MAPPING DIGITAL MEDIA:
SOUTH AFRICA

OPEN SOCIETY
FOUNDATIONS

Mapping Digital Media:
South Africa

A REPORT BY THE OPEN SOCIETY FOUNDATIONS

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22 March 2012

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Mapping Digital Media

The values that underpin good journalism, the need of citizens for reliable and abundant information, and the importance of such information for a healthy society and a robust democracy: these are perennial, and provide compass-bearings for anyone trying to make sense of current changes across the media landscape.

The standards in the profession are in the process of being set. Most of the effects on journalism imposed by new technology are shaped in the most developed societies, but these changes are equally influencing the media in less developed societies.

The **Mapping Digital Media** project, which examines the changes in-depth, aims to build bridges between researchers and policymakers, activists, academics and standard-setters across the world. It also builds policy capacity in countries where this is less developed, encouraging stakeholders to participate and influence change. At the same time, this research creates a knowledge base, laying foundations for advocacy work, building capacity and enhancing debate.

The Media Program of the Open Society Foundations has seen how changes and continuity affect the media in different places, redefining the way they can operate sustainably while staying true to values of pluralism and diversity, transparency and accountability, editorial independence, freedom of expression and information, public service, and high professional standards.

The Mapping Digital Media project assesses, in the light of these values, the global opportunities and risks that are created for media by the following developments:

- the switch-over from analog broadcasting to digital broadcasting;
- growth of new media platforms as sources of news;
- convergence of traditional broadcasting with telecommunications.

Covering 60 countries, the project examines how these changes affect the core democratic service that any media system should provide—news about political, economic and social affairs.

The **Mapping Digital Media** reports are produced by local researchers and partner organizations in each country. Cumulatively, these reports will provide a much-needed resource on the democratic role of digital media.

In addition to the country reports, the Open Society Media Program has commissioned research papers on a range of topics related to digital media. These papers are published as the **MDM Reference Series**.

Mapping Digital Media: South Africa Executive Summary

Developments in digital media in South Africa are densely intertwined with political factors. The Government has sought to be the driver of digitization, but it has also caused repeated delays in digital roll-out. In addition, the Government has had contradictory interests such as promoting competition while also favoring large enterprises in which it has controlling or monopoly shares. In addition, political in-fighting has seen a succession of leaders at the Department of Communications (DoC), the South African Broadcasting Corporation (SABC)—the biggest (and state-owned) broadcast organization—and the Universal Service and Access Agency of South Africa (USAASA), established to promote the goals of universal access and universal service.

Combined with a commercially reliant business model, these politics led SABC to near bankruptcy and to taking on huge debt, as well as to intensified interest in chasing advertising revenues rather than delivering public service content. It is uncertain whether the corporation can afford to launch proposed additional television channels at "digital switch-on," planned for September 2012, although there are funds allocated to subsidize set-top boxes for a large proportion of television-receiving households. There has also been protectionism and/or poor governance of key state-linked entities relevant to digital: Telkom and signal provider Sentech. The consequence has been erratic progress in the transition to digital terrestrial television (with an overly optimistic deadline of conclusion in December 2013) and a low level of broadband penetration (estimated at 14 percent).

The challenges are very great in terms of bringing access to digital benefits across a large landmass, in which more than a third of people live in rural areas, even more are too poor to be an attractive market for advertisers, and where diverse people use more than 12 mother tongues. In the absence of success by the State in promoting digitization, the media system remains mainly mainstream and analog, apart from the rapidly growing business of digital satellite pay-television. Radio has the greatest reach in society and, within this sector, community radio is making strides. Pluralism of ownership and an increase in broadcasting stations has occurred, but by using analog rather than digital means. Print is shrinking in terms of sales, although its share of advertising has been holding up.

Over the period studied, there has been a high rate of mobile phone penetration, partial internet penetration (one third of South Africans have some form of at least limited internet access—usually provided by private mobile companies), and the growth of social networks such as MXit and Facebook (accessed by phone). However, these new communications factors have not become vehicles of "public interest" news content. News gathering and agenda setting remain the domain of the media (albeit fulfilled by these institutions in varying degrees).

Telecommunications companies have not generally entered the content business, and the use of information and communication technologies (ICTs) by civil society is limited, although a few niche online media operations have emerged. Nevertheless, most mainstream media companies are themselves operating in both cyberspace and mobile space, and the work of journalists appears to have ultimately benefited from the exploitation of digital technologies and information resources. One consequence of all this is increased choice of media content for elites.

However, despite democratic institutions and traditions, including an established tradition of public consultation over policy and law, attempts by the Government to control these choices are ongoing. Control initiatives are promoted through various attempts to weaken independent statutory regulation as well as press self-regulation, and may now be extending to spectrum management.

Digitization is therefore unfolding in an environment which will continue to determine its characteristics. It is unlikely to facilitate major change in media and news, although it can be expected over time to expand choice and enable new entrants, on a scale that will attract—but also limit—attempts at political control.

Context

South Africa is a country of 1,214,470 square kilometers, with a population of 50 million people but with 18 percent of adults being HIV carriers. According to adjusted census figures in 2009, the proportion of the population under the age of 20 was 42 percent. For 2010, the South African Advertising Research Foundation (SAARF) worked with a figure of 34 million adults defined as people over 15 years of age.

Religious differences are not a significant social factor, but some 80 percent of the population is nominally Christian.[1] Given the country's history of segregation and racial oppression, it is significant to record that 79 percent of the country's population is classified as "African," 9.6 percent as "White," 8.9 percent as "Coloured," and 2.5 percent as "Indian."[2]

Eleven languages are officially recognized, and the spread for adults, according to the last available census figures (2001) was: Zulu 23.8 percent, Xhosa 17.6, Afrikaans 13.3, Pedi 9.4, English 8.2, Tswana 8.2, Sotho 7.9, Tsonga 4.4, and other languages 7.2. The literacy rate was 88.7 percent in 2007.[3]

Inequality is extreme, with 10 percent of the population enjoying 44.7 percent of national income, while the lowest 40 percent have only 9.8 percent. A total of 46.4 percent of consumer spending on communications comes from Whites, with only 39.6 percent from Africans.[4] By 2008, White incomes were still eight times

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1. *Pocket Guide to South Africa 2010/11*, Government Communication and Information Service, 2010, chapter 2, p. 17, available at http://www.gcis.gov.za/resource_centre/sa_info/pocketguide/2010/005_sa_people.pdf (accessed 4 February 2012).

2. In this report, "Black" refers collectively to "Africans," "Coloureds," and "Indians" (all of whom suffered apartheid discrimination prior to 1994), which categories will henceforth be used without quotation marks.

3. See *International Human Development Indicators*, United Nations Development Programme, available at http://hdrstats.undp.org/en/indicators/101406.html (accessed 3 March 2012).

4. These statistics are drawn from OMD, *South African Media Facts 2010*, available at http://www.omd.co.za/samediafacts2010.pdf (accessed 3 April 2011) (hereafter, OMD, *South African Media Facts 2010*), and *SA Yearbook 2009/10*, available at http://www.gcis.gov.za/resource_centre/sa_info/yearbook/2009-10.htm (accessed 3 April 2011) (hereafter, *SA Yearbook*).

higher than African.[5] The All Media and Products Survey (AMPS) states that a total of 85 percent of homes had electricity by 2005, rising to 90.6 percent in June 2010.[6] South Africa became a constitutional democracy with a bill of rights in 1994 that includes the right to free expression and the media as well as access to information.

5. South African Institute of Race Relations, "White Income Eight Times Higher than African," news release, 1 February 2011, available at http://sairr.org.za/media/media-releases/White%20income%20higher%20than%20African%20-%201%20February%202011.pdf/view (accessed 3 April 2011).

6. "First AMPS out since move to DS-CAPI," Bizcommunity.com, 1 October 2010, available at http://marketing.bizcommunity.com/Article/196/19/52733.html (accessed 3 April 2011).

Social Indicators

Population (number of inhabitants): 50.1 million (2010)

Number of households:[7] 12.51 million (2010)

Figure 1.

Rural–urban breakdown (% of total population)
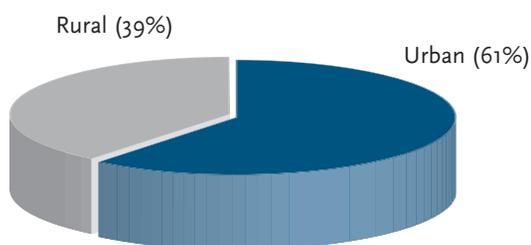
Source: International Telecommunications Union (ITU), "World Telecommunication/ICT Indicators 2011."

Figure 2.

Ethnic composition (% of total population)
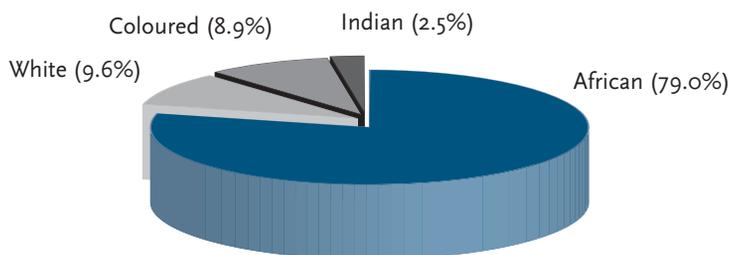
Source: Census 2001.

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7.   International Telecommunications Union (ITU), "World Telecommunication/ICT Indicators 2011."

Linguistic composition (% of total population)

Tsonga (4.4%)
Other (7.2%)
Zulu (23.8%)
Sotho (7.9%)
Trwana (8.2%)
Xhosa (17.6%)
English (8.2%)
Pedi (9.4%)
Afrikaans (13.3%)
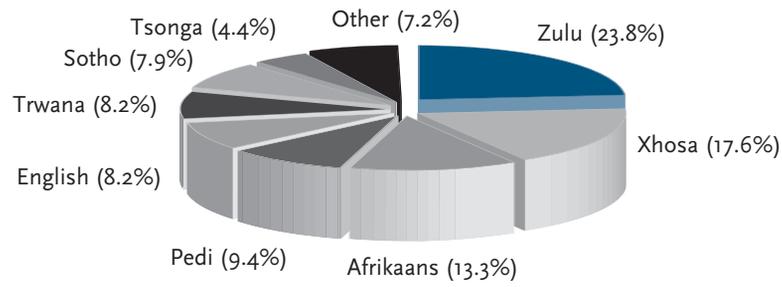
Source: Census 2001.

Figure 4.

Religious composition (% of total population)

No religion (15.1%)
Other (2%)
Hinduism (1.2%)
Christian (80.0%)
Islam (1.5%)
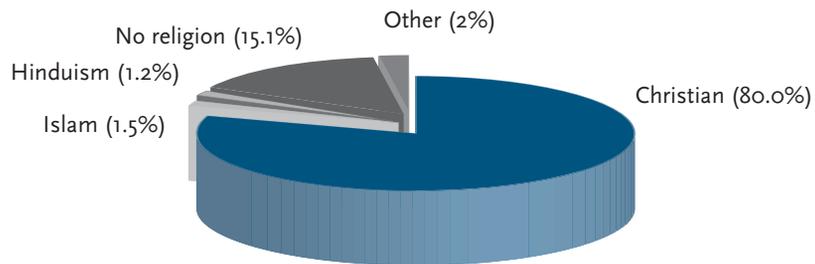
Source: Census 2001; Government Communication and Information Services 2010.

Economic Indicators

<div align="center">

Table 1.

Economic indicators

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	2005	2006	2007	2008	2009	2010	2011f	2012f
GDP (current prices), total in US$ billion	246.956	261.175	285.935	276.77	287.219e	354.414e	366.174	384.426
GDP (in US$ current prices), per head	5,267	5,511	5,976	5,685e	5,824e	7,101e	7,249	7,521
Gross National Income (GNI) (current US$), per head	8,420	9,090	9,660	10,140	10,050	n/a	n/a	n/a
Unemployment (% of total labor force)	26.7	25.5	22.7	21.9	24.3	24.8	24.4	23.7
Inflation (average annual rate in % against previous year)	3.4	4.7	7.1	11.5	7.1	5.6	5.8	5.6

Note: e: estimate; n/a: not available; f: forecast.

Sources: International Monetary Fund (IMF), *World Economic Outlook Database*, October 2010, World Bank (for GNI). Statistics South Africa, *Quarterly Employment Statistics*, September 2010, available at http://www.statssa.gov.za/publications/P0277/P0277September2010.pdf (accessed 27 February 2011).

1. Media Consumption: The Digital Factor

1.1 Digital Take-up

1.1.1 Digital Equipment

By early 2012, South Africans still had very limited access to digital communications technology aside from mobile phones.[8] The Government's eBarometer 2011 records that the percentage of the public covered by third-generation (3G) signals rose from four in 2005 to 60 in 2009.[9]

Table 2.

Households owing equipment in South Africa, 2005–2010

	2005		2006		2007		2008		2009		2010	
	No. of HH ('000)	% of THH	No. of HH ('000)	% of THH	No. of HH ('000)	% of THH	No. of HH ('000)	% of THH	No. of HH ('000)	% of THH	No. of HH ('000)	% of THH
TV set	7,417	61.8	7,731	64.4	8,157	66.6	8,482	68.9	n/a	n/a	10,263	82.0
Radio set	9,554	79.6	8,408	78.4	9,749	79.6	9,948	80.8	n/a	n/a	9,663	77.2
PC	1,560	13.0	1,656	13.8	1,800	14.7	1,957	15.9	n/a	n/a	2,290	18.3

Notes: n/a: not available

        HH: households owning the equipment; THH: total number of households in the country; PC: personal computer.

Source: Calculations based on data from the ITU, June 2011, and the All Media and Products Survey (AMPS), for television penetration in 2010.

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8.   PricewaterhouseCoopers (PWC) estimates 47.5 million mobile phone subscribers in South Africa in 2009, with approximately 10 million having internet access capability. See PWC, *South African Entertainment and Media Outlook: 2010–2014, First South African edition*, Johannesburg, 2010, p. 27, available at http://www.pwc.co.za/en/publications/entertainment-and-media-outlook-2010.jhtml (hereafter, PWC, *South African entertainment and media outlook: 2010–2014*).

9.   Department of Communications (DoC), *eBarometer*, 2011, available at www.doc.gov.za/index.php?option=com_docman&task=doc_download&gid=125&ItemID=540 (accessed 28 August 2011) (hereafter, DoC, *eBarometer 2011*).

The Government's eBarometer, released in mid-2011, measured computer penetration as a percentage of population (as distinct from households), and gave a figure of 10.7 percent in 2009,[10] while a different estimate gave the figure at 6 percent.[11]

It can be noted that an increase in housing provision has meant that South Africa has seen a rapid rise in the number of its households, which was mirrored in part by a decline in size per unit, resulting in a 2009 figure of 13.8 million households, with an average of 3.6 people.[12] A figure of 62 percent of South Africans being urbanized by 2010 was reported in January 2011, which means that more than one third of the population remains rural and less "mediatized" in consequence.[13]

Although the data in Table 2 show that household television ownership outpaced radio sets in 2010, it should be noted that radio receivers are well distributed outside homes (in vehicles, workplaces, and shops, and embedded in mobile phones). In light of this, it is not surprising that this medium reaches almost 90 percent of the population on a weekly basis (including listening outside of the home). Radio stations were heard by almost 30 million people, representing 87.7 percent of all adults over 15 years old in the last half of 2010.[14]

Two digital radio standards have been approved for South Africa (DAB and DRM), but these were not in use by March 2012, and there was no sign that this situation might change in the following five years. Digital terrestrial television broadcasting (using DVB–T2) is still in a pre-launch stage, and the two satellite digital television services (which include some radio services as well) remained relatively expensive subscription-based direct-to-home services. A third free-to-air satellite television service called Vivid (indirectly state-owned) had negligible uptake. Digital terrestrial broadcasting to handheld devices (using DVB–H) was also in its infancy by early 2012.

A minority of households has computers (see Table 2 above), and it is apparent to any close observer that many of these are not connected to the internet. Measures of internet penetration are difficult to standardize (see later in this section), but it is evident that many users only have access to computer-based internet at the workplace and at universities (while even more do not have access to this platform anywhere).[15] Breaking down the user figures in terms of mode of access, industry analyst World Wide Worx gives the following figures:[16]

10. DoC, *eBarometer 2011*.

11. Arthur Goldstuck, cited in R. Muller, "SA's Broadband Penetration: The Way Forward," MyBroadband, 13 October 2010, available at http://mybroadband.co.za/news/broadband/15804-sa-s-broadband-penetration-the-way-forward.html (accessed 5 February 2012).

12. A. Basson, "Service Delivery Failure a Myth—Survey," *City Press*, 23 January 2011, available at http://www.citypress.co.za/SouthAfrica/News/Service-delivery-failure-a-myth-survey-20110122#, 2011-01-23 (accessed 3 April 2011). Similar figures (though slightly less) are cited in *SAARF AMPS July 2009–June 2010* (prepared by Nielsen).

13. CIA World Factbook, available at https://www.cia.gov/library/publications/the-world-factbook/fields/2212.html (accessed 5 February 2012).

14. South African Advertising Research Foundation (SAARF), *Rams 2010 Release 6—Results*, available at http://www.saarf.co.za/RAMS/PPT (accessed 3 April 2011).

15. See "Internet Trends," South African Advertising Research Foundation, available at http://www.saarf.co.za/internet.htm (accessed 3 April 2011).

16. A. Goldstuck, *Internet Access in South Africa 2010. A Comprehensive Study of the Internet Access Market in South Africa*, World Wide Worx, Johannesburg, 2010, p. 136 (hereafter, A. Goldstuck, *Internet access in South Africa 2010*).

Table 3.

Overall internet market in South Africa, 2005–2009 (individual users)

Year	Broadband unique	Broadband additional	Mobile	Dial-up	Academic	Corporate	Total
2005	145,000			1,080,000	510,000	1,871,000	3,606,000
2006	323,000	60,000		1,030,000	530,000	1,897,000	3,840,000
2007	658,000	104,000		908,000	550,000	1,900,000	4,120,000
2008	1,070,000	340,000	180,000	700,000	575,000	1,995,000	4,860,000
2009	1,560,000 (29%)	506,000 (9%)	450,000 (8%)	250,000 (5%)	540,000 (10%)	2,060,000 (38%)	5,366,000 (100%)

Source: A. Goldstuck, *Internet access in South Africa 2010*, World Wide Worx, Johannesburg, 2010, p. 136.

