

**STRATEGIC PLAN AND BUDGET  
MTEF 2008-2011**

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**A briefing to the  
Parliamentary Portfolio Committee  
on  
Communications**

**06 May 2008**



# Presentation led by:

Ms Gugu Msibi (Chairperson)

# Introduction - Team members

- Gugu Msibi (Chairperson)
- Lumko Mtimde (CEO)
- Mazibuko Jara (Board member)
- Chris Moerdyk (Board member)
- Siviwe Minyi (Board member)
- Nomonde Gongxeka (Board member)
- Baby Tyawa (Board member)
- Mbuyiseni Jafta (CFO)
- Jayshree Pather (Projects Director)
- Nomusa Ndawonde (Manager in the CEO's office)

## Introduction

- The Agency presents to this Committee, the Strategic Plan for the MTEF period 2008-11, with a focus on the financial year 2008/9.
- The Strategic Plan was tabled in Parliament by the Minister in the Presidency on the 07<sup>th</sup> April 2008.
- The Plan and our priorities are informed by the legislative mandate and the medium to long-term planning process.

## **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**

## **OBJECTIVES OF THE AGENCY IN TERMS OF THE ACT**

- Encourage ownership and control of, and access to, media by HDC as well as by historically diminished indigenous language and cultural groups,
- Encourage the development of human resources and training, and capacity building, within the media industry, especially amongst HDGs,
- Encourage the channelling of resources to the community media and small commercial media sectors,
- Raise public awareness with regard to media development and diversity issues,
- Support initiatives which promote literacy and a culture of reading,
- Encourage research regarding media development and diversity, and
- Liaise with other statutory bodies, such as ICASA and USAASA.

## 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

## VALUES

<b>INTEGRITY</b>	<b>WE ARE HONEST, RELIABLE, FAIR, ACCOUNTABLE AND RESPONSIBLE FOR OUR ACTIONS</b>
<b>CARING</b>	<b>WE ARE TOLERANT; COURTEOUS AND RESPECTFUL TO OUR STAFF AND CLIENTS ALIKE</b>
<b>PROFESSIONALISM</b>	<b>WE ARE EFFICIENT, EFFECTIVE, SERVICE DELIVERY ORIENTATED, PUNCTUAL, PERFORMANCE DRIVEN AND WORK COLLECTIVELY</b>
<b>COMMITMENT</b>	<b>WE ARE PASSIONATE, GO THE EXTRA MILE, RESPONSIVE, HAVE A STRONG WORK ETHIC, CONSISTENT AND ACCESSIBLE</b>
<b>TRANSPARENCY</b>	<b>WE ARE OPEN AND PARTICIPATORY IN OUR DEALINGS WITH INTERNAL AND EXTERNAL PARTIES</b>



## LEGISLATIVE ENVIRONMENT

(Amongst others)

- MDDA Act
- Constitution Act
- ECA
- PAJA
- PFMA
- ICASA Act
- BBBEE Act
- LABOUR RELATIONS Act
- Conditions of Employment Act
- SKILLS DEVELOPMENT Act
- PAIA
- Interceptions of Communications and Provision of Communication-related Information Act
- Electronic Communications Security (Pty) Ltd Act
- PPPFA



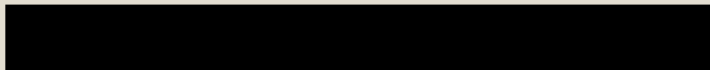
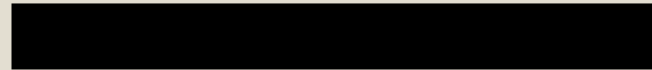
## Presentation led by:

Mr Lumko Mtimde (Chief Executive Officer)

## CURRENT PERIOD REVIEW AND HIGHLIGHTS

- Setting up of the organization in 2003 and systems as well as moving into new premises in 2006,
- The ongoing review of the organization, systems and procedures, and policies,
- Populating the organisation with staff to run the affairs of the organisation,
- Engagement with Broadcasting Service Licensees regarding the ECA and the forthcoming review of the funding agreements,
- Ongoing discussions with Print Media Association of SA (PMSA) regarding the forthcoming review of the funding agreements,
- Increase in the Government funding, with R9m for the MTEF 2008/11 over and above the R2m increase in 2007/8,
- The evaluation of MDDA organizationally (systems and procedures) after 4-5 years of operation,
- The consistent receipt of unqualified audits with even no matters of emphasis.

