efforts among government departments.

Compensation of the Department’s 541 employees in 2020/21 was the largest expenditure item, comprising an estimated 38.3 per cent (R844.9 million) of the total budget over the MTEF period. Transfer payments to entities account for an estimated 34.9 per cent (R779.6 million) of total expenditure.

Vuk’uzenzele newspaper, which is distributed digitally and physically countrywide, is the only national publication that is focused on government’s key priorities, with an emphasis on service delivery programmes and the opportunities created by government. Over the medium term, the Department plans to produce 30.6 million copies of Vuk’uzenzele at an estimated cost of R75 million to R50.4 million per year for printing in the *Products and Platforms* subprogramme and R24.6 million per year for distribution in the *Communication Service Agency* subprogramme, both in the *Content Processing and Dissemination* programme.

The Department also engages with the public through campaigns and outreach programmes. These include, community radio talk-shows, activations at taxi ranks and mall, information blitzes on commuter trains and social media campaigns. It plans to hold 1 140 community and stakeholder engagements per year over the medium term in the form of dialogues, meetings, webinars and community radio talk shows with the sector departments, civil society, your formations, faith based organisations and business forums.

In addition to these initiatives, the Department plans to conduct 1 140 development communication projects over the period ahead to enhance service delivery and keep citizens informed and empowered on government’s progress and projects. Expenditure for these activities is within the *Intergovernmental Coordination and Stakeholder Management* programme, which has a budget of R392.7 million over the MTEF period.

**5. Explanation of Planned Performance Per Programme**

**5.1 Programme 1: Administration: (R177.2 million)**



The strategic intention of the this programmes is to provide strategic direction to the organisation and integrated business solutions through transformation and innovation initiatives so as to ensure that the Department remains relevant and maintain good corporate governance. The Office of the Director General (DG) provides support to the Minister in The Presidency in his role as the Executive Authority to oversee the Department and its public entities reporting to it as well as managing the interface between the Ministry, Cabinet, Parliament and the Department.

The Programme: Administration continues to provide support for Strategic Planning, Risk Management, Performance Monitoring and Reporting (SPRMPMR) across the organisation to ensure alignment and compliance to the legislative framework. The SPRMPMR has further strengthened and expanded the Department’s planning and reporting processes and system. This includes the review of the Department’s outcomes in 2020/21 and improvement in a range of indicators for the 2022/23 financial year as well as the introduction of mid-term review sessions and operational planning processes at subprogramme level and a Directors’ Forum for better information flow and integration across the organisation.

The Human Resources (HR) subprogramme ensures that all transactional and transformational HR support services are rendered. Effective initiatives are undertaken towards enabling the department to attract, develop and retain the skills needed to deliver on its mandate. Talent management, albeit within a restricted fiscal environment, will form the basis of career path development, including succession planning, reskilling of employees and multipronged programmes to ensure that critical skills are retained and that the vacancy rate is maintained at below 10 percent.

Given the changing IT environment and vigilance towards cyber-attacks, the Department will invest in technological reforms that will propel us in delivering on the NDP, MTSF and constitutional requirements. For the 2022/23 financial year, the Department will invest on MS Office 365 migration and also maintain IT security software in light of cyber-security issues.

Among other areas, the focus over the medium term will be placed on:

* strengthening governance and accountability with specific focus on further maturing institutional risk management implementation, intensifying anticorruption and ethics management;
* strengthening Business Community Management (BCM) with specific focus on further maturing institutional BCM processes, policies and assessment as well as reporting thereof;
* developing the Service Delivery Improvement Programme and strengthening integrated performance reporting with more focus on the revised MTSF and Budget Review and Recommendations Reports’ (BRRRs)outcomes;
* coordinating the zero-based budgeting process and coordinating resource allocation to meet priorities set by the department;
* strengthening and monitoring compliance to the regulatory universe through the Directorate: Legal Services; and
* amplifying internal communication messaging (including Covid-19 vaccination) to keep employees more informed and engaged on both internal issues and matters of national interest.