1.1.2   Platforms

The most widespread media platforms that carry news are still offline, such as analog radio and (to a lesser extent) television. While wireless internet access by mobile phone is widespread (see below), its function is primarily for interpersonal communication and search.[17] The same generally applies to the role of the internet accessed through other modes.

Television penetration figures are presented in the ITU-sourced chart below.

Table 4.

Platform for main television reception and digital take-up in South Africa, 2005–2010

	2005		2006		2007		2008		2009		2010	
	No of HH ('000)[18]	% of TVHH[19]	No of HH ('000)	% of TVHH	No of HH ('000)	% of TVHH	No of HH ('000)	% of TVHH	No of HH ('000)	% of TVHH	No of HH ('000)	% of TVHH
Terrestrial reception – of which digital	n/a	n/a	6,574	86.0	7,264	85.9 o	7,055	81.3	7,632	77.7	8,213	77.1
Cable TV reception – of which digital							o o					
Satellite reception – of which digital	n/a n/a	n/a n/a	1,062 1,062	13.9 13.9	1,186 1,186	14.0 14.0	1,620 1,620	18.6 18.6	2,188 2,188	22.2 22.2	2,436 2,436	22.8 22.8
IPTV							o					
Total – of which digital	n/a n/a	n/a n/a	7,636 1,062	100.0 13.9	8,450 1,186	100.0 14.0	8,675 1,620	100.0 18.6	9,820 2,188	100.0 22.2	1,0650 2,436	100.0 22.8

Notes: HH: Households owning the equipment; TVHH: Total number of households in the country; n/a: not available.

Source: AMPS.

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17. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 34.

18. Total number of households owning the equipment.

19. Percentage of total number of television households (TVHH) in the country.

Mobile phone or active SIM-card penetration of South Africans over 16 years old was over 20 million people (62 percent) by 2008. Considered in terms of rural and urban populations, this figure was 50 percent and 71 percent respectively. It should be noted that because in total 79 percent were prepaid users and some 10 percent of users have more than one SIM card, the effective penetration per head may be lower.[20]

According to one commentator, a total of 20 million South Africans have web-enabled mobile phones but not all of these users make use of this function—with the 2010 figure estimated at six million who did use the capability.[21] Another estimate is that there were 37 million mobile phone users in South Africa in 2010, of whom 1.7 million had smartphones.[22] Yet a third analyst has stated there were more than 10 million users of WAP (Wireless Application Protocol) by 2009, of whom 70 percent had no access to the fixed internet.[23] Figures vary because they change very quickly and often describe slightly different things. Complicating the assessment figures further is that millions of young people utilize internet services for WAP-delivered ringtones or the "walled-garden" instant messaging service MXit, but do not use the same capacity to access the open internet on their phones.[24] According to World Wide Worx, in 2010 almost all urban mobile phone users had WAP-capable phones, and a high proportion used the capability to access a variety of internet-based content on a regular basis, many of them without realizing they were doing so. The mobile application internet user base was estimated by World Wide Worx at about nine million, and in 2009 there were 3.36 million users of the mobile web.

Table 5.
Internet penetration rate in South Africa (% of total population), 2005–2010

	2005	2006	2007	2008	2009	2010
Internet	7.5	n/a	8.1	9.3	10.6	n/a
of which broadband	4.4	n/a	16.8	23.9	29.4	n/a
Mobile telephony	71.0	82.0	87.0	91.0	93.0	100.0
of which 3G	0.4	0.8	0.8	0.9	1.0	n/a

Note: n/a: not available.

Sources: Calculation based on data from A. Goldstuck, *Internet access in South Africa 2010*, p.101, and ITU statistics.

20.   A. Gillwald and C. Stork, *Towards Evidence-based ICT Policy and Regulation. ICT Access and Usage in Africa*, ResearchICTAfrica, Vol. 1, 2008, Policy Paper Two, pp. 12, 14, available at http://www.researchictafrica.net/publications/Towards_Evidence-based_ICT_Policy_and_Regulation_-_Volume_1/RIA%20Policy%20Paper%20Vol%201%20Paper%202%20-%20ICT%20Access%20and%20Usage%20in%20Africa%202008.pdf (accessed 3 April 2011).

21.   F. Parker, "Zoopy Reformed," *Mail & Guardian Online*, 8 February 2011 available at http://web1.mg.co.za/article/2011-02-08-zoopy-reformed/ (accessed 3 April 2011).

22.   C. Benjamin,"SA 'Leads Way' in Mobile Marketing," *Business Day*, 14 February 2011, p. 4, available at http://www.businessday.co.za/articles/Content.aspx?id=134236 (accessed 20 March 2012).

23.   R. Joubert, "The Mobile Web: An Untapped Opportunity for Publishers," RickJoubert.com, 19 November 2008, available at http://www.rickjoubert.com/?p=19 (accessed 3 April 2011) (hereafter, R. Joubert, "The mobile web").

24.   This may be why PWC says that only 2 percent of South African internet users are 19 or younger even though this age group accounts for 40 percent of the population. PWC, *South African Entertainment and Media Outlook: 2010–2014*.

According to Arthur Goldstuck, wireless broadband services overtook asymmetric digital subscriber line (ADSL) subscriptions in 2009.[25] He has estimated that just over a third of the South Africans who use wireless broadband also use another form of connectivity as their primary form of internet access (in particular, wired connections in their place of work)—making for a partial overlap of users. These are his figures:

Table 6.
ADSL and wireless broadband (primary users)

	2005	2006	2007	2008	2009
ADSL	120,000	223,000	378,000	558,000	630,000
Wireless broadband	40,000	100,000	290,000	543,000	930,000
Total broadband	160,000	323,000	668,000	1,101,000	1,560,000

Year	ADSL	Wireless broadband	Total broadband
2005	120,000	40,000	160,000
2006	223,000	100,000	323,000
2007	378,000	290,000	668,000
2008	558,000	543,000	110,1000
2009	630,000	930,000	1,560,000

Source: A. Goldstuck, *Internet access in South Africa 2010*, p. 101.

According to OECD Broadband figures for June 2010, South Africa had 699,368 ADSL subscribers and 3,829,236 wireless mobile broadband subscribers.[26] The discrepancy with Mr Goldstuck's figures may lie in the definition of broadband. Akamai 2010 statistics recorded that the average mobile connection speed in South Africa was around 495Kbps, substantially below the 2Mbps broadband threshold.[27] It is possible, however, that there has been a rapid increase of true wireless broadband users in 2010, partly as a result of the introduction of High-Speed Downlink Packet Access (HSDPA) speeds and reduced pricing by mobile operators.

What can be concluded is that broadband access to the internet in 2010 was limited to about 14 percent of adults, and that lesser forms of internet access are available to about one third. A study released in February 2011 estimated that 39 percent of urban South Africans and 27 percent of rural users over the age of 16 were browsing the internet on phones, meaning that six million South Africans had internet access via mobile

25. A. Goldstuck, *Internet Access in South Africa*, p. 99.

26. J. Etherington-Smith, "Broadband Penetration Benchmarks: SA versus the World," MyBroadband, 7 December 2010, available at http://my-broadband.co.za/news/broadband/17109-Broadband-Penetration-Benchmarks-versus-the-World.html (accessed 3 April 2011).

27. See R. Muller, "The State of South Africa's Internet," MyBroadband, 26 January 2011, available at http://mybroadband.co.za/news/broadband/17987-State-South-Africas-internet.html (accessed 3 April 2011).

phone.[28] This represents a major increase over 2005, and indicates a trajectory for the continuing growth and significance of the mobile internet.

1.2 Media Preferences

1.2.1 Main Shifts in News Consumption

South Africa is characterized by a mixed media economy, with a plurality of media houses. Audiences have their greatest choices in broadcasting between state-owned SABC stations, private commercial stations (mainly radio), and community-based stations (mainly local radio). In 2009, for example, radio was reported to have 29.5 million listeners.[29] SABC and community broadcasters especially provide services across the 11 official languages of South Africa plus two others. However, English is disproportionately represented in relation to mother-tongue speakers; it constitutes the biggest single language bloc on radio at 34 percent, with Afrikaans at 16 percent, and Zulu at 15 percent.[30] There were 138 radio stations by March 2010, up from 115 in 2006.[31] In terms of print, major cities have a local daily and a choice of several nationally circulating papers, too. Newspapers are primarily urban-based and in English, although a flourishing isiZulu-language press is growing in the KwaZulu-Natal province.[32]

Table 7 shows a continuously increasing percentage of the population viewing (mainly analog) television over the past five years, particularly between 2005 and 2007 (when average household incomes increased rapidly),[33] with newspapers showing a peak mid-period as rapid growth in tabloid circulation began to tail off. Radio showed a similar pattern to newspapers. The proportion of citizens using (fixed) internet access (according to those surveyed) doubled over the period, while mobile phone usage added more than 30 percentage points. Also significant is the increase in adults watching digital satellite television, rising from 8.8 percent in 2005 to 19.3 percent in June 2010. This also correlates with an increase in the channels on offer in the DStv bouquet, and cheaper subscription bundles being offered prior to the launch of competitor Top TV in 2010. Figures specifically for news consumption patterns are not available for DStv or Top TV.

28. A. Goldstuck, "SA Cellphone Users Embrace Internet," World Wide Worx, 3 February 2011, available at http://www.worldwideworx.com/?p=294 (accessed 3 April 2011) (hereafter, A. Goldstuck, "SA cellphone users embrace Internet").

29. Media Development and Diversity Agency (MDDA), *Trends of Ownership and Control of Media in South Africa*, Johannesburg, 15 June 2009, p. 59, available at http://www.mdda.org.za/Trends%20of%20Ownership%20and%20Control%20of%20Media%20in%20South%20Africa%20-%20Ver%203.3%20%20Final%20-%2015%20June%202009.pdf (accessed 12 February 2011) (hereafter, MDDA, *Trends*).

30. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 70.

31. OMD, *South African Media Facts 2010*, pp. 15, 19.

32. P. McCracken, "Raging Bulls," *The Media*, November 2010, pp. 26–31.

33. Data accessed from SAARF's website during 2010, including presentation document titled "2007b African Response Presentation for SAARF," downloaded in 2010, subsequently removed from the website.

Table 7.

Percentage of adult population engaged by medium in past week, 2005–2010*

	2005	2006	2007	2008	2009	Jun 10
Television audience	66.9	78.8	83.4	83.7	85.5	86.8
Radio audience	91.8	92.7	93.5	94.1	89.3	90.5
Newspaper readership	40.0	41.6	46.8	48.6	47.2	47.6
Fixed access internet total users**	6.4	7.1	8.1	9.5	11.7	13.4
Mobile phone use***	41.5	49.4	60.5	67.9	71.3	72.5

Notes: *   Data accessed from SAARF's website during 2010, including presentation document titled "2007b African Response Presentation for SAARF," downloaded in 2010, subsequently removed from the website.

           **   Accessed in the past four weeks, available at http://www.saarf.co.za/internet.htm (accessed 3 April 2011).

           ***   Own/rent/use, available at http://www.saarf.co.za/cellphone.htm (accessed 3 April 2011).

Source: Data drawn from the AMPS of the South African Advertising Research Foundation, available at http://www.saarf.co.za (accessed 3 April 2011).

1.2.2   Availability of a Diverse Range of News Sources

There is a significantly greater choice of news sources than previously (even if access is uneven as a result of class and urban-rural factors).

1.3.   News Providers

1.3.1   Leading Sources of News

1.3.1.1 Print Media

The most widely followed news providers are not the same as the most prolific news generators. South African mainstream print media are widely recognized as generating more original news than broadcasters and new media platforms. Although this sector of the media reaches far fewer people directly, it plays an agenda-setting role for other media. However, circulations were unchanged in 2010 following a rapid growth in the tabloid sector over the preceding five years. Total newspaper circulation trends show a fall of 8 percent over the four years from 2007 to 2010 inclusive, according to statistics from the Audit Bureau of Circulation (ABC). There are an estimated 14.5 million people who buy South Africa's urban daily newspapers, and the country's community newspapers (many distributed free of charge) have a circulation of 5.5 million.[34]

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34. See "The Press in South Africa," SouthAfrica.info, 18 October 2006, available at http://www.southafrica.info/ess_info/sa_glance/constitution/news.htm (accessed 10 February 2011).

Table 8.

Circulation figures for South African newspapers, 2005–2010

	Weekly papers	Daily papers
2005	754,547	1,755,394
2006	692,563	1,887,084
2007	729,760	1,957,416
2008	683,918	1,886,138
2009	612,668	1,873,214
2010	677,696	1,771,847

Source: ABC.

These data reveal a decline in weekly newspaper sales over the period, and although daily papers rose initially, they had declined to their 2005 levels by 2010. One of the weeklies with the most sharply declining figures was the *City Press*.[35] The *Daily Sun* tabloid is South Africa's biggest newspaper with an average readership of 3,831,000 per edition.[36] However, it too has been losing circulation, down from 411,124 (July–September average) in 2010 to 374,400 for the same period in 2011. Other dailies losing sales are the *Star* and *Sowetan*. However, Zulu-language newspapers, and especially *Isoleswe*, have grown.[37]

Figure 5.

The most popular weekly newspapers by circulation, January–March 2009
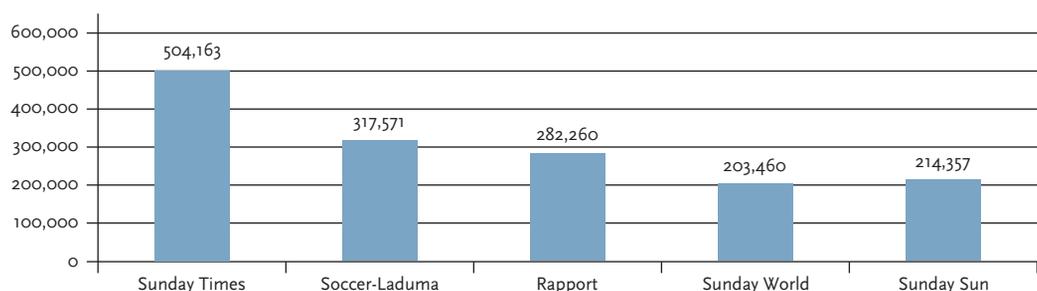
Source: *Pocket Guide to South Africa 2009/10*, Government Communication and Information Service, available at http://www.gcis.gov.za/resource_centre/sa_info/pocketguide/2009/011_communications.pdf (accessed 3 April 2011).

1.3.1.2 Online

According to Alexa.com, in early 2012, the top websites in South Africa included Google, Facebook, YouTube, Yahoo!, Gumtree, Bidorbuy, Wikipedia, LinkedIn, and Twitter, with News24 coming in at number eight, and Independent Online (IOL) at number 18.[38]

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35.   See H. Manson, "Publishers Explain ABC Hits, Misses," Bizcommunity.com, 20 May 2011, available at http://www.bizcommunity.com/Article/196/15/59725.html (accessed 20 March 2012).

36.   See http://www.dailysun.co.za/or_demographicProfile.aspx (accessed 14 February 2011).

37.   See "Latest ABCs: Readers Looking for Quality, Relevance," Bizcommunity.com, 14 November 2011, available at http://www.bizcommunity.com/Article/196/15/67082.html (accessed 5 February 2012).

38.   See "Top Sites in South Africa," Alexa, available at http://www.alexa.com/topsites/countries/ZA (accessed 5 February 2012).

Figure 6.

The top news websites in South Africa by unique monthly visitors (million), 2010
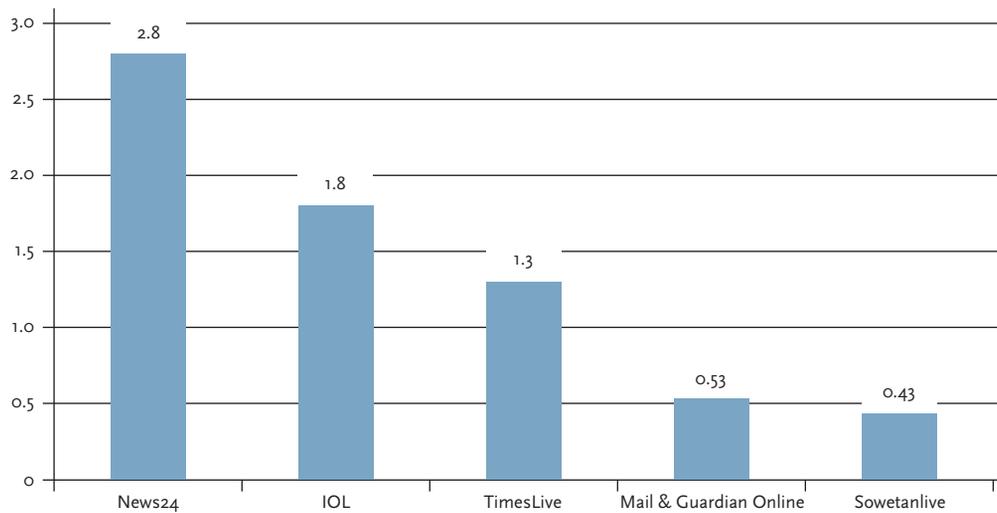
Note: The Naspers 2010 Annual Report put the figure for News24 at approximately 1.6 million users per month.

Source: R. Muller, "The best news websites in South Africa," MyBroadband, 26 July 2010, available at http://mybroadband. co.za/news/internet/14036-The-best-news-websites-South-Africa.html (accessed 4 March 2011); and "About the Mail & Guardian Online," *Mail & Guardian Online*, available at http://mg.co.za/page/advertising/ (accessed 4 March 2011).

These figures of unique users do not provide data on frequency of use, making it hard to compare this media consumption with that of one month's total newspaper circulation and readership of copies sold. However, if some 40 percent of users (see below) go online daily, and a small fraction of these include visiting news websites in their usage, then the total readership is probably below that of total monthly readership (as distinct from circulation). The numbers for online news users are also likely to be a lot lower than the audiences for radio and television news broadcasting (see below). Because most online news derives from offline platforms, it can be further argued that the online offering is thus secondary to offline provision.

Turning to mobile websites, figures in 2009 cited the following top destinations: Laduma Mobile—a football website with over 220,000 unique monthly visitors in July that year; 24.com's mobile WAP website—a general news and information site with 135,000 unique monthly visitors; and Times Mobile—a news site with 33,000 unique visitors monthly.[39] The next seven most popular sites are presented as: Vodacom's MMS Cards; MyBroadband Mobile; Blueworld Mobile (social network); Kick Off South Africa Mobile; and IOL Mobile (news site). However, other information reveals that, in 2009, local mobile phone portal Vodafone live! attracted 2.3 million unique users, and that MTN Loaded and MXit also featured in the top 10 mobile web destinations for South African users (these sites carry short news stories).[40] Opera, whose browser is widely used on mobile platforms, released information in October 2009 that provided yet a different list:[41]

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39. R. Muller, "Biggest Mobile Websites in South Africa," MyBroadband, 3 August 2009, available at http://mybroadband.co.za/news/cellular/9053-biggest-mobile-websites-in-south-africa.html (accessed 3 February 2011); see also J. Mavhungu and E. van Noort, *A Qualitative Study of Sustainable and Profitable Mobile News Services in South Africa*, Sol Plaatje Institute, Grahamstown, 2010.