- The spending of approximately R55m in grants for 172 media projects cumulatively as at January 2008



- The spending of approximately R55m in grants for 172 media projects cumulatively as at January 2008

KraftMedia Publications, KZN

KZN

- **More than 40** of these did not exist prior to the establishment of the MDDA support.



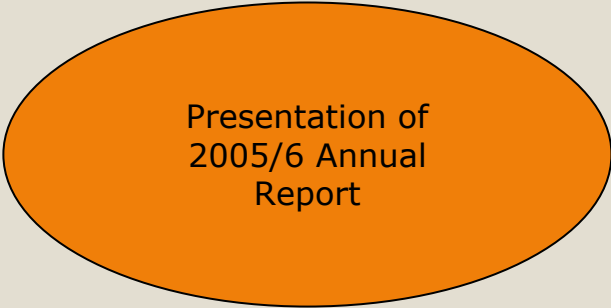
Presentation to Parliament



- The provision of bursaries to 49 different radio and print managers as at January 2008.

**"I write express my institution's  
deep gratitude for the financial support  
that the MDDA gave to community media  
editors and managers who participated at  
the recent  
Essentials of Newspaper Management course  
run by Rhodes University's Sol Plaatjie's  
Institute for Media Leadership"  
Frances Ndlongwa - Director**

- Putting MDDA on the public agenda – SABC Radio interviews (focus on second economy), Annual Report launch, SABC TV News coverage, City Press, The Media Magazine, Leadership Magazine, CEO Magazine, Gauteng Companies, BizCommunity, CNBC Africa, Alfred Nzo Community Radio, etc.



Presentation of  
2005/6 Annual  
Report



- The development of a database of grassroots publications in partnership with AIPSA
- Completion of a number of research work, e.g.:
  - Envisioning TV: Research in the Policy, Strategy and Models for Community Television in South Africa – HSRC
  - Equal in the Eyes of the Media: Research into the Visibility and Access to the Media by Underserved Groups
  - Out in the Media? Knowledge, Attitude and Practices of the Media towards Lesbian, Gay, Bisexual, Transgender and Intersex Issues and Stories – Gay and Lesbian Archives (GALA)
  - Grassroots Advertising Procurement Feasibility Study – Association of Independent Publishers (AIP)
  - Print, Distribution, Circulation and Marketing of the Grassroots Press in South Africa – Graeme Addison
  - Research into Indigenous Language Newspapers – Harambe Concepts
  - Revealing Race: A Study on the Representation of Race and Racism in the Media - Media Monitoring Project
  - Research into the Development of SMME TV, an IPTV and Social Media Platforms for Small, Medium and Micro Enterprises.

- Maintaining good relations with stakeholders – funders, parliament, the Presidency, DoC, GCIS, DPLG, ICASA, USAASA, NCRF, PMSA, beneficiaries and research institutions
- Working as a team internally
- Staff development e.g. Project Management, Records Management, Financial Management, Payroll management systems, Risk Management, MBA in leadership, etc.
- The growth of demand for MDDA support,
- The growth in the demand for increased funding for MDDA, i.e. Parliament, the Ruling Party, etc.
- Reaching our disbursement targets within time.

# CHALLENGES

## EXTERNAL CHALLENGES

- ❖ Limited funding and the expiring of the current funding agreements,
- ❖ The market environment for print media development is not enabling, as it regard to printing and distribution,
- ❖ Loss of skills from small commercial and community media to the more lucrative commercial/private media and public broadcasting sector,
- ❖ Limited broadcast frequency spectrum,
- ❖ Limited exposure of small commercial and community media to marketing and advertising revenues.

## INTERNAL CHALLENGES

- The level of organisational skills and capacity both in terms of numbers, knowledge and skills



MDDA STAFF

# STRATEGIC FOCUS FOR 2008-2009

## 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 is still insufficiently diverse with respect to reflection of the concerns of especially the socio-economically marginalised communities and the use of indigenous languages.
- Small commercial print media projects have limited access to printing and distribution, in terms of lack of resources (costs and facilities).
- Broadcast Frequency Spectrum is limited.
- 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 marketplace.

## RATIONALE (Cont.)

- 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 sustainability of their projects.
- 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.)