Over the medium term, the Budget Office, through Office of the Chief Financial Officer (CFO), will continue providing financial related advice by monitoring revenue and expenditure trends and ensure that the department remains within spending limits approved by Cabinet. The Budget Committee will achieve this through in-year monitoring of expenditure of the department. The Financial Administration team continues to ensure that the department closes its accounting records on the Basic Accounting System timely and with sufficient supporting documentation for accountability, compliance and audit purposes.

In order to realise cost savings and improve administrative efficiencies and effectiveness, the Department will participate in relevant transversal contracts within National Treasury or other organs of state provided such awards meet the procurement process legislative frameworks.

**5.2 Programme 2: Content Processing and Dissemination: (R 411.7 million)**



The programme’s purpose is to provide strategic leadership in government communication to ensure coherence, coordination, consistency, quality, impact and responsiveness. The programme’s functions are organised into five subprogrammes, namely Products and Platforms, Policy and Research, Communication Service Agency (CSA), Entity Oversight and Media Policy

The Department aims to strengthen its monitoring of the implementation of policies and fulfilment of mandates by BSA and the Agency. The Agency aspires to improve its position as a change and innovation agent for the media sector in the future, offering leadership that will ensure community media’s long-term viability in changing times. As a result, the Agency has examined and expects to strengthen its research, capacity building, training, advocacy and lobbying functions, although its core activity remains grant and seed funding for community media projects.

At the start of the 2022/23 financial year, the Agency will work on research and development of a sustainability model for community and small commercial media. This will enable community media to master the fundamentals of sustaining their organizations. The process to review the MDDA Amendment Act to align it to key technological developments and good corporate governance practices is expected to be a legislative programme for the Department during the 2022/23 financial year. The changes seek to improve the governance of the MDDA Board, including the fiduciary duties of the Board to move towards “best practice”

BSA will address concerning levels of unemployment and low growth, South Africa needs to pursue a range of interventions to secure inclusive and sustainable growth. One of these interventions is to sustain the effort to stimulate investment in the economy by South African enterprises and global investors. BSA will focus its actions on the continent in the coming year in order to exploit and amplify the African Continental Free Trade Area (AfCFTA) opportunity; it will also work to improve South Africa’s brand image and reputation worldwide.

During the 2022/23 financial year, the Department will appoint a steering committee, which will be responsible for developing a Draft Print and Digital Media Transformation and Diversity Charter. Once developed and approved by the Minister in The Presidency, the draft charter will be published in a *Government Gazette* for public inputs.

The Department will work with a broad range of stakeholders to ensure that messaging resonates, and that the information provided unlocks the agency of individuals and interest groups in making their own contribution to growth and development.

With current web design trends moving to mobile-first design, the website team will focus on bringing a more responsive and mobile-friendly website online during the 2022/23 financial year.

Lastly, Media Buying will ensure that government campaigns reach South Africans through a combination of commercial and community media in ways that contribute to the development of emerging media, and through this, contribute to economic recovery.

The operational budget baseline allocation in the programmes is directed to conduct research, monitor media coverage of government programmes and develop content for departmental communication products such as the Vuk’uzenzele newspaper, the Public Sector Magazine (PSM), articles for SANews.gov.za, websites, the South Africa Year Book (SAYB) and Official Guide to South Africa, translations as well as social media, and to provide leadership in the development and production of communication services. The programme is also responsible for entity oversight and the transfer of budget allocations to BSA and the Agency. The gradual increase over the medium term is mainly due to inflation adjustment.

**5.4 Programme 3: Intergovernmental Coordination and Stakeholder Management: (R124.7 million)**



The purpose of the programme is the implementation of development communication, through mediated and unmediated communication and sound stakeholder relations and partnerships.

The communication work of the programme is guided by the Cabinet-approved NCSF, which replaced the former Department-led Government Communication Programme (GCP). In terms of content for communication, this is in turn guided by the Medium Term Strategic Framework (MTSF) of government and its annual iteration, the NASP as approved by Cabinet. During his SoNA, President Ramaphosa outlined the core priorities driving this NASP, which comes in the wake of the global Covid-19 pandemic, which wreaked havoc on both lives and livelihoods.