40. R. Joubert, "The mobile web."

41. See "The 'Real' (Non-OPA) Top 10 Mobile Sites in South Africa," Web AddiCT(s), 25 November 2009, available at http://www.webaddict.co.za/2009/11/25/top-10-mobile-sites-south-africa/ (accessed 3 April 2011).

Table 9.

Opera figures for most popular mobile sites in South Africa, 2009

Ranking	Mobile site
1	Facebook
2	Google
3	MXit
4	Wikipedia
5	YouTube
6	myGamma
7	Thumbtribe.mobi
8	GetJar
9	my.opera.com
10	zamob.com

It was not possible to establish the basis for each of these varied measurements, but it does seem likely that amongst the top mobile sites are the mobile phone portals, Facebook, and Google—none of which are wholly news sites, but which do offer limited news, depending on what users seek or otherwise encounter at these destinations. At the same time, it should be noted that figures for December 2011 for member sites of the Digital Media and Marketing Association show almost 13 million unique browsers for the month with only another 1.5 million assessed as mobile unique browsers.[42] The implication nevertheless is that there is generally far less accessing of websites from mobile devices than from desktop computers.

Prominent print media companies with websites for publications include: Naspers (27 sites); Independent News and Media (17); and Avusa (14).[43] In addition, aggregator sites run by media groups include Naspers's News24, Independent's IOL, and Avusa's TimesLive, while Media24, Avusa, and the *Mail & Guardian* also operate blog platforms. By 2009, at least nine titles had sites specifically customized for mobile access.[44]

Much online news is subject to intra-audience comment and debate, with a mix of user and publisher moderation. However, accessing much online news and debate requires literacy in English, which in South African conditions constitutes a constraint on participation.

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42. See DMMA, *Readership—Effective Measure Data for December*, December 2011, available at http://www.dmma.co.za/research/effective-measure-data-for-december/ (accessed 5 February 2012) (hereafter, DMMA, *Effective Measure Data*).

43. MDDA, *Trends,* p. 108.

44. MDDA, *Trends,* p. 124.

1.3.1.3 Radio

In radio, the most popular station is Ukhozi FM, which broadcasts in the isiZulu language and had a weekly listenership of up to 6.38 million in 2010.[45] In terms of license conditions issued by the Independent Communications Authority in 2004, this station has to broadcast a minimum of 60 minutes of news a day and the same quota for information and current affairs programming. Overall, community stations in 2010 had more than seven million listeners a week, and they are also supposed to have a quota of news and informational programming.[46] The biggest radio stations (all SABC-owned) have declined slightly over the years in terms of listening share, while community radio stations have collectively grown:

Table 10.

Percentage of adult population listening to station in past week, 2005–2010

	2005	2006	2007	2008	2009	Jun 10
Ukhozi	20.7	20.4	19.7	18.6	17.8	17.7
Umhlobo Wenene	15.4	15.0	14.8	14.4	13.4	12.3
Metro	16.0	15.1	15.1	13.7	15.2	14.9
Lesedi	11.5	11.5	11.5	10.9	10.3	10.5
Community stations	16.2	18.7	19.0	18.6	24.0	24.1

Source: AMPS.

1.3.1.4 Television

According to Table 11, analog television stations experienced an increase in viewership over the period 2005–10, and there has been a particularly rapid increase for DStv which has more than doubled its viewers (it had 2.4 million subscribers in mid-2009).[47]

Table 11.

Percentage of adult population watching television stations in past week, 2005–2010

	2005	2006	2007	2008	2009	Jun 10
DStv	8.8	6.9	9.7	16.8	19.6	19.3
e.tv	53.7	55.6	58.0	57.1	62.8	65.4
SABC1	62.5	68.5	70.0	70.6	74.5	75.6
SABC2	44.2	54.9	58.0	60.0	64.7	66.1
SABC3	32.9	41.4	45.0	47.6	52.4	53.5

Source: AMPS.

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45. See "SABC Public Broadcasting Stations," SouthAfrica.info, available at http://www.southafrica.info/about/media/861605.htm (accessed 12 February 2011).

46. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 72.

47. *SA Yearbook,* p. 117.

According to OMD,[48] the top five daily programs on South African television channels have changed since five years ago. The most popular genre among viewers in 2005 and 2006 on SABC1, SABC2, SABC3, M-NET, and e.tv were soap operas, and not a single news bulletin or current affairs show featured.[49] However, this has changed since 2008, with a mixture of genres occupying the top five weekday programs. News bulletins such as the IsiXhosa/isiZulu news at 7.30 p.m. on SABC1, drama shows such as "*Muvhango*" on SABC2, documentaries such as "*National Geographic*" on SABC3, magazine shows such as "*Carte Blanche*" on M-Net, and sports shows such as "*International SmackDown*" on e.tv have all edged into the top five daily programs, leaving a few spaces for soap operas.[50]

1.3.2   Television News Programs

As discussed in section *1.2.1*, radio remains the primary and most accessible medium and, accordingly, news source for the majority of South Africans. Television comes second in terms of popularity for news, with SABC stations collectively dominating the field.[51] As it happens, however, SABC News aggregates its inputs and supplies news centrally to all SABC's outlets including both radio and television. There is a weekly total of 300 bulletins and 27 current affairs programs on SABC as a whole.[52]

SABC's terrestrial television channels devote between 18 and 20 percent of their airtime during primetime to news and news-related programs, although substantial advertising intrudes into these slots as well.[53] The most popular SABC bulletin in 2010 was the isiZulu/isiXhosa news at 7.30 p.m. on SABC1, followed by Afrikaans news on SABC2 at 7 p.m., e.tv news at 7 p.m., and lastly SABC3 news at 7 p.m. According to the corporation's 2010 Annual Report, SABC broadcasts 166 news bulletins and 10 current affairs programs per week in all 11 official languages; and radio delivers a total of 1,568 news bulletins and 190 current affairs shows, broadcast in all 11 official languages as well as the Khu and Qwe languages. The SABC1 and SABC3 bulletins have had declining Audience Ratings (AR) since 2008, while the private e.tv news bulletin has become the most watched. The AR figures (also known as AMR %, or Average Minute Rating %) refer to a percentage of viewers calculated against a universe of possible viewers (e.g. in 2011 the universe would be 36.6 million people with access to television).

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48.   OMD, *South African Media Facts 2006*, p. 12, available at http://www.omd.co.za/samediafacts2006.pdf (accessed 10 February 2011) (hereafter, OMD, *South African Media Facts 2006*).

49.   OMD, *South African Media Facts 2006*, p. 12.

50.   OMD, *South African Media Facts 2008*, p. 19, available at http://www.omd.co.za/samediafacts2008.pdf (accessed 12 February 2011).

51.   OMD, *South African Media Facts 2006*, p. 8.

52.   *SA Yearbook*, p. 115.

53.   *SA Yearbook,* p. 116.

Table 12.

Average audience ratings for primetime television news bulletins (in millions)*

	SABC1	SABC2	SABC3	e.tv
2008	7.6	2.6	4.5	6.3
2009	8.3	2.9	4.1	7.0
2010	7.5	3.2	4.2	7.9
January–May 2011	6.7	3.6	3.6	7.4

Note: * e.tv, SABC2 and SABC3 at 7–7.30 p.m.; SABC1 at 7.30–8 p.m.

Source: Calculated as an average of monthly averages of ARs, on the basis of AMPS figures from SAARF, as supplied by e.tv on 15 June 2011.

As DTT is only scheduled officially to launch in September 2012, there was no impact on the popularity rankings of the analog television news at the time that this report was written.

1.3.3 Impact of Digital Media on Good-quality News

At the time of writing, there was barely any impact on trends in analog broadcasting that can be ascribed to digital broadcasting. In early 2011, only satellite-delivered subscription television was digital, merely providing a duplicate of domestic analog terrestrial channels with the exception of e.tv providing a 24-hour news channel available in certain packages on DStv and Top TV. SABC was reported in March 2012 to be close to offering a 24-hour news service via the DStv subscription platform. International news channels such as BBC, CNN, Sky, and Al Jazeera are available on these paid platforms as well. The net effect is a degree of comparative viewing in news for the elite, although without significant consequences on the quality of analog news that reaches (most of) the population.

Over the same period, internet-based news offerings could not be considered a significant alternative to other media offerings, for the reason that most online news merely republished content provided on the parent platform and drew heavily from the SAPA news agency (whose content is also carried by many other platforms). A very limited amount of self-generated original news appeared daily on the websites of weekly publications such as the *Mail & Guardian* and *City Press* newspapers. However, internet news does get accessed by educated South Africans. Demographics of those accessing sites affiliated to the Digital Media and Marketing Association in December 2011 show that almost two thirds have matriculation or higher qualifications.[54] Alexa.com data for users of News24.com say they are over-represented by university graduates and people who access internet at work.[55] All this points to a relatively privileged social stratum making use of online news.

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54. See DMMA, *Effective Measure Data.*

55. See "News24.com Site Info," Alexa, available at http://www.alexa.com/siteinfo/news24.com# (accessed 5 February 2012).

1.4   Assessments

Overall, news consumption continues to be primarily by way of analog broadcasting, followed by print. Digital satellite access via subscription television comes next, at less than half the audience for newspapers. This hierarchy reflects the lack of internet penetration and limited use of mobile platforms for news publishing and consumption. Traditional media companies make use of desktop web platforms to reach an elite minority that has this kind of connection access. They use the desktop web primarily as a means to deliver generic news rather than web-specific content, and as a distribution channel rather than as a means to interact with and engage their audiences directly. The impact of digitization on news offer and choice has been limited to the elite. There has been a slight expansion of sources of news and of volume of domestic news content, through satellite television and through local websites (although these technologies have also provided gateways to news sources from outside the country). The benefits of this expanded choice are that it has contributed to elite pluralism and also provided forums for a degree of public discussion around the news, although these are only accessible to a marginal, albeit growing, section of the population. Such slightly improved news choice and options for elites had not had any evident impact on the quality of most traditional provision of South African news by early 2012.

2. Digital Media and Public or State-Administered Broadcasters

2.1 Public Service and State Institutions

2.1.1 Overview of Public Service Media; News and Current Affairs Output

Public service obligations are spread by law across the range of South African broadcast media, with the most extensive being applied through license conditions for the state-owned media, and the least for privately owned subscription television. These obligations cover the provision of news, quotas for different languages in programming, local content, etc.

By law, the state-owned media sector is supposed to act as public service media rather than governmental media. It comprises broadcasting (SABC), and a bi-monthly government publication (*Vuk'uzenzele*), produced by the Government Communication and Information Service and due to become fortnightly in 2012. SABC is highly commercialized but, as a corporatized entity, it continues to have a legal relationship to the State as its shareholder. SABC comprises three television stations and 18 radio stations.[56] The corporation is guided by a charter highlighting public service which is part of the 1999 Broadcasting Act, and its stations are also required to adhere to the regulations and particular license conditions set out by the Independent Communications Authority of South Africa (ICASA).[57] SABC's stations are formally divided into public services and public commercial services, with greater obligations applicable to the former category.

However, in terms of news and current affairs, the three television channels' license conditions laid down in 2004 by ICASA are uniform. The trio are all equally required to provide at least one hour of news programming each day, of which at least 30 minutes shall be packaged as a single program broadcast during primetime, as well as at least seven hours of information and current affairs programming per week, with a minimum of two

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56. See http://www.safm.co.za/portal/site/sabc/menuitem.966e02b492267f9c7b62eb68a24daeb9/# (accessed 4 February 2011).

57. *SABC 2010 Annual Report*, p. 26, available at http://www.sabc.co.za/wps/wcm/connect/ea9fc38044a58ed09e40ff8d104761bd/AR2010Final.pdf?MOD=AJPERES&CACHEID=ea9fc38044a58ed09e40ff8d104761bd (accessed 6 February 2011) (herafter, *SABC 2010 Annual Report*).

hours per week in primetime. Reasonable provision is to be made for sign language. SABC public commercial radio stations (such as 5FM and Metro FM are required by ICASA to provide a minimum of 30 minutes of news a day, plus the same amount of information and current affairs programming). The stations licensed as public services (e.g. Phalaphala is licensed to broadcast predominantly in Tshivenda, and Ukhozi in isiZulu) generally have a quota of one hour a day plus another hour of information and current affairs.

SABC News is a content provider for all news and current affairs programs carried by SABC radio, television, and web services. This means that the institution commanding the largest audiences provides relatively homogeneous news across its different channels. SABC1 has the largest audience, and in 2010 was estimated to have over 23.6 million adult viewers. The channel broadcasts in a range of South African vernacular languages and focuses on local content. SABC2 also broadcasts in a range of languages,[58] while SABC3 mainly broadcasts in English. In 2010, it exceeded its target of 35 percent of local content during primetime by six points. The channel also exceeded its target of 8 percent for languages other than English.[59] SABC's 18 radio stations include 15 licensed as public broadcasting service (PBS) stations which cover the 11 official languages (plus two extra), and three stations as "public commercial services" (PCS) stations. In 2008, SABC stations accounted for about 41.6 percent of the total radio audience in the country.[60] Significantly, it was only as a result of a requirement in 2006 licensing conditions that SABC began broadcasting 36 additional radio current affairs programs.[61] SABC radio stations' provision of news is complemented by public service requirements placed on other categories of radio licensees which are also required to offer news and current affairs services, namely commercial radio and community radio stations. In addition to news, all radio stations also have local content obligations, especially in regard to music. In 2010, they collectively exceeded the 40 percent of local music content required by ICASA, achieving an estimated 62 percent.[62]

58.   *SABC 2010 Annual Report 2010*, p. 27.

59.   *SABC 2010 Annual Report 2010*, p. 29.

60.   MDDA, *Trends,* p. 9.

61.   P. Govenden, *"Toothless Regulator? A Critical Analysis of ICASA's Regulation of the SABC so That It Functions as a Public Service Broadcaster,"* unpublished MA thesis, 2009, University of the Witwatersrand, Johannesburg (hereafter, P. Govenden, "*Toothless Regulator?*").

62.   See "Community Radio in South Africa," SouthAfrica.info, available at http://www.southafrica.info/about/media/community-radio.htm (accessed 6 February 2011).

Table 13.

Output of news and current affairs on major television and radio stations in South Africa, 2011

	News & current affairs programming (in broadcast minutes per week)		Total programming (minutes a week)
	News	Current affairs	
SABC1			
Total	540	330	10,080
Percentage of news & current affairs of total programming	5.0	3.0	100.0
SABC2			
Total	1,255	1,190	10,080
Percentage of news & current affairs of total programming	12.5	12.0	100.0
SABC3			
Total	420	60	10,080
Percentage of news & current affairs of total programming	4.0	1.0	100.0
e.tv			
Total	1,625	60	10,080
Percentage of news & current affairs of total programming	16.0	4.0	100.0
Ukhozi FM			
Total	300	185	10,080
Percentage of news & current affairs of total programming	3.0	2.0	100.0
SAfm			
Total	1,800	900	10,080
Percentage of news & current affairs of total programming	18.0	9.0	100.0
Umhlobo Wenene FM			
Total	530	420	10,080
Percentage of news & current affairs of total programming	5.0	4.0	100.0

Sources: SABC, see http://www.sabc.co.za/wps/portal/SABC/tvguide; e.tv, see http://www.etv.co.za/tvguide/weekly; Ukhozi FM, see http://www.ukhozifm.co.za/portal/site/ukhozifm; SAfm, see http://www.safm.co.za/portal/site/safm/menuitem.b9be 2252b265b63c6b0eb550a24daeb9; and Umhlobo Wenene FM, see http://www.umhlobowenenefm.co.za/portal/site/ umhlobowenenefm/menuitem.3cbb54543d8abf841f6f5763a24daeb9/# (all accessed 25 February 2011).

What these figures reveal is that private commercial television station e.tv has the highest proportion of news to other programming of all the television stations combined. Within the public broadcasters' stations, public service channel SABC1 has barely more news than the public commercial service SABC3. SABC2 leads all television stations with the percentage of programming dedicated to current affairs, although this is because its late-night menu at the time of analysis included substantial replay of SABC International. This news service was closed down in 2011, but it was a satellite channel otherwise available only on the little-known Vivid platform (operated by Sentech, the largest South African signal distributor for broadcasting, and state-owned). In radio, the two biggest stations have tiny proportions of news, whereas SAfm (in English

only)—which brands itself as "South Africa's news and information leader"—dedicates 18 percent of its total programming to news.

2.1.2   Digitization and Services

Digitization has impacted on public service media in three ways: presenting them with an online platform, offering digital broadcasting possibilities, and providing opportunities to engage audiences with mobile phones.

South African television and radio stations have been using online media such as their own websites to communicate and advertise themselves to audiences.[63] Some of the country's radio stations are also streamed via the internet.[64] SABC operates an aggregated news website (Sabcnews.co.za) which features mainly textual news. However, there are also video download options for recent television news bulletins (although in 2010 this included only the English language bulletins from SABC3). A selection of the most recent English and Afrikaans audio news bulletins is also available for download on the site.

In addition, the broadcaster runs a customized mobile site (Sabcnews.mobi/, also at Sabcmobile.co.za/) and the public can also follow textual content from the broadcaster on Twitter and Facebook. SABC further provides a pay-as-you listen mobile audio news service called Newsbreak, with a choice between several languages. Finally, the broadcaster has been running a dedicated Kids News slot, covering five languages.[65] All in all, in 2010, SABC had up to 40 content sites and intended to integrate and rationalize them. By June 2011, however, none of them had registered in the list of top 20 most visited websites in South Africa.[66]

By 2010, all broadcasters were supplementing call-ins (exploiting the spread of mobile phones amongst their audiences) with mobile text messaging (SMS). This additional technology enabled them to receive and report or display audience comments, thereby allowing a limited form of public engagement (although, even at public service broadcaster SABC, this was at a price rather than through toll-free numbers). An interactive marketing campaign on SABC3 in 2007 claimed to generate six million text messages.[67] One survey has found that 17 percent of radio listeners said they had visited the website of a station.[68] SABC may develop a version of an iPlayer and stream its radio and television services in 2012.[69]

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63. Examples of South African television channel URLs are: SABC1: http://www.sabc1.co.za/; SABC2: http://www.sabc2.co.za/; SABC3: http://www.sabc3.co.za/; e.tv: http://www.etv.co.za/; and M-Net: http://beta.M-Net.co.za/.