Overall Objective	Purpose
<b>"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."</b>	<b>"TO STRENGTHEN THE SECTOR THROUGH THE PROVISION &amp; LEVERAGE OF RESOURCES, KNOWLEDGE AND SKILLS IN PURSUIT OF PROMOTING MEDIA DEVELOPMENT AND DIVERSITY."</b>



## KEY RESULT AREAS IN RELATION TO THE PURPOSE STATEMENT

- Advocacy for media development and diversity,
- Stakeholder management,
- Grant funding for community and small commercial media, and seed funding support for community radio in the nodal areas,
- Capacity building interventions for beneficiary organisations and communities including mentorship,
- Monitoring & evaluation, research and knowledge management – focus on impact assessment and evaluation,
- Media literacy and the promotion of the culture of reading.
- Communication & Public Awareness
- Fundraising and resource mobilisation,
- Financial Management
- Internal Business Processes
- Customer Perspective

# KEY RESULT AREAS STRATEGIC OBJECTIVES AND OUTPUTS

**KRA 1:**

Advocacy for  
media  
development  
and diversity

***Strategic Objective:***

*To contribute towards improving the operating environment of the community and small commercial media sectors*

- Baseline data available.
- Increased support for the work of the MDDA.
- 1 submission made to ICASA.
- Regulatory changes accepted and affected by ICASA.
- Changes/amendments to MDDA Act.
- % or Rand increase in advertising revenue for small commercial and community media.
- 10 people trained in advertising through AMASA.
- 2 Provincial hubs in place providing multimedia, printing and distribution facilities for community and small commercial media.

**KRA 1:**

Advocacy for  
media  
development  
and diversity

***Strategic Objective:***

*To contribute towards improving the operating environment of the community and small commercial media sectors*

- An agreement with SAPO to use their database network to distribute community and small commercial newspapers.
- 5% of discounted rates provided to community and small commercial newspapers for printing and distribution.
- Research report in place.
- Strategy developed.
- 2 meetings held in support for atypical media.
- Feasibility study report on the viability of a media co-operative discussed by a focal group/seminar.
- Partner with DPLG convening the multilingual conference
- Draft an MoU with DPLG

## KRA 2: Stakeholder management

### ***Strategic Objective:***

*To strengthen relations with MDDA contractual & non-contractual stakeholders*

- ❖ 1 joint initiative in media development and diversity undertaken with stakeholders (seminar on trends of media ownership and control)
- ❖ 1 engagement with advertising companies and media directors cycle.
- ❖ Signed MoU with USAASA.
- ❖ Signed MoU with MAPPSETA.
- ❖ Signed MoU with ISSETSETA.
- ❖ Signed MoU with DoC.
- ❖ Updating the database.

**KRA 3:**  
Grant & seed  
funding

***Strategic Objective:***

***To promote & strengthen the small commercial and community media sector***

- ❖ At least 1 community radio per 12 district municipality funded.
- ❖ At least 1 community newspaper per district municipality funded.
- ❖ At least 1 Community Television initiative funded.
- ❖ At least 1 hub per province (print & radio) funded.
- ❖ Viability study on student media in place.
- ❖ Research report on the viability of media cooperatives completed.
- ❖ 4 atypical media funded.
- ❖ 2 new media projects funded.
- ❖ Content initiatives assessment concept paper completed.
- ❖ 5 small commercial media newspapers and 1 magazine.
- ❖ Status report in place

## **KRA 3:** Grant & seed funding

### ***Strategic Objective:***

***To promote & strengthen the small commercial  
and community media sector***

- ❖ 4 CRs in the nodal areas funded
- ❖ Service provider service level agreement in place.
- ❖ Service provider performance targets established.
- ❖ Monitoring and evaluation unit established.
- ❖ Monitoring and evaluation staff commences work
- ❖ Monitoring and evaluation plan in place
- ❖ Monitoring and evaluation checklist
- ❖ 10 projects monitored
- ❖ Monitoring reports in place
- ❖ Evaluation report in place

**KRA 4:**

Capacity building interventions for beneficiaries and communities (including mentorship)

***Strategic Objective:***

***To enhance the sustainability of small commercial and community media***

- ❖ 25 community and small commercial media initiatives would be trained.
- ❖ 10 exchange programme events are held.
- ❖ 10 appropriately skilled mentors/trainers on the database, 5 of whom are accredited.
- ❖ 2 workshops on financial management involving 60 beneficiaries conducted
- ❖ 100 marketing handbook and toolkits disseminated to MDDA projects.
- ❖ 10 accredited Service providers recorded in MDDA database.
- ❖ Monitoring and evaluation plan in place.