Communication work in Programme 3 over the medium term will therefore seek to drive access to information about opportunities and programmes aimed at assisting communities to improve their lives, especially building back after this global tragedy, which hit South Africans equally hard. Being at the mid-term of the sixth democratic administration, the platforms and resources of this programme will seek to promote hope and confidence by expanding on the initiatives around employment generation and economic recovery; fighting GBVF; combating crime and corruption, and building a capable and ethical state.

The Department will enhance the Africa media tours and collaborations; invitations of strategic editors and media partners to visit South Africa flagship programmes such as the South Africa Investment Conference and African Investment Forums.

In as far as improving relations with the international media is concerned, the coming medium term will build on the successful footprint, which has been established across the continent by the Directorate: International Media Engagement. Virtual Technology has again played a leading role in many new media partnerships across the continent and worldwide. The created official media platforms have made it easier for international media to access government information and updates.

There will be re-introduction and resuscitation of *Izimbizo* as well as part of the communication strategy to communicate directly with the people within the ambit of the DDM.

The provincial and district offices will continue to profile good news stories from even the remotest districts through the weekly *My District Today* electronic newsletter. The newsletter is published every Friday and the targets are aligned to the calendar weeks. This indicator has a minor increase from 45 editions in 2021/22 to 47 planned editions for 2022/23.

The operational budget allocation in the Programme: Intergovernmental Coordination and Stakeholder Management is directed to the interface of national government communication with provincial communication programmes as well as effective liaison between Ministers towards coherent communication strategies for national government as well as promoting and facilitating the media’s understanding of government’s agenda. The gradual increase over the medium term is mainly due to inflation adjustment.

**6. Entities of the Department**

The Department has two entities reporting to it: BSA and MDDA. However, the Committee has oversight function only over the MDDA and the Department of Planning, Monitoring and Evaluation (DPME) oversees the work of BSA. Therefore, the Committee will only report on the work of the Agency.

**6.1 MDDA: (R 32.3 million)**

**6.1.1 The Mandate**

The Agency was set up in terms of the MDDA Act (2002) to enable historically disadvantaged communities and individuals to gain access to the media. Its mandate is to:

1. create an enabling environment for media development and diversity that reflects the needs and aspirations of all South Africans;
2. redress exclusion and marginalisation of disadvantaged communities and persons from access to the media and the media industry;
3. promote media development and diversity by providing support primarily to Community and Small Commercial Media (CSCM) projects;
4. encourage ownership and control of, and access to, media by historically disadvantaged communities as well as by historically diminished indigenous language and cultural groups;
5. encourage the development of human resources and training, and capacity building, within the media industry, especially among historically disadvantaged groups; encourage the channeling of resources to the community media and small commercial media sectors; and
6. raise public awareness regarding media development and diversity issues.

The Agency’s core activity is to provide financial and non‐financial support to community broadcast projects, and community and small commercial media print and digital projects. Its emphasis is on promoting indigenous languages and contributing to community development and the alleviation of poverty and inequality. Over the medium term, it plans to intensify its focus on communities – such as people with disabilities – who are underserved by mainstream media, and on issues associated with gender and young people.