64. Some examples include: Thobela FM: http://www.thobelafm.co.za/; Umhlobo Wenene FM: http://www.umhlobowenenefm.co.za/; SAfm: http://www.safm.co.za/; Good Hope FM: http://www.goodhopefm.co.za/; and 5 FM: http://www.5fm.co.za/. See also data from the Media Development and Diversity Agency at MDDA, *Trends*.

65. Open Society Foundation (OSF), *Meeting Their Mandates? A Critical Analysis of South African Media Statutory Bodies*. Media Programme of the Open Society Foundation for South Africa. Newlands, 2007, p. 104 (hereafter, OSF, *Meeting Their Mandates?*).

66. G. Berger (ed.), *Beyond Broadcasting. The Future of State-owned Broadcasters in Southern Africa*, Highway Africa, Grahamstown, February 2010, available at http://nml.ru.ac.za/blog/guy-berger/2009/09/02/beyond-broadcasting-future-state-owned-broadcasters-southern-africa.html (accessed 3 April 2011) (hereafter, G. Berger, *Beyond Broadcasting*).

67. See "SABC3 Interactive Loyalty Programme," Starfish Mobile, 2007, available at http://www.starfishmobile.com/cPage.aspx?spec=4&group=GroupCaseStudies&id=13 (accessed 7 March 2012).

68. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 78.

69. Information from SABC's Chief Technology Officer, Richard Waghorn, 2 February 2011.

In terms of the Government's policy on broadcasting digital migration (2008),[70] as elaborated by the regulator ICASA,[71] the public broadcaster was originally expected to create three public regional television channels (on its own or in partnership). It was envisaged that these channels would also provide access for community television services. In addition, the policy specified that SABC should provide new channels prioritizing education, health, youth, small business development, and interactive services, as well as parliamentary and government information and services needs. ICASA proposed in July 2009 that SABC should be required to maintain a ratio of 3:1 public service to commercial DTT channels on the multiplex in order that the dominant share of its allocation is used for public service.

In 2009–2010, SABC experimented with additional specialist television channels on its trial DVB–T broadcasts. These included news, sports, and children's channels,[72] but not the public regional or parliamentary channels. In January 2011, the broadcaster announced that it would eventually offer data services and high-definition (HD) channels in its eventual digital line-up. It further said it would launch a new 24-hour news channel based on the service of the scaled-down SABC International channel. In August 2011, it was reported that SABC planned 18 channels after digital switch-over (planned for December 2013).[73] According to the then-Chief Technology Officer at SABC, the broadcaster's new channels would include a Regional North channel in some African languages, and a Regional South in others, as well as an interactive channel for e-government services.[74] By February 2012, these proposals were jeopardized by budgetary constraints.[75] Rival private television station e.tv began offering a 24-hour news channel in 2009, and this is available on both the DStv and Top TV satellite subscription bouquets. The station is likely to promote this channel (or a version thereof) in its forthcoming DTT line-up. As of February 2012, DTT channels had not yet been licensed by ICASA.

70. DoC, *Broadcasting Digital Migration Policy for South Africa*, Government Gazette, Vol. 958, No. 31408, 8 September 2008, available at http://www.info.gov.za/view/DownloadFileAction?id=88342 (hereafter, DoC, *Broadcasting Digital Migration Policy*).

71. ICASA, *General Notice—Reasons Document on Digital Migration*, Government Gazette, Vol. 536, No. 32957, 15 February 2010 (hereafter, ICASA, *General Notice*).

72. There were reportedly six additional SABC channels (SABC Movies, SABC Sport, SABC NI (News International), SABC Knowledge, SABC Tots, and SABC Junior). See R. Muller, "SA's Digital TV Live Test Channels Revealed," MyBroadband, 25 February 2010, available at http://mybroadband.co.za/news/Telecoms/11592.html (accessed 3 April 2011).

73. R. Hawkes, "SABC to Launch 18 Television Channels After Digital Switchover," RapidTVNews, 27 September 2011, available at http://www.rapidtvnews.com/index.php/2011092715554/sabc-to-launch-18-tv-channels-after-digital-switchover.html (accessed 3 March 2012).

74. R. Waghorn, "Delivering a Successful Migration to Digital TV," presentation to SOS / Institute for Advancement of Journalism / FXI and Media Monitoring Africa event "Survival Tactics for Broadcasting in the Digital Age," 6 October 2011, available at http://www.mediamonitoringafrica.org/images/uploads/SOS_Presentation_on_DTT.pdf (accessed 21 March 2012).

75. Report by the Monitoring Task Team on the Government Guarantee and Conditions applicable to the South African Broadcasting Corporation, 28 February 2012, available at http://www.pmg.org.za/report/20120228-report-back-monitoring-task-team-department-communications-south-afri (accessed 2 March 2012).

2.1.3 Government Support

Government policy on digital migration (2008) set the framework for ICASA's final regulations (2010). This emphasized that universal service should be sought and must-carry obligations should continue (see section *2.1.4*).[76] In terms of financial support, the Government has subsidized SABC through a grant of ZAR (South African Rand) 900 million (US$129 million)[77] between 2004 and 2010,[78] so that the broadcaster could digitize its equipment ahead of the 2010 FIFA World Cup hosted in the country (which was done). This went hand-in-hand with the corporation also being an official partner in the event (which in turn meant that the broadcaster did not play an independent or critical role in relation to the event). SABC has said it needs another ZAR 600 million (US$86 million) for technology and digitization of archives before 2015.[79] In February 2012, SABC projected a cash flow shortfall in 2011–2012 of ZAR 836 million (almost US$120 million) if it continued to invest in the DTT programming.[80]

The Government has also committed to cover the extra costs of dual analog–digital transmission by all television licensees over the transition period, which is supposed to be effected via grants to Sentech. In the 2011 national budget,[81] Sentech was allocated ZAR 622 million (US$89 million) over three years for infrastructure to distribute the digital signals, and ZAR 120 million (US$17 million) (on top of the ZAR 110 million—US$16 million—for 2010) to help subsidize simulcasting. This subsidy could complicate alternative options such as the privately owned Orbicom, which arranged the DVB–T2 trials for e.tv and M-Net during 2010, and it risks fostering broadcaster dependency on a single state-owned provider.[82] The Universal Service and Access Agency of South Africa received ZAR 220 million (US$31 million) for subsidizing set-top boxes (STBs), in addition to the ZAR 180 million (US$26 million) it received in 2010–2011.

Notwithstanding the initial transmission subsidy, broadcasters have to bear the cost of developing new channels, including content acquisition and generation, and they also have to deal with the potential problem of fragmentation of advertising across the two simultaneous services, and the increased number of channels thereafter. These could prove to be insurmountable hurdles for SABC, which came close to bankruptcy in 2010 and has incurred a huge debt that it has to pay off (see section *6.2.1*).[83]

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76. ICASA, *General Notice*.

77. Exchange rate calculated at ZAR 7 to US$1 in this report.

78. C. Benjamin, "SABC Needs R600m for Digital TV," *Business Day*, 6 October 2010, available at http://www.businessday.co.za/articles/Content.aspx?id=122877 (accessed 21 March 2012) (hereafter, C. Benjamin, "SABC needs R600m for digital TV").

79. C. Benjamin, "SABC Needs R600m for Digital TV."

80. Report by the Monitoring Task Team on the Government Guarantee and Conditions applicable to the South African Broadcasting Corporation, 28 February 2012.

81. C. Jones, "Budget 2011: More Money for Digital TV," TechCentral, available at http://www.techcentral.co.za/budget-2011-more-money-for-digital-tv/21340/?utm_source=feedburner&utm_medium=email&utm_campaign=Feed%3A+co%2FUqJF+%28TechCentral%29 (accessed 3 April 2011).

82. This is notwithstanding that government policy is that Sentech should provide digital signal distribution to both SABC and private television licensees on a non-preferential and non-discriminatory basis. See ICASA, *General Notice*.

83. Open Society Initiative for Southern Africa (OSISA), *On Air: South Africa. A survey*, AfriMAP/Open Society Initiative for Southern Africa, Johannesburg, 2010, p. 149 (hereafter, OSISA, *On Air*).

In 2010, the Government produced a draft strategy document on local and digital content development,[84] repeating the 2008 digital migration policy proposal to establish content generation hubs. The draft strategy also announced the setting up of a Broadcast Production Advisory Body as originally proposed in the 1999 Broadcasting Act, for which terms of reference were set out in February 2010 and nominations were called for. By February 2011, these initiatives had not yet been finalized. However, a strategic plan published by the Department of Communications (DoC) nevertheless envisaged a 5 percent increase in digital content output in 2010–2011, and 10 percent per annum in the following two years.[85] A possible concern about the draft strategy document, in regard to political independence, is a proposal to set up a Content Regulatory Coordination Board, chaired by ICASA but including government representatives as well as the cyber inspectorate.[86]

2.1.4 Public Service Media and Digital Switch-over

The Government's vision is that DTT will mean that people receive more and better quality services.[87] However, the potential for digitizing terrestrial platforms to help public service media to increase their reach and influence, and to engage with their audience, is dependent on the timeframes and the character of the transition. Migration from analog television reception is supposed to be concluded by the end of 2013. Amongst the hurdles that have to be overcome are licensing, full roll-out of signal distribution, and STB provision. Licensing had not commenced by February 2012, and it was unclear how ICASA intended to evaluate applications (see section *7.1.1.3*).

Signal distribution has been another hurdle to introducing DTT. In 2006, it was reported that 20 percent of South Africans had no access to television.[88] By 2011, many South Africans still did not even have access to analog television signal distribution,[89] or had access to only two of three SABC television services. The SABC's 2010 Annual Report says there were approximately 3.6 million people in South Africa who did not have access to any SABC television channels and about five million people who did not have access to any SABC FM radio stations. SABC has assured that the digital television signal will give any person receiving it complete access to all three channels.[90] Sentech is required, in terms of a government policy amendment in 2012, to cover 95 percent of the population with digital signals by the end of 2013.

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84.   DoC, *Local and Digital Content Development Strategy for South Africa*, Government Gazette, Vol. 531, No. 32553, 4 September 2009.

85.   DoC, *2010–2013 Strategic Plan. Making South Africa a Global Leader in the Development and Use of ICTs for Socio-economic Development*, available at http://www.info.gov.za/view/DownloadFileAction?id=144185 (hereafter, DoC, *Strategic Plan*). (It is unclear how this output would be measured.)

86.   "Cyber inspectors" are authorized to investigate alleged cyber crime.

87.   *SABC 2010 Annual Report.*

88.   OSF, *Meeting Their Mandates?,* p. 103.

89.   An estimated 7.5 percent of the total population do not have access to any terrestrial television service, which translates as 3.6 million people. Email from Lynn Mansfield, SABC3, February 2011.

90.   Chief Technology Officer, Richard Waghorn, speaking at the Digital Broadcasting Switch-over Conference, Southern Sun Hotel, Johannesburg, 2 February 2011.

Against the background of these challenges amongst others, in August 2010, ICASA issued a discussion document[91] regarding service and access obligations for both broadcast and telecoms licensees, building on gazetted definitions of these terms in February of the same year.[92] The ICASA document defined universal access for broadcasting as at least one community radio broadcasting service in the most relevant languages for each community; each municipal district having access to all public broadcasting; and each province having at least one community radio station. The target for service included sign language and local content that should be 10 percent above the prescribed minimum licensing requirements. These requirements applied to analog broadcasting, and it is unclear, although possible, that they will be carried through into regulation of digital broadcast. As regards must-carry and must-allow regulations, at present pay-TV stations in South Africa that deliver more than 29 channels are required to carry SABC's two licensed public service channels. In practice, both DStv and Top TV carry all three SABC channels. Although government policy (2008) and ICASA regulations say must-carry should continue into digital migration,[93] it is unclear whether the envisaged additional SABC public channels will need to be carried over by the satellite broadcasters.

Digitization of terrestrial platforms could impact on media engagement with audiences depending in part on the standards and functionalities of the STBs. Government policy is that the boxes should have return-path capability (i.e. interactive communication) to enable e-governance,[94] although the basic model previewed in 2010 lacked this technical capability. In addition, the policy is that the boxes should have an interoperable control system.[95] The DoC originally planned for 500,000 boxes to be made and distributed in 2010–2011; 2.5 million the following year; and five million during 2012–2013.[96] However, by February 2012, revised minimum specifications for the devices had not yet been published by the South African Bureau of Standards, meaning that substantial delays in manufacture and distribution could be expected.

Overall, the digitizing of terrestrial platforms will take time before it enables any increased reach or engagement between public service broadcasting and the public.

91. ICASA, *Discussion Document: Universal Service and Access Obligations Review*, Government Gazette, Vol. 542, No. 33467, 17 August 2010.

92. In February 2010, the Government issued a determination that set universal access for data services as being at least one public broadband internet access point per 10,000 inhabitants of a geographically based community and within a two-kilometer range per person. "Household use" of the internet was defined at a service target of at least 500Mb a month. These provisions seemed blind to mobile internet access, while at the same time ignoring how a STB could provide broadband download access within DTT-receiving households. See DoC, *Department of Communications determination issued under the Electronic Communications Act, 2005 (Act No. 36 of 2005) with regard to Universal Access to and the Universal Provision of Electronic Communications Services and Electronic Communications Network Services*, Government Gazette, No. 32939, 8 February 2010.

93. ICASA, *General Notice*.

94. DoC, "Cabinet Approved Digital Migration Policy," news release, Pretoria, 7 August 2008, available at http://www.doc.gov.za/index.php?option=com_content&view=article&id=276%3Acabinet-approved-digital-migration-policy&catid=88%3Apress-releases&limitstart=1 (accessed 3 April 2011).

95. Electronic Communications Act (36/2005): Amendment of Broadcasting Digital Migration Policy, Government Gazette, No. 31408, notice 97, September 2008, available at http://www.polity.org.za/article/electronic-communications-act-362005-amendment-of-broadcasting-digital-migration-policy-issued-under-government-gazette-no-31408-on-8-september-2008-gazette-no-35014-notice-97-2012-02-07 (accessed 21 March 2012) (hereafter, Amendment of Broadcasting Digital Migration Policy).

96. DoC, *Strategic Plan.*

2.2 Public Service Provision

2.2.1 Perception of Public Service Media

There is a strong perception by media activists (e.g. the Support for Public Broadcasting Campaign at Supportpublicbroadcasting.co.za) that SABC does not live up to its obligations to deliver more and better distinctive public service broadcasting content than do the private broadcasters.[97] The commercial dependency of SABC's business model entails revenues in the following order of contribution magnitude: advertising (and other commercial revenues), licenses, and government grants (see *6.2.1*). This revenue model entails SABC chasing audiences and advertising on an identical basis to commercial broadcasters, with negative impact on the broadcasters' services in minority languages and on programming that services the poorest of the poor. SABC's 2010 Annual Report stated that its platforms had "out-performed the ICASA mandate requirements except in one area; that of minority languages."[98] The broadcaster has said it plans to address this through the implementation of DTT, but details have not been forthcoming.

However, there is also a perception that SABC news differs from e.tv news and from community television news, in that it is seen to include more content about the Government, and that its journalists take a sympathetic stance toward the ruling party even though the service does regularly feature opposition party criticisms of the Government. In 2010, the new head of SABC news implemented an orientation called "Touching Lives," described as a "social reconstruction initiative" aligned to the Government's development objectives to mobilize public participation and partnership. This entails regular stories about individuals and communities in need and calls on the audience to offer assistance.

Meanwhile, public perceptions of the state-owned broadcaster vary. According to SABC's 2008 Annual Report, during 2007–2008 it had conducted a study to measure the public value of its services and products. According to this, over 90 percent of the respondents felt that SABC provided a large or moderate contribution to South African society. The overwhelming majority of respondents agreed with the importance of the public service objectives and felt that SABC was performing well. An NGO called Media Monitoring Africa found that most of SABC's coverage was fair and generally balanced, according to the corporation's 2010 Annual Report.

One study by the Human Sciences Research Council, published in 2010, found SABC to be the second most trusted institution in South Africa after the churches.[99] However, opposition parties, trades unions, and civil society groups often complain about pro-ANC bias—for example, reluctance in 2007 to broadcast a critical documentary on the then-president Thabo Mbeki. There are regular accusations of favoritism in regard to coverage of the ruling party's events, and blacklisting expert commentators perceived to be anti-government.[100] The Broadcasting Complaints Commission of South Africa in March 2011 found SABC to

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97. See also OSF, *Meeting Their Mandates?*

98. *SABC 2010 Annual Report.*

99. A. Ndlovu, "Blacks, Whites Worlds Apart," *Times LIVE*, 8 September 2010, available at http://www.timeslive.co.za/local/article647198.ece/Blacks-whites-worlds-apart (accessed 3 April 2011).

100. C. Abboo, *SABC's Faltering Independence. Public Service Broadcasting and the Public Mandate: A Critical Analysis of the SABC*, unpublished MA thesis, 2008, University of the Witwatersrand, Johannesburg.

have been "unprofessional and actually reckless," as well as duplicitous and deceptive in its critical coverage of a journalist investigating a particular pro-ANC businessman.[101] Public expectations are reflected in increasing percentages (up from 73 percent in 2006 to 81 percent in 2010) of South Africans who believe "it is important to have independent television stations, radio stations, and newspapers so we get unbiased news."[102]

2.2.2 Public Service Provision in Commercial Media

As noted above, all broadcasters have public service obligations as per their licenses, in different degrees depending on the sector into which they fall (public, private-commercial, or private-community).[103] The Preamble to the 1999 Broadcasting Act says that broadcasting as a whole should provide a "public service necessary for the maintenance of a South African identity, universal access, equality, unity, and diversity." The system had to "reflect the multilingual and diverse nature of South Africa by promoting the entire spectrum of cultural backgrounds, religious backgrounds, and official languages." However, the law limited the notion of a Public Broadcasting Service to SABC.

An amended view of public service broadcasting in relation to SABC was developed in 2009 in a draft Public Service Broadcasting Bill[104] and then withdrawn in 2010. The bill noted that public service broadcasting was not the sole responsibility of public broadcasting services. It proposed a Public Service Broadcasting Fund that would give support across diverse broadcasters to public service broadcasting defined as "broadcasting in pursuance of national goals relating to democracy, culture, and development." A number of NGOs expressed concern that the bill referred to "developmental goals" in an echo of governmental rhetoric and envisaged increased powers for the communications minister in regard to SABC.