## **KRA 4:**

Capacity building interventions for beneficiaries and communities (including mentorship)

### ***Strategic Objective:***

***To enhance the sustainability of small commercial and community media***

- ❖ 5 capacity building initiatives involving 5 beneficiaries evaluated.
- ❖ Monitoring and evaluation reports submitted.
- ❖ Continue desktop research on the movement of trained people within the sector.
- ❖ Research report on the movement of trained people within the sector in place.
- ❖ Establish database of trained people

**KRA 5:**  
Monitoring &  
evaluation,  
research and  
knowledge  
management

***Strategic Objective:***

***To enhance innovation and learning in the sector***

- ❖ Research and knowledge management plan in place.
- ❖ 3 research projects undertaken.
- ❖ 3 research reports published.
- ❖ 3 research seminars involving 20 beneficiaries conducted.
- ❖ 50 projects monitored and evaluated.
- ❖ Monitoring and evaluation plan, checklist & reports in place.
- ❖ Social impact research report on the MDDA funding support.
- ❖ State of media journal conceptualised and designed.
- ❖ Journal outlined and business strategy developed.
- ❖ Partnerships with existing journals explored.

**KRA 5:**  
Monitoring &  
evaluation,  
research and  
knowledge  
management

***Strategic Objective:***

***To enhance innovation and learning in the sector***

- ❖ Updated Resource Centre records in place
- ❖ 16 staff , 9 board members and beneficiaries from time to time use Resource Centre.
- ❖ 172 project records stored.
- ❖ Updated Information Management records in place.
- ❖ Information Management System piloted with 1 MDDA unit.
- ❖ All MDDA staff trained on the IMS and system implemented.
- ❖ Policy and legislation monitoring strategy in place.
- ❖ 2 policies and legislation reviewed.
- ❖ 1 policy workshop with beneficiaries held on the ECA and related policy.
- ❖ 1 Research grant approved.

## KRA 6:

Media literacy and culture of learning

### *Strategic Objective:*

*To promote media literacy and the culture of learning*

- ❖ 2 partnerships in place.
- ❖ 2 consultations with DoE, Kharigude Campaign, DPLG, GCIS, SABC, PMSA, READ and targeted district municipality.
- ❖ Consulted parties MoU/agreements for partnering in media Literacy and culture of learning initiatives.
- ❖ 1 summit in Alfred Nzo District Municipality convened.
- ❖ Share results/report with DoE with the aim of feeding results into high impact results at DoE.

**KRA 7:**

Communications and public awareness wrt the sector and the Agency

***Strategic Objective:***

***To enhance and position the MDDA as a leader in media development and diversity***

- ❖ 1 perception survey conducted.
- ❖ MDDA Strategy and Plan developed.
- ❖ 1 seminar conducted aimed at engaging the public regarding the state of media development and diversity. These will be conducted throughout the different provinces.
- ❖ Communication strategy and implementation.

**KRA 8:**

Fundraising  
and resource  
mobilisation

***Strategic Objective:***

***To strengthen, grow and protect the MDDA capital base, accordingly increase the funding and resource base of the Agency and its beneficiaries.***

- ❖ An increase of R2m for 2008/09, R3m for 2008/10, and R4m from Government; e-TV increase of its contribution to R1.2m and increases committed in terms of the ECA/ICASA Regulation, 0.2% of Broadcast Service Licensee's annual turnover.
- ❖ Revision of current funding agreements with broadcasting service licensees and alignment with the ICASA Regulation.
- ❖ Revision of current funding agreements with print media guided by the increase in contributions by Broadcast media.
- ❖ MoU with USAASA and DoC.
- ❖ 1 contract signed with MAPPSETA.
- ❖ 1 day session convened as part of Highway Africa 2008.
- ❖ At least 3 engagements with donors.

**KRA 9:**  
Financial  
management

***Strategic Objective:***

***To strengthen, grow and protect the MDDA capital base.***

- ❖ Maintain the regulated ratio of grant expenditure to capital - 25% admin and 75% on programs. 60% community media, small commercial media 25%, research 5%, unallocated 10%.
- ❖ Approved MTF 2008-2011 and budgets by the Board. 0% actual vs budget variance.
- ❖ Unqualified audit report.
- ❖ Train finance staff on an ongoing basis.
- ❖ Fill in all vacancies.
- ❖ Attend to all Treasury requirements and submissions
- ❖ Strengthen Internal Audit and Risk Management Unit

**KRA 10:**

Internal  
business  
processes

***Strategic Objective:***

***To strengthen the operational efficiencies of the MDDA so as to deliver sustainable media development and diversity content and impact***

- ❖ Information Management Plan.
- ❖ Improve efficiencies and accountability in the delivery of MDDA programs - 100% funding based on contracts. 100% service provided based on Service Level Agreements.
- ❖ Risk Management Strategy and Plan in place.
- ❖ Fraud Prevention Plan
- ❖ Approved and clear organisational structure established. 90% of established and funded posts filled. Monitoring and evaluation staff appointed.
- ❖ 100% Compliance Completed. Corporate Governance checklist completed.