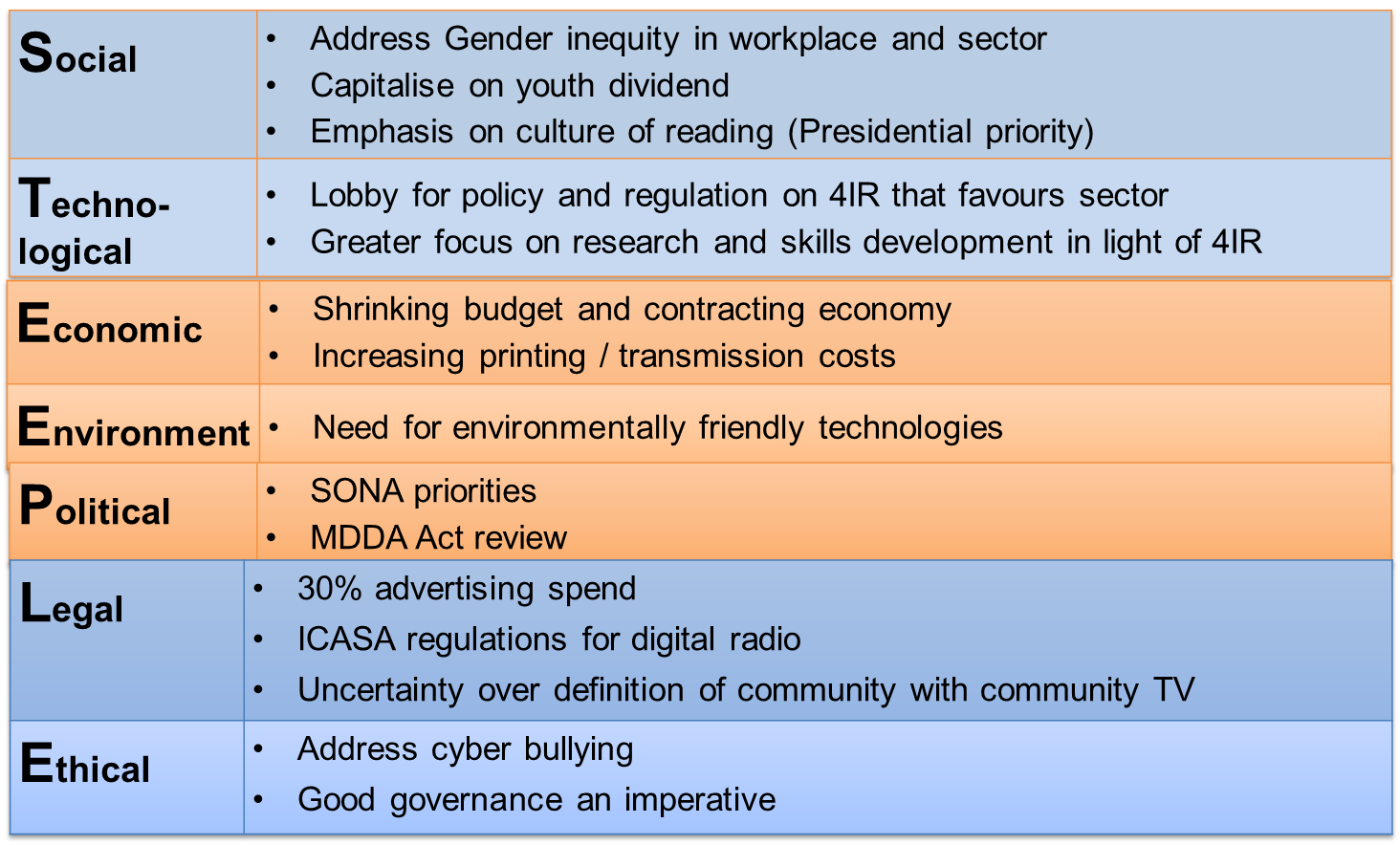
**6.1.2 Situational Analysis**

The onset of the Covid-19 pandemic, which continues to sweep across the world since 2020, has had a profound impact on the external environment in the Agency’s operational environment. The depressed economy was severely aggravated by the lockdown imposed by the South African government in an effort both to limit the spread of the virus and to prepare the medical facilities for dealing with Covid-19 patients. This has in turn impacted the CSCM which saw their already fragile sustainability further weakened by falling revenue as advertisers, in both the private and public sectors, introduced cost containment measures.

Emergency funding for the sector introduced by the Agency, and other organisations such as Google and Facebook, assisted in alleviating some of the immediate cost pressures but the long-term impact remains a concern.

At the same time, the pandemic served to highlight the immense value of the community and small commercial media sector in conveying critical information, in this case, health information. This is due to the sector’s reach in remote communities generally sidelined by mainstream media, as well as the use of all indigenous languages as the broadcasting and publishing medium.

The diagram below is an overview of the situational analysis.