For ICASA, public service content in South African broadcast regulation generally includes requirements to carry programming that serves diverse language groups, that carries children's and drama programming, and proportions of news and current affairs.

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101. "BCCSA lashes SABC in Sterenborg Complaint," Journalism.co.za, 4 March 2011, available at http://journalism.co.za/index.php?option=com_content&Itemid=100009&catid=151&id=3930&view=article (accessed 21 March 2012).

102. SAPA, "SA Wants Fair, Independent Media," *Times LIVE*, 18 January 2011, available at http://www.timeslive.co.za/local/article857898.ece/SA-wants-fair-independent-media (accessed 6 February 2011).

103. ICASA, *South African Television Content Regulations, General Notice 154*, Government Gazette, No. 28454, 31 January 2006.

104. DoC, *Public Service Broadcasting Bill*, Government Gazette, Vol. 532, No. 32663, 28 October 2009.

105. Information supplied by Franz Krüger via email on 6 February 2012 shows the following variations:
   • Alex FM: Six bulletins per day, of which 50 percent should be local, 30 percent national, and 20 percent international. News in English, Tswana, sePedi, Zulu, and Xitsonga. No minutes specified.
   • Jozi: 48 minutes of news per day, consisting of 12 hourly news bulletins of four minutes each.
   • Tuks FM: 60 minutes of news per day, including "news from the community produced by the station on issues affecting the community."
   • Thetha FM: 80 minutes of news per day, of which 40 minutes local, 25 minutes national, and 15 minutes international.
   • UJFM: 86 minutes of news per day, including 36 minutes of community news, 30 minutes of national, and 20 minutes of international.
   • UCT Radio: No news requirement in license.
   • TUT Top Stereo: 20 minutes of news per day and 10 minutes on weekends; 50 percent community, 30 percent national, and 20 percent international news.
   • Rainbow Christian: 102 minutes per day, including 60 minutes local, 30 minutes national, and 12 minutes international.
   • Voice of Tembisa: 20 minutes of news per day. At least one bulletin each day in Zulu/Xhosa; Xitsonga/Tshivenda; sePedi/seSotho and English.

License requirements to carry news vary substantially, even within a sector. For example, in the community radio sector, diverse requirements have been laid down—usually based on minutes of news per day, ranging from 20 to 102.[105] In practice, the actual provision of news is very poor.[106]

In private television, e.tv's license requires it to deliver two hours of news per day, including half an hour in primetime, as well as 14 hours of information programming per week including two hours in primetime. It is also required to deliver two hours per week of news and information programming in languages other than English (with preference for African languages).[107]

Local content is also an obligation—for example, ICASA regulations formulated in 2003 set a minimum of 40 percent for both public service and community stations' radio music offerings, and 25 percent for commercial radio stations. Television obligations were set out in 2006, as displayed in the table below:

Table 14.
Television local content proportions, as part of public service obligations in South Africa

	Public	Community	Commercial	Terrestrial cable or subscription	Satellite subscription
Overall quota	55%	55%	35%	10%	10% of channel acquisition to be spent on SA channels
Drama	55%	n/s	20%	2%	None
Children's programs	55%	n/s	25%	None	None
Documentary	50%	n/s	30%	None	None
Knowledge building	50%	n/s	30%	None	None
Current affairs	80%	n/s	50%	None	None
Education	60%	n/s	n/s	None	None

Note: n/s: not specified

Source: ICASA, *South African Television Content Regulations*, Government Gazette, No. 28454, 31 January 2006.

ICASA has acknowledged that there is some uncertainty over language and local content obligations in a multi-channel environment, particularly as regards whether subscription stations are required to meet the obligations on dedicated channels or across the bouquet as a whole.[108] The Government's 2008 digital migration policy said that ICASA should review these requirements, and the regulator has advised that while this happens the obligations will continue to apply at least to the current analog channels which would be duplicated on digital during the transitional period. The minimum quotas would also apply to each channel being broadcast by a commercial free-to-air broadcaster—although exemptions could be made in cases of new dedicated sports, educational, or children's programming by SABC or e.tv.

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106. F. Krüger, "News Broadcasting on South African Community Radio: In Search of New Public Spheres," *Ecquid Novi: African Journalism Studies*, 32:3, 61–79, 2011.

107. See http://guyberger.ru.ac.za/Teaching/Policy/sabc1/ETV.pdf (accessed 3 March 2012).

108. ICASA, *General Notice*.

According to ICASA's 2010 final regulations for digital broadcasting, applications for "digital incentive channels" by private broadcasters—whether for free-to-air or subscription services—would need to contribute a market impact analysis that included implications for the diversity of programming, language features, and local content features of programming. The regulatory framework clearly does not specifically require news and current affairs programming for all the new envisaged channels. There has been no obligation for satellite broadcaster DStv to specifically carry news and current affairs, and licenses for mobile digital broadcasting issued to e.tv and to DStv in 2010 also did not require this genre of programming.

In November 2008, ICASA issued a discussion document on the commissioning of independently produced South African programming.[109] This noted that digitization would increase demand for such content, and that the authority had the power to issue regulations on content procurement to help achieve this end, including strengthening the bargaining power of producers in relation to broadcasters. Following a Position Paper and draft regulations in 2009,[110] ICASA noted that independent producers favored regulation, while broadcasters preferred self-regulation or light touch regulation. ICASA recommended that it develop minimum commissioning protocols in the interests of promoting "fair, transparent, and non-discriminatory" procurement, and that broadcasters would have to submit their own systems for approval in terms of this standard. [111]

2.3   Assessments

By June 2011, there were no gains or losses that could be specifically attributed to DTT migration, due to the slow evolution of the process. The rise of new media, however, has led to television services providing audience engagement through SMS and, to a lesser extent, through email, Twitter, and Facebook. Some broadcasters, including SABC, have also utilized these platforms for further dissemination of their content, although unevenly.

It appears, overall, that public service provisions (especially regarding news provision) will be less significant in regard to the new digital channels once they are licensed. However, if indeed a fund for public broadcasting is ultimately set up in line with that proposed by the (withdrawn) Public Service Broadcasting bill, then this scenario could create competition and serve as an incentive for broadcasters to rise above minimum obligations and possibly increase investment in their news offerings.

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109. ICASA, *Discussion Document on the Commissioning of Independently produced South Africa Programming*, Government Gazette, Vol. 521, No. 31580, 7 November 2008.

110. ICASA, *Electronic Communications Act (36/2005): Position Paper and Notice of Intention to Prescribe Regulations Regarding the Commissioning of Independently Produced South African Programming*, Government Gazette, Vol. 528, No. 32338, 19 June 2009.

111. *Findings Document on the Commissioning of Independently Produced South African Programming in terms of the Act*, Government Gazette, Vol. 534, No. 32762, 1 December 2009.

3. Digital Media and Society

3.1   User-Generated Content (UGC)

3.1.1   UGC Overview

The top 10 most visited websites in South Africa in 2010 differ according to whether the focus is on local sites only, or all sites. One survey by Nielsenonline.net listed the top 10 local websites in South Africa as News24, MSN, SuperSport, IOL, Sport24, Football365, Times Live, Hotmail, MWEB, and MyBroadband.[112] These sites are registered by the country's Online Publishers Association (OPA). Of these top 10 sites, only three are news and information websites (News24, IOL, and Times Live). All 10 sites, however, have some elements of UGC.

In another analysis done by Alexa.com,[113] the top 10 most visited sites in South Africa in the year 2010 were Google.co.za, Facebook, Google.com, YouTube, Yahoo!, Wikipedia, Twitter, Blogger, Gumtree.co.za, and News24 (the only dedicated news site). Google.co.za, Gumtree.co.za, and News24 are targeted to South African users. From this Alexa.com list, those that qualify as UGC websites are Blogger, YouTube, and aspects of News24. The latter site (offered in both English and Afrikaans versions) featured a section called "My News24. Get Published," which offers numerous text-based citizen journalism articles, often opinionated, with between 10 and 200 comments. There was also a parallel section called "Blogs" which represents direct opinions on current affairs.

South Africa-based Kagiso Media acquired the franchise for the MSN site in 2010, which ranks amongst the top 20 sites visited. There are other websites which do not appear under South Africa's top websites such as *Mail & Guardian*'s Thought Leader, Zoopy, and MyVideo, which can all be taken to qualify as UGC websites. In 2011, however, Zoopy announced that it would no longer host UGC, which it said was far less watched than professional video content on its site.[114] (The extent to which Zoopy also counts as a social network is discussed in the next section.) SABC has a section of its SABCnews.com site devoted to UGC

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112. See R. Muller, "South Africa's Top Local Websites," MyBroadband, 5 July 2010, available at http://mybroadband.co.za/news/internet/13493-South-Africas-top-local-websites.html (accessed 3 April 2011).

113. See "Top Sites in South Africa," Alexa, available at http://www.alexa.com/topsites/countries/ZA (accessed 13 January 2011).

114. F. Parker, "Zoopy Reformed," *Mail & Guardian Online*, 8 February 2011, available at http://web1.mg.co.za/article/2011-02-08-zoopy-reformed/ (accessed 3 April 2011).

photos and videos; however, the contents here were very dated at the time that this research was conducted, suggesting that it is not well utilized.[115]

Assessing all these sites, the most popular types of UGC in South Africa appear to be textual comments and blog posts, plus video sharing.

3.1.2   Social Networks

Social networks here refer to UGC sites that specialize particularly in interpersonal content. According to Alexa. com, an MWEB-commissioned survey,[116] and O'Reilly Research,[117] the most dominant social networking site in South Africa is Facebook. In 2009, statistics showed that almost one million South Africans used this social network.[118] In 2011, Facebook users in South Africa rocketed to 3.4 million.[119] (This, however, is not the most visited website in the country; it is ranked second after Google.co.za, as shown in Alexa.com). According to Alexa's figures, there are five social networks in the top 20 sites, and three in the top 10: YouTube and Twitter, besides Facebook. In 2010, Twitter was said to be the seventh most visited website in South Africa, although only 26 percent of users posted content directly through the website (as distinct from them indirectly posting via "apps"). In the same year, Twitter was said to have 550,000 users, with monthly tweets averaging 1.5 million.[120] Twitter has been growing fast, however, with more than a million users reported in February 2011.[121] According to one study, in 2010, the top 20 Twitter users with the most followers were not engaged in news generation as much as providing personal observations and comments. This was aside from two accounts that dealt with FIFA World Cup developments, and the same topic featured three times in the top 20 hash tags.[122] In the list of the top 20 "tweeters," News24 was the only mainstream news source. LinkedIn and Flickr were also in the top 10, according to PricewaterhouseCoopers (PWC).[123]

According to Google Ad Planner[124] and an MWEB survey,[125] the most used social networks in South Africa, based on active users, are Facebook, YouTube, MXit, Twitter, MySpace, LinkedIn, Blueworld, Zoopy, and MyVideo. Only four of these are South African sites (Blueworld, MXit, Zoopy, and MyVideo). Zoopy had

115. See http://www.sabcnews.co.za/portal/site/SABCNews/Caught_On_Camera?forum=Caught_On_Camera (accessed 22 March 2012).

116. See MWEB, "Friendship 2.0," TNS Research Survey, 2009, available at http://www.mweb.co.za/services/friendship/downloads/Friendship%20 2.0%20presentation%20for%20Microsite.pdf (accessed 15 January 2011) (hereaftter, MWEB, "Friendship 2.0").

117. See B. Lorica, "Facebook Demographics: Trends," O'Reilly Research, 15 April 2009, available at http://www.slideshare.net/oreillymedia/face-book-demo-20090415 (accessed 15 January 2011).

118. See X. Lur, "1 Million People in South Africa Use Facebook Daily," TechXav, 23 February 2009, available at http://www.techxav. com/2009/02/23/1-million-people-in-south-africa-use-facebook-daily/ (accessed 13 January 2011)

119. See "Facebook Marketing Statistics, Demographics, Reports, and News," available at http://www.checkfacebook.com/ (accessed 21 January 2011).

120. See "SA Twitter Report 2010: Analysis and Demographics Of South African Twitter Usage," Fuseware, available at http://www.fuseware.net/ wp-content/uploads/2010/04/SA-Twitter-Report-2010.pdf (accessed 15 January 2011) (hereafter, SA Twitter Report 2010).

121. See C. Benjamin, "Twitter in SA 'Much Bigger than Thought'," *BusinessDay*, 3 February 2011, available at http://www.businessday.co.za/arti-cles/Content.aspx?id=133207 (accessed 3 April 2011) (hereafter, C. Benjamin, "Twitter in SA 'Much Bigger than Thought'").

122. See SA Twitter Report 2010.

123. PWC, *South African Entertainment and Media Outlook: 2010–2014*, pp. 30, 32.

124. See https://www.google.com/adplanner/?pli=1#audienceSearch (accessed 21 January 2011).

125. See MWEB, "Friendship 2.0."

an overall population of 93,636 in 2011 based on daily visitors, of whom South African users constitute 41 percent.[126] MyVideo users were 10,231 overall and South African users were 38 percent of this figure.[127] Less than 5 percent of South African internet users watch videos via the internet, which is also probably a function of bandwidth constraints and costs.[128]

The most popular form of digital social networking, however, has not been conducted via a website. It is a downloaded mobile phone application called MXit. The total South African MXit subscribers in 2010 were 20,416,853,[129] although active users were 10 million.[130] MXit was said in February 2011 to be used by 24 percent of mobile phone users aged 16 and above, but with Facebook catching up fast and surpassing MXit in the urban market.[131]

3.1.3   News in Social Media

Social networks such as MXit, Facebook, and Twitter carry some news, such as a channel provided by News24 on MXit. UGC that counts as news on these platforms is not extensive, however. In the blogosphere, the top South African blog according to the number of blog posts and readership is a sports blog.[132] Blogs that are news-related are not as popular as those about personal content or night life, which have been on the rise.[133] Social media do, however, help fulfill a current affairs function through reader comment and debate. An unpublished study of moderated user comments during 2008 on the blogs-by-invitation platform Thoughtleader.co.za showed substantive deliberative engagement by readers on the matter of xenophobic violence, although with cases of hate speech evading the attention of moderators.[134] A study of citizen journalism about transportation issues ahead of the 2010 FIFA World Cup found that positive solutions were proposed by the contributors.[135]

It is important to note that news consumption and production, according to PWC, is not the major component of internet use in South Africa. According to their survey (sample size not revealed), out of the minority of adult South Africans who can get some internet access, only 40 percent go online daily and they primarily use the opportunity for email.[136] Utilizing internet for finding general information is the second

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126. See "Zoopy.com Visualized," Sharenator, available at http://www.sharenator.com/w/zoopy.com (accessed 22 January 2011).

127. See "MyVideo.co.za Visualized," Sharenator, available at http://www.sharenator.com/w/myvideo.co.za (accessed 22 January 2011).

128. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 34.

129. The Naspers 2010 *Annual Report* gives a figure of 17 million (the company owns 30 percent of MXit).

130. *Mxit Demographic breakdown*, October 2010; see also "Mxit Opens Wallet to Customers," TechCentral, 11 February 2011, available at http://www.techcentral.co.za/mxit-opens-wallet-to-customers/21024/?utm_source=feedburner&utm_medium=email&utm_campaign=Feed%3A+co%2FUqJF+%28TechCentral%29 (accessed 3 April 2011).

131. C. Benjamin, "Twitter in SA 'Much Bigger than Thought'"; A. Goldstuck, "SA Cellphone Users Embrace Internet."

132. See http://www.rugbydump.com/ (accessed 21 January 2011).

133. See http://amatomu.com/ (accessed 13 January 2011).

134. L. Mwilu, *Framing the Foreigner: A Close Reading of Readers' Comments on Thought Leader Blogs on Xenophobia Published between May and June, 2008*, unpublished MA thesis, Rhodes University, 2010.

135. M. Pritchard and C. du Plessis, "An Exploratory Analysis of Citizen Journalists as Editorial Gatewatchers: A Case Study of the Gautrain Blog Posts vis-à-vis Completion for the FIFA 2010 Soccer World Cup," *Communicare*, Vol. 29, No. 2, 2010, pp. 48–68.

136. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 34.

highest usage after email, which is also reflected in the relatively high rankings of Google and Wikipedia among the most visited sites.[137]

Internet users also take part in social networking and interaction, but much of this is about interpersonal matters and has little effective intersection with user-generated public interest news or with activist causes. This may partly reflect the fact that almost 50 percent of users cite the workplace as one of their places of usage.[138] Such environments are not always conducive to UGC or activism. Another issue is concern about privacy expressed by 76 percent of users in the PWC survey cited above.[139] A different survey by AMPS (in June 2010) shows that 12.9 percent of South Africans use the internet to obtain information, 9.3 percent for email, and only 6.3 percent to engage in online social networking.[140] These figures reinforce the view that going online to read or contribute news is not a primary goal for South Africans with internet access. Another reason why such activities may be low on the list of priorities is that some of the internet access that is available is on pre-paid mobile phone contracts. The AMPS survey cited above revealed that while 73.8 percent of adults in June 2010 said that they had mobile phone access, the majority of users (65.3 percent of adult South Africans) are on prepaid rather than monthly contracts, which is likely to inhibit usage beyond interpersonal communication.

Nevertheless, phones are being used for more than just telephony. In urban areas, three quarters of users are reported to be using their mobile phone cameras.[141] A year earlier, the figures were much lower. AMPS recorded 31.7 percent of South Africans overall taking photos with their cameras in June 2010. The same AMPS study found 18.9 percent of South Africans taking video recordings; 17.1 percent using Multimedia Message Service (MMS); 55 percent using SMS; and 9.5 percent browsing the web.[142]

3.2   Digital Activism

3.2.1   Digital Platforms and Civil Society Activism

In South Africa, SMS is relatively expensive and not widely used for mass communication by civil society organizations. Activist groups are beginning to exploit other digital platforms, but with limited penetration. This is revealed by three case studies of social initiatives—the Right to Know Campaign, the Alternative Information Development Centre, and the Treatment Action Campaign. Political parties are also using digital communications, although again to limited effect.

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137. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 29.

138. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 34.

139. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 35.

140. *SAARF AMPS July 2009–June 2010* (prepared by Nielsen).

141. A. Goldstuck, "SA Cellphone Users Embrace Internet."

142. *SAARF AMPS July 2009–June 2010* (prepared by Nielsen).