**KRA 11:**  
Customer  
perspective

***Strategic Objective:***

***To maintain the image of the MDDA as the performing public institution with government at national, provincial and local spheres and its contractual and non contractual stakeholders***

- ❖ Develop and maintain high MDDA client satisfaction levels - Perception survey conducted and recommendations implemented.
- ❖ Support and promote positive working relations within staff
  - ❖ Organization and climate survey.
  - ❖ Human Resources management plan.
  - ❖ Workplace skill audit.
  - ❖ Staff Development Program.
  - ❖ Human Resources Unit established and staff employed.
  - ❖ Employment Equity plan and 100% compliance.
  - ❖ 100% funded positions filled.
  - ❖ Performance appraisal conducted.

## SUMMARY OF 2008/9 PRIORITIES

KEY FOCUS AREA	TIMELINES
1. Advocacy for media development and diversity	April 2008 – March 2009
2. Stakeholder Management	April 2008 – March 2009
3. Grant funding for community and small commercial media, and seed funding support for community radio in the nodal areas	April 2008 – December 2008
4. Capacity building interventions for beneficiary organizations and communities including mentorship	April 2008 – March 2009
5. Fundraising and resource mobilisation	April 2008 – March 2009
6. Monitoring & evaluation, research and knowledge management – focus on impact assessment and evaluation	April 2008 – March 2009
7. Media literacy and the promotion of the culture of reading	April 2008 – March 2009



## 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.
- ❖ There is a need for expanded funding beyond current funding agreements. There are funders and donors who are willing and able to fund the work of the MDDA. NOTE - The MDDA receives requests worth in excess of R150m.
- ❖ Beneficiary organisations are willing and able to participate in MDDA sponsored interventions.
- ❖ There is a sufficient base of trainers and mentors in the sector
- ❖ There is a need and hunger for knowledge sharing and dissemination in the sector.