**6.1.3 Budget Information**

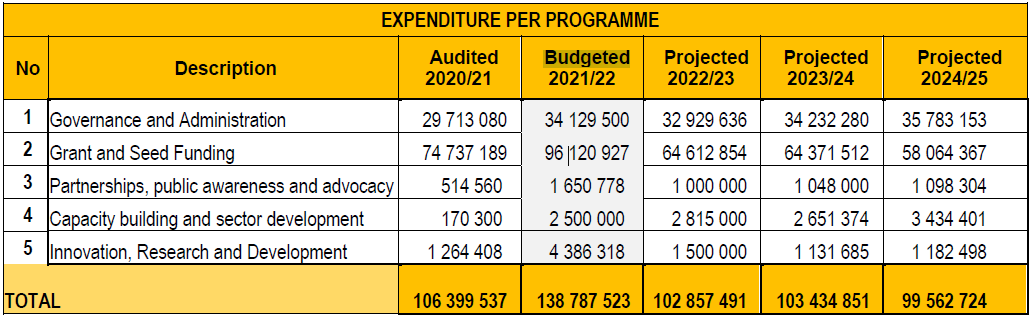


Table above depicts the Agency’s projected budget over the MTEF period. It must be noted however, that the Agency is still awaiting the final figures regarding the budgets; the budgets contained are the initial allocation budgets.

Underscoring the Agency’s commitment to this, an estimated 50 per cent (R152.9 million) of its budget over the period ahead will be directed towards grant funding for 60 community broadcast projects, and 18 community and small commercial media print and digital projects. Community broadcast grants assist with the initiation of new projects and the strengthening of existing projects, and account for an estimated 33 per cent (R100.9 million) of the agency’s total budget over the MTEF period.

The Agency plans to ensure the sustainability of the community media sector over the medium term by investing in initiatives that support skills development. A targeted 24 projects will receive training in areas such as governance at a total projected cost of R4.3 million per year over the MTEF period, of which 58 per cent (R2.5 million) is allocated to community media training. However, overall expenditure on community and small commercial print and digital projects and community broadcast projects is expected to decrease from R5.8 million in 2021/22 to R4.3 million in 2022/23 due to a decrease in funding from mainstream print media.

As part of the agency’s emphasis on research and capacity development innovation, it plans to launch and implement the community media sustainability model and conduct research at a projected cost of R2.6 million over the medium term to ensure the sector becomes more sustainable.

The Agency is set to derive 36.8 per cent (R112.6 million) of its revenue over the medium term through transfers from the Department, and 55.5 per cent (R169.7 million) through the mainstream community broadcast sector as donations deductible from the Universal Service and Access Fund (USAF) levy.

**7. Observations**

**7.1 The Department**

The Committee noted with concern the inadequate budget was impacting on critical programmes of the Department. Before the deficit, a lot of work was done to address GBVF challenges at community level through face-to-face interactions. These dialogues, which were so effective had to be stopped.

Furthermore, the Committee noted that, as a result of the deficit, the Department’s studios and the Imbizo Centre, located within Parliament were no longer utilized as a result of technological infrastructural challenges.

**7.2 MDDA**

The Committee noted with great concern the governance challenges at the Agency, which would have led to the suspension of the Chief Executive Officer.

**8. Recommendations**

**8.1 The Department**

The Committee recommends that the Minister in the Presidency should ensure:

1. that whilst the Department was confronted with budgetary challenges, the DDM was utilized in ensuring that information reached all South Africans irrespective of their geographical location; and
2. that the Department works with National Treasury to find ways to ensure that there is adequate funding to save the existence and use of Studios and Imbizo centres as well as ensuring relevant ICT technologies are deployed in the area of digital media; and
3. that the Committee supports the Ministry and Department by engaging with the Appropriations Committee on the need to save GCIS from collapse as well as positioning it to be relevant with the needs of society in delivering on its constitutional mandate.

**8.2 MDDA**

The Committee recommends that the Minister in the Presidency should ensure that:

1. the Department provides a comprehensive report on the governance challenges at the Agency and that the entity Oversight Branch provides interventions thereof;
2. that the MDDA Board appears before the Committee to report on all outstanding governance matters.

The Committee recommends that Budget Vote 4: Government Communication and Information System be approved.

The DA reserved its right on the adoption of the Report.

Report to be considered.