Right to Know Campaign (R2K)[143] (R2k.org.za/)

R2K is a relatively new campaign, started in August 2010 out of concern over proposed legislation known as the Protection of Information Bill, later renamed the Protection of State Information Bill, and widely known as the Secrecy Bill. The campaign initially had the support of 200 organizations and 400 individuals. The numbers have grown to over 400 civil society organizations and 11,000 individual supporters. It has successfully organized mass marches in Johannesburg and Cape Town, and also staged protests within Parliament.

Email is the campaign's main form of communication and its website serves as coverage of the campaign. It is equipped with RSS feeds as well as links to Twitter and Facebook. An SMS facility is also available for those who wish to have this type of communication, provided that one signs up for the campaign. In January 2011, the initiative had 2,274 followers on Facebook and 106 followers on Twitter. On average, it had one or two comments per post on Facebook. The campaign was also trying to use MXit, a South African popular mobile networking platform, and it already has an active Google group with over 150 group members and growing. On average, there were three posts per day.

As the campaign is still young, its organizers see themselves as experimenting toward making their communications facilities more user friendly. It does not have capacity to provide training to assist its supporters in using digital communications. The key hurdle in exploiting digital communications is seen as the digital divide, which excludes the majority of South Africans from the internet. At the same time, digital media platforms are seen as being critical to the campaign. "Commercial media has a bias as it is about controlling the message as opposed to digital media which is free coverage and feedback is controlled by the public," according to Mark Weinberg, R2K's National Coordinator.

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143. Interview with Mark Weinberg, R2K's National Coordinator, 10 December 2010.

Alternative Information Development Centre (AIDC)[144] (Aidc.org.za/)

Formed in 1996 as a response to democratic transition in South Africa, this project has gradually evolved over the years. It aims to enhance the communication capacity of civil society. In the past, the campaign used mainly door-to-door and word-of-mouth, as well as offline media, as the basis of communication. The introduction of digital media has helped to reach more members and supporters who are also able to express their opinions on the internet.

By late 2010, AIDC had an online strategy based on three audiences: organizational, media activists, and social justice activists. There are three websites, namely Amandla (based on the organization's print magazine of the same title), Community Media, and AIDC itself. Each website has an RSS feed, a Google group, and a weekly email update for members and supporters. Social networks such as Facebook and Twitter are used to make provocative statements and to point people to the websites. These posts are updated about 1.5 times on average per day. Amandla has 259 Twitter followers and 1,740 followers on Facebook. "Communication Activist Training" is one of the projects that AIDC operates. It incorporates skills development in the use of digital media such as computers.

AIDC acknowledges that these digital platforms, while growing, still do not reach the majority of people. It is the case that those who have WAP-enabled mobiles are able to read websites online, but AIDC's sites are not customized for mobile reception, although there is an intention to develop versions that are optimized for receipt and reading on a mobile phone. Another issue is language. Although the Amandla magazine is translated into three different languages, AIDC's digital media is mainly in English. AIDC believes, however, that working-class people are not opposed to spending money on online social networks.

However, AIDC also identifies a weak reading culture as another hurdle, whether the information is in hardcopy, electronic, or in any language. According to Mr Weinberg, "AIDC is still working on breaking through into popular writing which is easier to understand."

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144. Interview with Mr Weinberg in his capacity as AIDC's Deputy Director, 10 December 2010.

Treatment Action Campaign (TAC)[145] **(Tac.org.za/community/)**

The Treatment Action Campaign began in 1998 as an activist platform for advocacy to ensure that all those living with HIV could have access to quality prevention and treatment services. It is widely known for its successful mass protests and defiance, and high media profile. Its target audience is the general public at large who are affected and infected by the virus. The campaign has over 16,000 members and 267 branches across South Africa. Amongst its achievements, it has successfully pressured the Government to implement countrywide mother-to-child HIV transmission prevention programs and universal anti-retroviral treatment programs.

TAC communicates by email and SMS, alongside securing mass media coverage. Although digital platforms have been playing a role in enhancing the role of activism in South Africa, unmediated communications forms have not been discarded because the majority of South Africans still do not have access to the internet.

The campaign makes limited use of social networks. In early 2011, it had a Facebook page with 153 followers. However, this was not an actual account with posts and comment activity. At the time, TAC also had a Twitter account, but with only 62 followers. The campaign has district blogs, however, which have local news updates and information on district policy and communication research. These have only been operating since September 2010. A link to the main blog page is provided on the campaign's main website. Navigation is easy, and users can subscribe to the blogs via RSS feeds. Currently, there is a minimum of one comment for every two blog posts.

There are training sessions for TAC employees who are going to be working further on the district blogs, and the campaign is also planning to consolidate its communication strategy which will include having a mobile version of the TAC website for those who rely on their mobile phones to access the internet. "The blogs being a new project, it is still difficult to know how they are perceived by the public," according to one TAC official, Caroline Nenguke, interviewed in early 2011. However, the campaign recognizes that the digital divide poses challenges when it comes to receiving and imparting activist information via the internet. The internet has become an additional method, not a replacement one. All these forms of communication are used in conjunction with each other in order to gain more campaign support and exposure. "A multi-faceted strategy of communication is important, because the combination of media channels in the end will reach more people," stated Ms Nenguke.

Formal political party activity in South Africa can be examined in terms of the top five contenders, as well as the South African Communist Party (SACP) and the Congress of South African Trade Unions (COSATU) which operate in alliance with the ruling African National Congress (ANC).[146] All these entities operate websites, and their use of digital technology is assessed in section *4.4.1.* The sites are:

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145. Interview with Caroline Nenguke, TAC Media Officer, 17 January 2011.

146. See "South Africa's Political Parties," SouthAfrica.info, available at http://www.southafrica.info/about/democracy/polparties.htm (accessed 10 January 2011).

- African National Congress (ANC)   Anc.org.za/

- Democratic Alliance (DA)   Da.org.za/

- Congress of the People (COPE)   Congressofthepeople.org.za/

- Inkatha Freedom Party (IFP)   Ifp.org.za/

- Independent Democrats (ID)   Id.org.za/

- South African Communist Party (SACP)   Sacp.org.za/

- Congress of South African Trade Unions (COSATU)   Cosatu.org.za/

3.2.2   The Importance of Digital Mobilizations

Because activist groups such as AIDC, R2K, and TAC have relatively few followers on Facebook and Twitter, mainstream media are still their main form of mass communication. This is supplemented by direct communication in social settings, including local political meetings and major mass rallies.

Nevertheless, these and other campaigning groups do make use of the internet to communicate with their members and promote their cause more widely. One is the Support Public Broadcasting coalition, which unites a wide range of organizations and individuals concerned about the politics and economics of SABC.[147] Another is Abahlali baseMjondolo,[148] a shack dwellers' movement fighting for rights of the poor people. One NGO that has long promoted ICT use amongst civil society organizations is SANGONetT.[149] There is also the South Africa Civil Society Information Service (SACSIS), which syndicates articles to mainstream media and civil society groups, and the Health-e News Service is successful at getting grassroots stories into the public domain.

Although still limited in reach, there is now more debate and awareness about what campaigns such as these are involved in, carried on both their own websites and on Facebook and Twitter. While the masses are not directly reached, civil society organizations and community leaders are more connected, better informed, and able to contribute their views to cyberspace. In addition, civil society groups such as TAC and R2K, as well as others such as Abahlali baseMjondolo and the Western Cape Anti-Eviction Campaign, have nevertheless been able to signal their campaigns to international constituencies through their websites.[150]

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147. See http://www.supportpublicbroadcasting.co.za (accessed 3 April 2011).

148. See http://www.abahlali.org/node/16 (accessed 7 February 2011).

149. See http://www.sangonet.org.za (accessed 3 April 2011).

150. See http://www.abahlali.org/ and http://antieviction.org.za/ (accessed 21 March 2012).

3.3 Assessments

Digitization has not radically transformed the overall news offer even though it has added platforms for bloggers, allowed for UGC commentary on the news and enabled some extra circulation of journalism via Facebook and Twitter. However, uptake by the public had been very limited by early 2012.

While activist groups say they are seeking to harness digital communications technologies, some opportunities are being missed. The issues of language and mobile customization are inadequately dealt with by both activists and political players who use digital platforms. Mobile possibilities, particularly using handset content adaption (such as by HTML 5) to cater to mobile phone-based surfing, are not (yet) being universally utilized.[151] However, beside the rapid uptake of mobile phone access to the internet (see section *1*), users are beginning to treat their phones as media devices in other ways as well.[152] These developments suggest that online activism could be seriously lagging in terms of reaching mobile internet users and tapping into their UGC. This is underlined by the experience, in July 2009, of US President Barack Obama successfully eliciting more than 200,000 messages when he reached out to MXit users ahead of his visit to Africa.[153]

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151. T. Bishop, "Mobile Media Has Come into Its Own," *The Media*, January 2011, p. 30.

152. C. Benjamin, "Twitter in SA 'Much Bigger than Thought'".

153. S. Ramachandran, "MXit Mixes Mobile Networks with Social Conscience," *BusinessWeek*, 20 August 2009, available at http://www.business-week.com/technology/content/aug2009/tc20090820_669558.htm (accessed 21 March 2012).

4. Digital Media and Journalism

4.1 Impact on Journalists and Newsrooms

4.1.1 Journalists

Interviews with seven working newspaper journalists in South Africa in early 2011 reveal a range of differences in the impact of digital communications upon their work. Some embrace the possibilities extensively (though none of those interviewed had blogs of their own), while others report feeling overwhelmed and are not coping well.[154] Two of the journalists are male, and two are from a small-town newspaper (the others work in a major city), although there were not significant differences among them on these lines. The data below should be understood as giving qualitative insight, rather than as being representative of the profession in any quantitative sense.

One interviewee said that convergence in newsrooms as regards work for all platforms would require more buy-in if journalists were to see themselves as part of a wider publishing or broadcasting operation that included output to desktop websites, email, and mobile. To get this result, more leadership from editors was required.[155] As it stood in early 2011, most interviewees estimated that the bulk of journalistic content on new media platforms was repurposed from the parent platform (30–40 percent) or came from news agencies and other external sources (40–50 percent). They confirmed that at most 10–20 percent was uniquely produced for the site (although it often included video). Little reverse publishing from the web to print or to broadcast seemed to be taking place. However, by February 2012, increasing numbers of South African journalists were certainly posting snippets on Twitter, thanks to prompting from earlier adopters, and finding themselves

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154. The journalists interviewed were: Abongile Mgaqelwa, *Grocott's Mail* news editor, on 28 January 2011; Michael Salzwedel, *Grocott's Mail* new media editor, on 28 January 2011; Mbali Mthembu, *City Press* website editor, on 28 January 2011; Andile Ntingi, *City Press* reporter, on 28 January 2011; Adriaan Basson, *City Press* assistant editor, on 28 January 2011; Mpho Sibanyoni, *City Press* reporter, on 28 January 2011; and Terry van der Walt, *Daily Sun*, on 28 January 2011.

155. The same observations around convergence are present in an unpublished 2007 MA thesis by E. van Noort, titled *Newsroom Convergence at the Mail & Guardian: A Qualitative Case Study*, Rhodes University, Grahamstown. See also G. Moodie, "Converged Newsrooms Can Be Done—Even in Our Lifetimes," Bizcommunity.com, 27 October 2010, available at http://www.bizcommunity.com/Article/196/15/53640.html (accessed 3 April 2011).

navigating the "fine line between being analytical and being too opinionated" in the tidbits they were now sending out.[156] By March 2012, more than 400 South African journalists were recorded on Twitter.[157]

Dealing with UGC has been a new challenge for South African journalists. The large task involved in moderating comments on a media house's website led to a situation where quality control was "outsourced" in the sense that readers were asked to report abuse. The News24.com site uses this function along with automated filters that exclude "hot words" as well as commentators who have been banned. By 8 March 2012, the site had registered 1,980,607 comments since 28 July 2006, a figure that does not include comments submitted by banned users which never went online, but it does include 264,825 comments that were once live but were editorially removed after being reported as abusive. Another 31,538 were automatically blacklisted due to banned words. Before the introduction of the blacklist and filtering functionality in October 2009, all comments were moderated by News24 editors prior to being published, which was a time-consuming exercise. Under the present system, one person per section (World, South Africa, etc.) can manage the comments.[158]

In the view of one journalist interviewed for this study, fully-fledged citizen journalism contributions appeared to be declining at his newspaper. Although the reasons were not known, the response was described as being to revive participation through a dot.mobi website, which had previously been very popular during the FIFA World Cup. One driver for this strategy at the time of the interviews was the then-approaching local government elections. "There is no way we can cover all municipalities, so we want to involve citizen journalists," commented the journalist who spoke on this issue. Another journalist said that his newspaper found it useful to get short news tips through its mobile website, which was easier than dealing with long-winded visitors and callers.

Among the journalists interviewed in 2011, some found themselves sometimes caught up in responding to emails (their addresses are published in their printed bylines in their newspapers). This activity was seen to be quite time-consuming, and the interaction as being of little direct value. As a result, many comments on reporters' stories online would go without any response from the journalists who had authored the original pieces.

Several reporters spoke about an increased workload brought about by editors' interests in feeding several platforms, and also by the increased volume of information flows in which they found themselves enmeshed. Among some of the interviewees, there was a degree of stress about trying to cope with everything, whereas others simply drew the line and refused to engage further with the new environment.

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156. M. Rossouw, "Tweeting the News," *The Media*, December 2010, p. 27; see also J. Bischof, "South African journalism in 140 characters or less," Journalism.co.za, 8 January 2011, available at http://journalism.co.za/index.php?option=com_content&Itemid=51&catid=169&id=3807&view=article (accessed 3 April 2011).

157. See "Hacks List: South Africa's Journalists on Twitter," available at http://hacks.mediahack.co.za/ (accessed 12 March 2012)

158. Information received via email from Jannie Momberg, Editor-In-Chief, News24.com, and from Cathryn Reece, Product Manager, 24.com, 8 March 2012.

On the production side, one journalist emphasized how hard it was to keep pace, in part because of the absence of training courses to assist in advanced usage of Web 2.0. This person added that, at the same time, many existing skills needed revisiting, and a lot of trial-and-error work had to be undertaken. These were not necessarily technical skills. One journalist working on a newspaper website said that some basic HTML was all that was required, for example to embed a YouTube video into the site. Most journalists indicated that they did not even need such minimum technical skills, due the existence of Content Management Systems where they simply filled in a template. None signaled issues around having to learn video shooting and editing, or the conceptual skills required to enter appropriate meta-data into these systems.

Few of the reporters interviewed were subjected to having to produce content for both their newspaper and its online/mobile offerings, as distinct from serving the publication as the primary platform. Several, however, saw this as a future scenario where all platforms would have to be juggled in terms of shifting priorities. One did use his mobile phone as a recording device, for taking photographs and video, as well as for email and visiting websites including posting on Facebook. However, this seldom generated content on his newspaper's website, and so he continued doing it mainly for his personal networks. Some interviewees did report that they had successfully used social networking platforms to update their newspaper's audience as a big story was developing, using Facebook and Twitter to this effect. (A small number of media houses utilized occasional sponsored SMS messages to publicize breaking or daily news with the headline written by journalists rather than being automated.)

As regards newsgathering skills, the interviewed journalists all used Google, although none had knowledge of advanced search skills. None used RSS feeds, although some relied a lot on Twitter, where they found that news and links often proved more useful than generalized searches on the internet. One journalist, herself a frequent Tweeter, argued that "journalists are becoming more techno-savvy and anyone can be equipped with social networks and blogging." In contrast, though, one interviewee revealed that the reporters in his newspaper were not subsidized for their mobile phone airtime, so they preferred to use desktop computers and traditional landline phones for communications. In a third case, one journalist said he eschewed participation in digital social networks on principle, rather than as a matter of him being asked to carry the cost of accessing them. He regarded them as frivolous and preferred to visit websites in his field of expertise (financial journalism), such as local business websites as well as Bloomberg and Reuters. He further refused to even use his mobile phone to receive email, saying that he did not want his job to follow him around. The same individual made no use of electronic spreadsheets in his job, although he did make use of a calculator. He expressed difficulty dealing with information overload, and revealed that he used a random approach to deleting some email messages while archiving others. An interviewee at a different publication said that reporters there had been taught how to use folders for classifying email they stored, but had not made use of this information management skill. They instead preferred to print out hard copies, sometimes storing these at home because their offices did not have storage space.

Email played the role of a primary tool in conducting interviews for most of the journalists that were spoken to. The advantages were that many sources preferred to respond to queries through this medium, rather than via real-time and interactive communications. In addition, the journalists could keep the responses as

electronic records. One interviewee conceded that email could allow a source to evade questions with relative ease. Nevertheless, only a third of his interviews were done face-to-face; about half were done via email, and another 20 percent by phone (using voice and SMS). In the experience of a different interviewee, SMS was a good way to reach busy sources, who would then call back when they had time to talk. Another journalist said that about half his interviews were done on voice phone, a third via email, and only 10 percent face-to-face. A small percentage was through SMS and Facebook. However, one journalist said he had once received a confidential tip on Facebook where a user had sent him a direct message. Facebook was generally seen as a good source for tip-offs and general information and photos about celebrities.[159]

From amongst the journalists interviewed, there was a recognition that cyberspace allowed for voices to be heard that were previously on the fringes of mainstream coverage. "It is often easier for marginalized groups, such as homosexuals, to have content circulating on the internet, than on mainstream media," said one. Another referred to journalistic content more specifically, expressing the view that there had been an increase in voices in the news due to the rise of online media. However, several others emphasized that the mainstream news agenda had been little affected. The increased communications opportunities were not yielding new sources; rather the "usual suspects" were still the ones who were featured in the news. Although users were interacting more, this was not expanding the range of sources.

Even the online comments platforms on news sites were not seen as being really exploited by minority groups, for instance. One journalist explained this as a function of smaller organizations and ordinary people being "on the other side of the digital divide," and is also skeptical about using the technology. However, another said that certain social groups such as young entrepreneurs were most comfortable in relating to him through Facebook, where they treated him as a friend. This constituency would have been hard for him to access using other communications tools.

One way in which digital is impacting on journalists is in regard to them being called upon to make editorial judgments which do not arise in the analog world. One relates to news selection: because user interest in a news site is measurably high in regard to local personalities, columnists, and stories about race and crime, this raises the question of whether story selection and emphasis for websites should serve the market as distinct from leading it. Whether journalists should pander to audience interests or put new information on the agenda was dealt with by one interviewee who said that user consumption data were regarded only as a background factor in editorial decisions. In addition, the data also needed to be put into the context of most users coming through Twitter and Google searches, meaning that whatever stories were prioritized for the home page of the site made little difference to overall traffic.