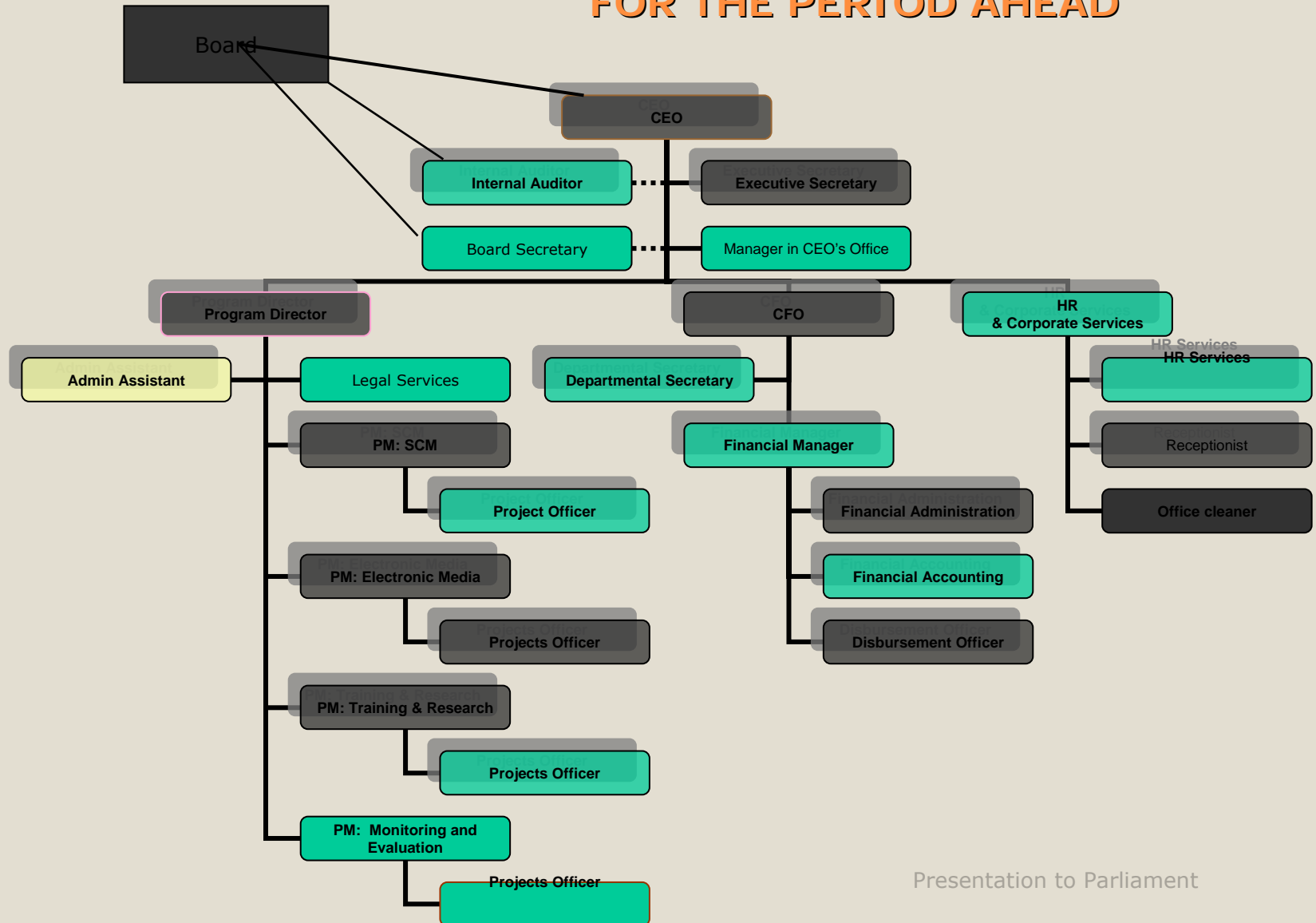
# RISKS IDENTIFIED

- ❖ The agency may not have sufficient and adequate funds.
- ❖ Exceeding regulatory requirements on admin expenses.
- ❖ Beneficiaries and service providers (mentors, etc.) may not comply with contractual agreements and obligations.
- ❖ Closing down of funded projects, due to sustainability challenges.
- ❖ Staff turnover due to competition in the market for skills and appropriate remuneration.
- ❖ Non-adherence to the code of conduct.

## **RISK CONTAINMENT MEASURES**

- ❖ Focus on fundraising.
- ❖ Management with the assistance of the board will maintain strict controls of the legislative framework through regular internal and external audits as well as board self assessments.
- ❖ Apply diligent project assessment and continuous monitoring, evaluation and auditing of the projects and take appropriate disciplinary and corrective actions where necessary through amongst other things, insistence to contractual agreements.
- ❖ Ensure that funded projects submit annual audited financial statements.
- ❖ Board approve a revised Organogram based on human requirements for running a smooth organisation and in preparation for managing growth.
- ❖ Undertake regular organisational climate surveys and to commit to a regular staff development program and the review of policies and systems to facilitate and improve performance in the organisation.

## REQUIRED ORGANISATIONAL CAPACITY FOR THE PERIOD AHEAD





## Presentation led by:

Mr Mbuyiseni Jafta (Chief Financial Officer)

# MDDA SUMMARY BUDGET

	2008/09 Budget (R)	2009/10 Budget (R)	2010/11 Budget (R)
<b>INCOME</b>	28,108 ,832	30,552, 796	32,759,401
<b>TOTAL EXPENDITURE</b>	28, 108, 832	30,552, 796	32,759, 401
Programme Costs	19,437, 144	20,685, 966	21,936,750
Operational Expenses	8,593, 988	9,826,126	10,792, 091
Capital Expenditure – Capex	77,700	40,704	30,560
<b>DEFICIT/SURPLUS</b>	<b>0</b>	<b>0</b>	<b>0</b>



## **MDDA SUMMARY BUDGET**

- **Notes:**
- **Financial Year 2008/11**
  - Budget based on the human resources requirements as in the proposed organogram.
  - This budget is in compliance with the regulatory limit of 25% for administration.
- The assumption is that funding agreements will be successfully renewed.
- The budget excludes :
  - The possible R20m partnership with the Department of Communications being negotiated and to be signed soon.
  - The possible increase envisaged from the ICASA Regulations in terms of Section 89 of the ECA.

# Presentation led by:

Ms Gugu Msibi (Chairperson)

## CONCLUSION

- The Agency would like to express our appreciation and thanks to the GICS, this Portfolio Committee for the support to the Board and Management. And more particularly, thanks to the out gone members of the Board.
- 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**

**06 May 2008**