Another judgment call reflected upon by one of the interviewees was the question of his paper's website scooping the print edition. He said that the general rule was that the website had to wait a few days before putting up articles, although his newspaper did cover breaking news in the form of website and mobile website headlines.

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159. See also A. Trench, "How Social Networks Can Inspire Investigative Reporting," Journalism.co.za, 9 November 2010, available at http://journalism.co.za/index.php?option=com_content&Itemid=51&catid=92&id=3674&view=article (accessed 3 April 2011).

4.1.2 Ethics

Interviews with the sample of seven South African journalists revealed that they do not have any specific code of conduct or style guide that has been produced specific to new media issues (although, in May 2011, the *Mail & Guardian* indicated that it was developing a policy concerning its journalists' use of social media). The interviews also indicated a lack of clarity as to who owns the intellectual property of content that went online, especially when it was voluntarily contributed by staffers. None of the reporters interviewed were paid extra for their analog platform content being reused on digital platforms, or for supplying extra stories for these outlets. Several interviewees spoke about the ease with which reporters could plagiarize stories due to digital technologies. One spoke about a case at his newspaper where a reporter had not even realized it was a problem to simply copy and paste off the internet. One journalist expressed concern that much information on the internet had not been subjected to quality control to ensure accuracy, and lauded the way that news organizations generally continued with sub-editing practices which applied equally to their online properties.

Another journalist referred to digital media also making it easy for lazy journalism, for instance with press releases being copied directly into a document and edited directly for publication, with the pressures of volume and speed of content flows meaning that no time was spent on independent research or checking. In addition, "people just repeat quotes they have lifted from other stories, without contacting primary sources, and this fuels sentiment against the press," stated one journalist.

A number of journalists spoke about the problems of their peers relying on Twitter as a source and not adequately verifying—especially in regard to lifestyle and celebrity coverage. "Journalists need to be careful of lifting information from Facebook, Twitter, blogs, etc. and using it without making proper attempts to verify its authenticity," said one interviewee. Subsequent to the interviews, there was indeed a flurry of incorrect tweets and Blackberry messages stating that a hospitalized Nelson Mandela had died,[160] but in this case the media did not perpetuate the rumor, notwithstanding poor information flows from his spokespersons.

While none of those spoken to reflected on the ethics of using Facebook for gathering personal information about people, one said it would be immoral to hack into phones as had happened in Britain. In a separate study of 68 South African journalists researched in late 2010, a third did not know their media house's ethical code, but just under a half said there was a culture of discussing ethics in their newsrooms.[161]

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160. See also D. Zarrella, "Anatomy of a Twitter Death Hoax: 'Rip Nelson Mandela'," Dan Zarrella, 17 January 2011, available at http://danzarrella.com/anatomy-of-a-twitter-death-hoax-rip-nelson-mandela.html (accessed 3 April 2011); P. de Wet, "Righteous indignation: the mishandling of Nelson Mandela's illness," Journalism.co.za, 31 January 2011, available at http://journalism.co.za/index.php?option=com_content&Itemid=51&catid=166&id=3841&view=article (accessed 3 April 2011).

161. M. Waldner, "Media's Honour at Stake," *City Press*, 6 March 2011, p. 30, available at http://www.citypress.co.za/Columnists/Medias-honour-at-stake-20110305 (accessed 21 March 2012).

4.2 Investigative Journalism

4.2.1 Opportunities

Among the interviewees, there was a view that investigative journalism has been greatly assisted by the digitization of information, even though there is not a great deal of data online in South Africa. For instance, one reporter noted that while company ownership records and mining concession information was online (at a price) in South Africa, the deeds office and court records were not. An emerging skills challenge is how to mine extensive volumes of data for the purposes of investigative journalism. One person interviewed referred to work done by a leading South African investigative journalist, Andrew Trench, who had built software to link two different databases. In this way, Mr Trench had uncovered how an investment company owned by the ruling party was applying for substantial mining concessions from the Government.[162] Personal skills of searching through data records stored on one's own computer were not seen as a problem for working investigative journalists. Likewise, Blackberry phone software was seen as being effective for searching emails and SMS messages.

The interviews suggested that investigative journalists have learnt to use Google efficiently, by being as specific as they can, even though they are not trained in advanced search techniques. UGC is seen as being a way to crowd-source some information for investigative stories, with some limited cases of this having been done at the *Daily Dispatch* newspaper. Twitter was seen as being good for promotions, and for searching hash tags for follow-up stories, but Facebook had sometimes proved to be more valuable for actual investigative stories. In one case, an interviewee said he had allowed strangers to be his friends, with the result being that: "I made a few contacts in this way, and arranged through direct messaging to set up temporary email accounts where documents could be sent to me. I never know the real names of these contacts, but this was the way they were most comfortable in dealing with me—it helped them stay more anonymous."

In 2010 and 2011, a number of investigative journalists collaborated with WikiLeaks to find and publish stories of direct relevance to South Africa. One interviewee, however, wondered about the ethics of publishing content from diplomatic cables which was being denied by all those mentioned therein, and noted that the new environment enabled all kinds of fabrications and disinformation to circulate via "leaks."

4.2.2 Threats

Investigative journalists in South Africa are aware of surveillance issues. Some therefore use Skype extensively, because they regard it as more secure than ordinary telephony. Several utilize two or more mobile phones, and they also resort to using public phones and cyber cafés. They work on the premise that their main mobile phone line is tapped. They often encrypt their email. Although South Africa has legal limitations on the interception of communications,[163] some investigative journalists do not trust the police or the intelligence

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162. See also A. Trench, "Data Crunching, Mapping Tools...and a Bit of Scoop," Journalism.co.za, 22 November 2010, available at http://journalism.co.za/index.php?option=com_content&Itemid=51&catid=169&id=3721&view=article (accessed 3 April 2011).

163. The Regulation of Interception of Communications and Provision of Communication-Related Information Act (RICA) sets out specific conditions for there to be interception and monitoring of electronic communications.

community to refrain from abusing the opportunity to eavesdrop electronically. This is against a backdrop of emails being faked as political weapons for intraparty battles in the ruling ANC, illegal surveillance of ANC members, the surfacing of confidential communications to discredit a corruption case against the president, and access to personal electronic records in an attempt to pressurize Piet Rampedi, an investigative reporter for *City Press*.

There have been anonymous email threats to investigative journalists in some cases, but the feeling is that this has not led to self-censorship.

Another threat is posed by the Protection of State Information Bill, which by February 2012 was the subject of a public consultation by the second of South Africa's two parliamentary houses (having been passed by the National Assembly in November 2011). The bill, although much improved from its earlier versions, did not include the option of indemnifying journalists for publishing classified information on the basis of a convincing "public interest defense" such as combating corruption. The bill was widely seen as an attempt to bolster a culture of secrecy and put a dampener on investigative journalism.[164]

4.2.3 New Platforms

According to one journalist: "There are some concerns that investigative journalism will not have a purpose in the future when there are such platforms such as the internet which have vast amounts of information for everyone to see." However, he added to this: "The role of investigative journalism is still intact, it has always had to have credibility and trust as well as accuracy, this has not changed." For several years, many investigations carried on traditional platforms have used online resources to provide back-up documentation and multimedia. No fully-fledged examples of crowd-sourcing investigations via online methods were apparent in South Africa by June 2011.

4.2.4 Dissemination and Impact

The realm of information arising from investigative activities has expanded. In South Africa, the *Daily Maverick* is a purely online publication that occasionally serves as a platform for investigative material. There is a website for the Forum of African Investigative Reporters which sometimes coordinates cross-border investigations.[165] An NGO called the Public Service Accountability Monitor frequently publicizes analyses of data about the extent of government responsiveness and follow-through.[166]

However, newspapers continue to lead the way in the volume and impact of investigative journalism, particularly into fraud and corruption. "*Carte Blanche*" (on M–Net), an investigative program, marked its 22nd anniversary in 2010 by using social media to involve its audience in the selection and ordering

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164. See "South Africa Lower Houses Passes Information Bill," Committee to Protect Journalists, New York, 22 November 2011, available at https://www.cpj.org/2011/11/south-africa-lower-house-passes-information-bill.php (accessed 3 March 2012).

165. See http://www.fairreporters.org/?home (accessed 3 April 2011).

166. See http://www.psam.org.za/ (accessed 3 April 2011).

of stories during a live show. Eight stories were featured on the program's Facebook page (Facebook.com/carteblanchetv) and more than 500 of the live viewers made their choices, the majority going for more serious stories even though there were lighter options. "*Carte Blanche's*" website also has an option available to the public to submit stories, provides updates of previous stories, and offers space for public comments. "*Special Assignment*" (on SABC) has a webpage off the SABC site, with space for commentary and a discussion forum, as well as a summary and some pictures of its stories. In 2011, unlike "*Carte Blanche,*" it did not have options for the public to view the stories.[167] The expanding digital opportunities have coincided with increased investment in investigative journalism units in 2009–2010 by two newspaper companies, News24 and the *Mail & Guardian*.[168]

4.3   Social and Cultural Diversity

4.3.1   Sensitive Issues

Some of the sensitive social and cultural issues in South Africa include class frustrations, racial tensions, gender-based discrimination and violence, language rights, minority sexual orientations, and xenophobia.

Class

High unemployment, poor service delivery by state bodies, and frustration over corruption generate many thousands of local protests in South Africa each year. These often turn violent, with infrastructure being damaged. The country is also characterized by numerous strikes, some of which also turn violent.

Race

2011 marks the 17th year of non-racial democracy in South Africa, but because race has been a major structuring axis within the South African population for centuries, the significance of this history endures.[169] In 2010, there were significant racial tensions such as those triggered by the killing of white supremacist leader Eugene Terre'Blanche by his black farm laborers. In 2011, the cabinet's spokesperson Jimmy Manyi made racist remarks about people classified as "Coloured." On the other hand, race is also used by ruling party politicians to discount some criticism.[170] A contentious matter has been the singing of resistance songs that are sometimes interpreted as hate speech against white people in general, or against farmers and Afrikaners in particular, and the legality of this was being considered by the courts in 2011.

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167. See http://www.sabcnews.com/portal/site/SABCNews/menuitem.3a2ac9a632097c54e6b7e6b7674daeb9/?vgnextoid=93b7617d5759a110Vgn VCM10000075d4ea9bRCRD&vgnextfmt=default&forum=specialassignment (accessed 4 March 2011).

168. "A beacon of Light in the Media Gloom," Journalism.co.za, 21 November 2010, available at http://journalism.co.za/a-beacon-of-light-in-the-media-gloom.html (accessed 3 April 2011).

169. See "Black Youths Use Social Networking Sites to Coordinate Violence, Disrupt Memorial Day Activities in Suburban Rochester, NY," A Race Against Time, 3 June 2010, available at http://araceagainsttime.blogspot.co.uk/2010/06/black-youths-use-social-networking.html (accessed 24 January 2011).

170. See J. Malala, "Don't Shoot the Messengers," *Times LIVE*, 7 February 2011, available at http://www.timeslive.co.za/opinion/columnists/article897863.ece/Dont-shoot-the-messengers (accessed 3 April 2011).

Gender

South Africa's imbalance in gender power relations has severe consequences in terms of HIV infection and violence against women, even though official policies and practices are generally progressive.[171]

Minority sexualities

South Africa has a diverse history where matters of gay, bisexual, lesbian, and transsexual people are concerned. On the one hand, sexual orientation is protected by the Constitution and South Africa is the first country in Africa to legalize same-sex marriages. On the other hand, prejudice exists at many levels, with cases of so-called "corrective rape" of lesbians, and the country's president recounting once matter-of-factly how he used to beat up gay men during his youth.[172]

Language rights

With 11 official languages, South Africa boasts significant linguistic diversity. However, English is the language of politics and economic power, and this situation disadvantages those who speak other languages.

Immigration issues

In 2008, simmering cases of xenophobia and associated sporadic violence erupted into a widespread crisis in which an estimated 80 people, mainly immigrants, were murdered by crowds of poor South Africans, with many thousands of people being displaced and much property looted or destroyed.

4.3.2 Coverage of Sensitive Issues

Class

Media coverage of labor and community unrest is not regulated. However, it is usually reactive, rather than playing any pre-emptive role. It can be posited that the lack of media voice by working class and unemployed people is one reason why these constituencies resort to stronger forms of action. On the other hand, it is also likely that media coverage of conspicuous consumption within the elite adds fuel to these protests.

Race

Hate speech, defined in terms of incitement against a category of persons, is not protected in the Constitution.[173] It is also explicitly criminalized (in wide-ranging terms) in the Promotion of Equality and Prevention of Unfair Discrimination Act, 2000. Furthermore, SABC's editorial policies and the ethical codes

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171. See "State of Emergency Needed to End Gender Violence," Gender Links, 10 December 2011, available at http://www.genderlinks.org.za/article/state-of-emergency-needed-to-end-gender-violence-2010-12-10 (accessed 10 March 2012).

172. "Zuma Earns Wrath of Gays and Lesbians," *Mail & Guardian Online*, 26 September 2006, available at http://mg.co.za/article/2006-09-26-zuma-earns-wrath-of-gays-and-lesbians (accessed 3 April 2011).

173. Constitution of the Republic of South Africa (1996), available at http://www.icasa.org.za/LinkClick.aspx?fileticket=1kzvHZzwBPU%3d&tabid=96&mid=656&forcedownload=true (accessed 3 April 2011).

of the Press Council and the Broadcasting Complaints Commission of South Africa ban hate speech. Analog media platforms report factually on racist speech. In three cases, columnists deemed to be racist have been dropped by their editors.[174] However, UGC on mainstream websites often contains instances of racism in various degrees, although automated and human moderation practices help filter it out. There are various blog sites that are havens for racists.

Gender

Julius Malema, at the time leader of the ruling party's youth league, was convicted and fined in 2010 for having made derogatory remarks about women. However, media themselves have in general not run afoul of the law in regard to their own portrayals of women. Nevertheless, female sources in the news amounted to only 20 percent of the total in 2010 despite a slight increase over the years.[175]

Minority sexualities

Media houses have not run into regulatory or legal problems because of their coverage of minority sexualities. However, former print columnist Jon Qwelane was convicted by the Equality Court in 2011 over a derogatory view about gay people that he had published two years earlier. In 2011, a broadcast anchor was suspended for similar conduct.

Language rights

As noted earlier in this report, media coverage on the whole is skewed toward English, and most citizens do not have choice when it comes to media in their mother tongues—they would have one SABC radio station, and limited time slots on SABC1 and SABC2. The public broadcaster in particular has come under criticism for relative neglect of indigenous languages on television, even though it probably meets its minimum licensing quotas.[176] The Media Development and Diversity Agency has pointed out an even bigger problem in regard to print media.[177]

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174. A. Harber, "Don't Allow Censorship to Get a Foot in the Door," Journalism.co.za, 3 March 2011, available at http://journalism.co.za/index.php?option=com_content&Itemid=51&catid=169&id=3928&view=article (accessed 3 April 2011); Media Sustainability Index 2008. *The Development of Sustainable Independent Media in Africa*, IREX, Washington, D.C., 2009, available at http://www.irex.org/system/files/Africa%20MSI%202008%20Full%20Version.pdf (accessed 3 April 2011).

175. *Gender and Media Progress Study: South Africa*, Gender Links, 17 December 2010, available at http://www.genderlinks.org.za/article/gender-and-media-progress-study-south-africa-2010-12-17 (accessed 3 April 2011).

176. In 2003, about 50 percent of SABC2's programming was in English; SABC1's non-English percentage scored only 30 percent, while SABC3 was completely English. See C. Armstrong and R. Collins, *Digital Dilemmas for South African TV*, LINK Centre Public Policy Research Paper No. 6, University of the Witwatersrand, Johannesburg, 2004, p. 26, available at http://link.wits.ac.za/papers/ddtvcarc.pdf (hereafter, C. Armstrong and R. Collins, *Digital Dilemmas*). In the SABC's 2010 Annual Report, as noted earlier, the corporation admitted that it was still below quota on marginalized languages.

177. MDDA, *Trends*, p. 59.

Immigration issues

Media coverage of xenophobic violence has generally tried to avoid direct or indirect incitement. However, press coverage has fallen into stereotyping of immigrants.[178] The tabloid newspaper the *Daily Sun* was taken to the Press Council by an NGO called Media Monitoring Africa, which objected to a featured logo reading "War against aliens," but the paper was not found to have violated the council's code.

4.3.3 Space for Public Expression

Digital media have improved and enlarged the space for debate in South Africa on some sensitive topics that are sometimes given little or only mediated space by the mainstream media. This has broadened the scope of debate to South Africans who have access to digital media, to share opinions and debate some sensitive issues. For example, there are South African blogs that specialize in issues around minority sexualities, including links to other sites and gay communities.[179] Other sites are personal blogs about thoughts and feelings of living as a homosexual in South Africa.[180] Many of them deal with gay-friendly tourism,[181] pageants such as Mr Gay South Africa,[182] and news on lifestyle and dating opportunities.[183]

On the other hand, although many civil society organizations have websites, online media platforms have not proved to be a space in which poor people or neglected languages have found significant expression. Besides English, only the Afrikaans language seems to have a significant presence in cyberspace. The same applies to voices of immigrant communities, although there are a number of niche sites such as Zimdiaspora.com.

4.4 Political Diversity

4.4.1 Elections and Political Coverage

The Electronic Communications Act[184] continues the post-apartheid legal dispensation that bans the granting of broadcasting services licenses to political parties and their allies (e.g. the Congress of South African Trades Unions), and precludes the broadcast of party election broadcasts and political advertisements except in certain circumstances to be regulated by ICASA.

178. J. Fine and W. Bird, *Shades of Prejudice: An Investigation into the South African Media's Coverage of Racial Violence and Xenophobia*, Media Monitoring Project, 2002, available at http://www.mediamonitoringafrica.org/images/uploads/shades_of_prejudice_final.pdf; N. Mtwana and W. Bird, *Revealing Race: An Analysis of the Coverage of Race and Xenophobia in the South African Print Media*, Media Monitoring Project, 2006, available at http://www.mediamonitoringafrica.org/images/uploads/Final_report_v5_Print_final.pdf (accessed 3 April 2011).

179. See, for example, http://southafricagay.blogspot.com/ (accessed 1 February 2011).

180. See, for example, http://melanielowelgbtsa.blogspot.com/ (accessed 10 February 2011).

181. See, for example, http://gaydurban.blogspot.com/ (accessed 10 February 2011); http://www.savvynavigator.com/SavvyBlog/tabid/58/articleType/CategoryView/categoryId/4/South-Africa.aspx (accessed 10 February 2011).

182. See, for example, http://www.mrgaysouthafrica.co.za/home;jsessionid=7691F34C18BF6A39D9353DC81E02ED30 (accessed 10 February 2011).

183. See, for example, http://www.mambaonline.com/ (accessed 10 February 2011).

184. Electronic Communications Act, 2006, available at http://www.ictregulationtoolkit.org/en/Publication.3558.html (accessed 21 March 2012).

South African provisions on media coverage of elections over the past five years have changed somewhat. ICASA had developed regulations for the 2004 elections, which set out guidelines for allocating free airtime for party election broadcasts on radio (two-minute slots to be provided free by SABC), as well as an injunction for fairness across the totality of coverage. The guidelines allocated time according to party representation in Parliament—a provision that benefited incumbent parties. In terms of coverage quality, ICASA noted that "equitable" treatment did not mean "equal" amounts of coverage. The principles were that newsworthiness played a part in affecting volumes of coverage, and that while not every party had to be covered on every issue, all voices should be heard over the time of the election period. It also specified a right to reply, and urged caution about coverage of Government so as to avoid unfair advantage to a ruling party.

These provisions were amended ahead of the 2009 election.[185] The key change was to allocate the free airtime according to the number of candidates fielded by a party, although with a minimum amount of slots for everyone. In addition, this system was extended to encompass public television for the first time, overriding SABC's complaints that it could not spare the commercially valuable airtime involved. However, only the major parties took advantage of the television opportunity, because although the airtime was free, it required that the content production costs had to be covered by the interested political party. The 2009 regulations also dropped the guidelines for general broadcast coverage of the elections. None of these changes are related to digital developments.

Further change was heralded with the April 2011 local government elections, as set out in ICASA regulations. The main change concerned the formula used to grant amounts of free airtime to each party during the election period, and conditions around paid-for party advertising on air. The regulations provided that a broadcaster offering free public election broadcast spots had to give a minimum amount of exposure for every party, and additional airtime based on proportions of municipal seats already held by each party, i.e. reverting to a dispensation that favored the incumbents.[186] The number of days in advance that a political party had to submit its material (of two minutes' maximum length) for a public election broadcast was increased to five from four.[187]

The regulations also stated that a commercial or community broadcasting service licensee who agreed to offer party election broadcast slots had to inform ICASA, in writing, of its intention to do so at least five days prior to the election (and no longer than 90 days).[188] Earlier, draft regulations had envisaged SABC being required to double the available airtime, allowing eight slots a day over the 30-day election period, amounting to a total of 480 minutes availed for party broadcasts.[189] However, final regulations in May 2011 reduced the

185. ICASA, *Regulations: Party Election Broadcasts, Political Advertisements, the Equitable Treatment of Political Parties by Broadcasting Licensees and Related Matters*, Government Gazette, No. 31602, 14 November 2008 (hereafter, ICASA, *Regulations: Party election broadcasts*).

186. ICASA, *Regulations on Party Election Broadcasts, Political Advertisements, the Equitable Treatment of Political Parties by Broadcasting Licensees and Related Matters During Municipal Elections*, Government Gazette, No. 34086, 8 March 2011.

187. See ICASA, *Regulations: Party Election Broadcasts*.

188. Government Gazette, Vol. 545, No. 33779, 2010.

189. ICASA, *Draft Regulations on Party Election Broadcasts, Political Advertisements, the Equitable Treatment of Political Parties by Broadcasting Licensees and Related Matters*, Government Gazette, Vol. 545, No. 33779, 19 November 2010.

amount, prescribing that each of almost 60 community and commercial radio stations and 16 SABC radio stations should provide a total of four free public election broadcast slots a day to political parties, and a detailed schedule was laid down for SABC.[190] However, these regulations do not specifically address digital media platforms.

A review of coverage of the 2009 general election says that it lacked depth and underplayed key social issues such as poverty, unemployment, and civic unrest. In addition, although the coverage was found to have been balanced amongst the key political parties, there was an emphasis on personalization at the expense of policy.[191] The coverage became party-centric, rather than citizen-centric.[192] Again, these points pertain mainly to the analog media field.

South African media have themselves tried to capitalize on emerging digital platforms through specialized web sections on elections. For instance, a report page on the 2009 general elections was created by the *Mail & Guardian* with the purpose of keeping track of the election process, and providing the online public with a platform to comment and debate.[193] In the 2009 elections, SABC piloted a joint project with Vodacom entailing an interactive mobile solution using SMS and other mobile applications. The intention was to integrate these tools and drive audiences to radio and television. It was used in some debates on election coverage to encourage people to vote for political parties. Audience members could participate by sending an SMS, being directed to social networking sites, or getting updates via Twitter. Citizen journalists were invited to create content. There was an election game show in conjunction with the Independent Electoral Commission called "Quiz Me," which integrated some content from the website and encouraged audiences to answer questions as part of voter education. Run in conjunction with Inlive.tv/, it was regarded as an experiment, and SABC did not repeat it for the May 2011 local government elections.

Online election coverage by other mainstream outlets in 2009 showed little evidence of greater diversity in coverage. Sites tended to reproduce the concentration of coverage on the top four parties.[194] However, for the 2011 local government elections, a vibrant election website was created by the Independent Electoral Commission. It provided historical data, and allowed prospective voters to send an SMS to check their registrations.[195]

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190. ICASA, *Schedule for Party Election Broadcasts (PEBs) During the Election Broadcast Period and Political Advertisements (PAs)*, available at http://www.icasa.org.za/LinkClick.aspx?fileticket=09HYdBGF-js%3d&tabid=38&mid=501&forcedownload=true (accessed 10 June 2011).

191. J. Duncan, "Desperately Seeking Depth: The Media and the 2009 Elections," in *Zunami! The 2009 South African elections*, Johannesburg, Jacana Media, pp. 215–231 (hereafter, J. Duncan, "Desperately seeking depth").

192. G. Berger, "Fair vs Foul in Election Coverage," *Mail & Guardian Online*, 11 December 2008, available at http://www.mg.co.za/article/2008-12-11-fair-vs-foul-in-election-coverage (accessed 3 April 2011).

193. See http://mg.co.za/specialreport/south-africa-votes-2009 (accessed 3 April 2011).

194. J. Duncan, "Desperately Seeking Depth," pp. 215–231.

195. See http://www.elections.org.za/content/default.aspx (accessed 3 April 2011).

4.4.2 Digital Political Communications

All the political party sites provide basic information, as well as email and contact information. By February 2011, however, only two of these parties' sites had links to Twitter and Facebook, namely the ANC and DA.[196] Although the rest also have Facebook accounts, there were no links on their home pages to these venues. Only the ANC, DA, SACP, and COSATU accounts were active. On average, ANC and DA posts on Facebook generate about four comments. In terms of Facebook popularity, the following statistics applied in February 2011: ANC—18,189 followers; DA—4,913; SACP—119; Cosatu—86; Independent Democrats—19; Inkatha Freedom Party—16; and COPE has only 1. Only ANC and DA had Twitter accounts in February 2011, with ANC having 3,169 followers whilst DA trailed with 1,111 followers. During the 2009 general elections, the ANC launched an interactive website called Myanc.org and a sister mobi-site, and claimed that views expressed on these sites were incorporated into its manifesto, although critics said the initiative was far from amounting to an online mobilization.[197] In the May 2011 local government elections, ANC and DA leaders utilized Twitter profiles to promote their cause.

Despite the limited uptake by the public of party political use of digital communications, more South Africans are expressing themselves and being reached than previously. However, it would be incorrect to say that the internet has led to the emergence of new political leaders or political voices.

4.5   Assessments

Digitization appears to have had an uneven and thus generally only a partial impact on the collective work of journalists in South Africa (though insisting on broad generalizations from the limited sample should be treated with due caution). In several cases, such as those interviewed and quite possibly with many more, journalists continue to serve only a single media platform, and have had limited if any training about other platforms. There is very little unique content being created specifically for online or mobile phone digital platforms. Old habits and patterns persist with regard to the kinds of sources contacted, although newsgathering in general has become easier through the use of Google, SMS, and Facebook. However, a possible consequence is that face-to-face newsgathering has been reduced. The effect on ethics, quality, and accuracy is hard to gauge. Journalists are aware of the ease of plagiarism and impersonation in the digital media, but seem to lack a more extensive grasp of other ethics in this arena. This points to a need for more promotion of ethics in general.

Digitization has been of benefit to investigative journalism by making available a range of information that can be accessed electronically and computer-analyzed, and by availing tools for making secure contacts and maintaining confidentiality. This goes hand in hand with awareness amongst investigative journalists about technological surveillance of their regular communication channels.

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196. See http://twitter.com/#!/ANC_Info (accessed 10 January 2011); http://twitter.com/#!/DA_News (accessed 10 January 2011).

197. J. Duncan, "Desperately Seeking Depth," pp. 215–231.

To date, the influence of digital on the coverage of elections, sensitive issues, and marginalized groups has not been extensive. Rather, traditional coverage prevails, albeit with some integration of new platforms such as SMS and websites. Coverage of marginalized groups within the mainstream media has not necessarily increased in quantity or quality as a result of digital communications, although opportunity for public comment around mainstream content has opened space for debates over sensitive issues such as race, immigration, and sexual orientation.

Overall, the impact of digital media has done little to broaden and deepen a common public sphere. Neither has it changed the patterns of political communication or generated visible new interest in politics. It has, however, supplemented the mainstream media by providing additional platforms and tools, which are largely taken up by minority and/or special interests.

5. Digital Media and Technology

5.1 Spectrum

5.1.1 Spectrum Allocation Policy

The Government published the country's first spectrum policy in April 2010 after public consultation during 2009.[198] The objectives of the policy were inter alia, to establish principles for spectrum management and fees, guidelines for spectrum planning and usage, and alignment with the ITU Region 1 allocation principles. More specifically, the policy also set out specific principles relating to South African conditions (see section *5.1.2*). It is important to note that much spectrum allocation and assignment pre-dates this formal policy, although it has all taken place according to parameters established by the ITU for its Region 1 on allocation of particular bands to military, aeronautical, etc. usage and license-exempt spectrum.

Within these parameters, most spectrum assignment decisions post-apartheid have been made by the regulator, ICASA. One of the contexts informing regulatory practice has been the Government's 2008 policy on digital migration,[199] which stated that frequency was a national resource, and that the Government had a responsibility to use it "in the public interest, prioritizing it for development objectives." The 2008 position also referred to the "fair, efficient, and equitable allocation of radio spectrum for public and private use." ICASA made reference to similar rationales in its 2008 frequency plan for broadcasting (published in 2009).[200] This same document says that ICASA's approach has been informed, inter alia, by South Africa's commitment to ITU's GE-06 agreement, and by fair competition and efficient use of spectrum.

Over the years, ICASA has assigned licenses for spectrum use with those bands not allocated to the State. This has been via a Broadcasting Frequency Plan, the latest of which was gazetted in November 2009.[201] In July 2010, ICASA also published a National Radio Frequency Plan, which feeds into its South African

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198. DoC, *Radio Frequency Spectrum Policy for South Africa*, Government Gazette, No. 33119, 16 April 2010.

199. DoC, *Broadcasting Digital Migration Policy*.

200. ICASA, *Final Terrestrial Broadcasting Frequency Plan, 2008*, Government Gazette, Vol. 533, No. 32728, 18 November 2009 (hereafter, ICASA, *Final Terrestrial Broadcasting Frequency Plan, 2008*).

201. ICASA, *Final Terrestrial Broadcasting Frequency Plan, 2008*.

Table of Frequency Allocations.[202] Through all this, different parts of the spectrum have been grouped for distinct uses, such as mobile telephony, broadcast signal, wireless internet service, wireless services used by fixed-line telecoms operators,[203] and mobile digital television multiplexes.[204] DTT will initially be rolled out on a bandwidth where existing analog television is aired.[205] When analog switch-off occurs, much VHF spectrum formerly used by analog television stations will become vacant. DTT may then be transferred to those frequencies, freeing up the more sought-after UHF spectrum for wireless internet services.[206] Certain use of the spectrum in South Africa is license-exempt (needing only registration with ICASA), which is a dispensation that provides access to initiatives around low-power transmission systems and Wi-Fi networks.

There is no evidence of partisan political or corporate favoritism in the application of spectrum allocation policy. However, e.tv was moved to (successfully) challenge the regulator, ICASA, to amend initial plans to award extensive digital spectrum to the station's commercial rival, M-Net. In addition, Cape Town TV received short-shrift in 2010 when ICASA summarily gave notice of termination of its frequency without a clear alternative and rejected an application for a seven-year license. The step was driven by the regulator's interest in creating a multiplex for national mobile digital television (ahead of the FIFA World Cup). Yet the free-to-air local station had to mount a major campaign simply in order to be allocated a different analog signal on which to broadcast.[207]

5.1.2   Transparency

A Government policy directive in January 2009 called for a fair balance between public and private allocation of frequency which was considered a scarce public resource. The directive further stated that there should be a diversity of services enabled via spectrum allocation. The Government's 2010 spectrum policy affirms the minister's power to decide allocation to different radio-communication services. It states that ICASA's responsibility is to administer and manage spectrum in terms of this policy, including the development of national assignment plans. Although the industry body, the Wireless Access Providers Association,[208] had asked for self-regulation and co-regulation options to be included in the policy, these systems are not mentioned in the policy.

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202. ICASA, *The National Radio Frequency Plan*, Government Gazette, Vol. 541, No. 33409, 30 July 2010 (hereafter, ICASA, *The National Radio Frequency Plan*).

203. S. Song, *Open Spectrum for Development—South Africa Case Study*, Association for Progressive Communications, 2010, available at http://www.apc.org/en/system/files/ZA_ToBeUploaded.pdf (accessed 3 April 2011) (hereafter, S. Song, *Open Spectrum*).

204. ICASA, *Final Terrestrial Broadcasting Frequency Plan, 2008*.

205. *Digital Broadcasting, Policy and Regulatory Issues in Southern Africa*, presentation by Robert Nkuna, ICASA councilor to the 18th SABA AGM, Luanda, Angola, 12–14 September; see also ICASA, *Draft Terrestrial Broadcast Frequency Plan 2004*.

206. Specifically, after switch-off, ICASA seeks to release the frequencies from 790–862MHz for International Mobile Telecommunication (IMT), and to dedicate the 800MHz frequency for wireless broadband services. ICASA states that digital migration will also free other frequencies and a "significant part" of this will be allocated back to television for HD broadcasting and for introducing more broadcast competition. See ICASA, *Final Terrestrial Broadcasting Frequency Plan, 2008*.

207. See "Community TV to Stay?," Bizcommunity.com, 8 December 2009, available at http://www.bizcommunity.com/Article/410/66/42908. html; http://en.wikipedia.org/wiki/Cape_Town_TV; "Cape Town TV Refused License to Broadcast," Journalism.co.za, available at http://www.journalism.co.za/cape-town-tv-refused-license-to-broadcast.html (accessed 3 April 2011); R. Muller, "ICASA Explains Its Position on Community TV Services," MyBroadband, 9 September 2010, available at http://mybroadband.co.za/news/telecoms/15033-ICASA-explains-its-position-community-services.html (accessed 3 April 2011).

208. See http://www.wapa.org.za/wp-content/uploads/2010/07/WAPA-Submission-Draft-National-Radio-Frequency-Spectrum-Policy.pdf (accessed 3 October 2011).

ICASA's Draft Radio Frequency Spectrum Regulations, published in September 2010,[209] sought, inter alia, to establish a framework through which the authority allocates and assigns radio frequency spectrum under the "South African Table of Frequency Allocations;" and to establish processes and conditions for Radio Frequency Spectrum Licenses. In July 2010, the regulator's National Radio Frequency Plan said its aims were, inter alia, to support access to lower frequency bands for broadband wireless access that would promote rural development objectives, and promote access to bands below 1GHz, such as 790–862MHz, which could help bridge the gap between sparsely and densely populated areas and increase both service quality and access.[210]

Licenses for frequency use are issued by ICASA in terms of the Electronic Communications Act, 2006. In addition, the regulator issues three other kinds of licenses: Broadcasting Services Licenses, "infrastructure" licenses, known as Electronic Communications Network Service (ECNS) licenses, and Electronic Communication Services (ECS) licenses. The ECNS applies to technology such as transmitters and signal linkages, and the ECS refers to the services (e.g. wireless internet access) that are operated over that infrastructure. For example, the state-owned "wholesale" broadband company Infraco has a license only for ECNS operations. In regard to broadcasting, licensees are granted the use of a particular frequency (and thus a Radio Frequency Spectrum License), as well as permission to transmit content on it via a Broadcasting Services License. ICASA's licensing categories may also be class-based or individual-based. Generally, individual licenses are issued to nationwide operators, and class licenses to local enterprises. In this context, state-owned and most private commercial stations receive individual broadcast licenses, while community radio stations' licenses are supposed to have general conditions that apply to that class of license (although many have diverse individual conditions) (see section *2.2.2*). Whatever the class of broadcast license, the spectrum use license is an individual one related to the particular bandwidth at stake. Spectrum licenses are awarded reactively (and depending on space) in response to applications by would-be users,[211] but applications for other individual licenses may only be made in response to an invitation by ICASA (e.g. for subscription television) and, in respect of individual ECNS licenses, this invitation may only be issued after a policy direction from the minister. ICASA has to act on all class registration applications within 60 days and, if it fails to do so, there is a deemed registration.

In February 2011, ICASA said it would develop a regulatory strategy that would include a 10-year plan for managing spectrum that could be used to try to meet the Government's policy goal of achieving universal access to broadband by 2019. The plan would also deal with local-loop unbundling (i.e. opening landlines to multiple telecoms operators) and the allocation of "digital dividend" 800MHz band spectrum after analog switch-off.[212] The strategy would also deal with possible auction of "high demand" spectrum within the 2.6GHz and 3.5GHz bands. The 2.6 spectrum has good penetration of buildings, while the 800MHz is

209. Government Gazette, No. 33590, 29 September 2010.

210. ICASA, *The National Radio Frequency Plan*.

211. L. Thornton, "South Africa," in *The International Comparative Legal Guide to Telecommunications Laws and Regulations 2011. A practical insight to cross-border telecommunication laws and regulations*, London, Global Legal Group (hereafter L. Thornton, "South Africa").

212. "Icasa to Tackle Digital Dividend Spectrum," TechCentral, 14 February 2011, available at http://www.techcentral.co.za/icasa-to-tackle-digital-dividend-spectrum/21068/ (accessed 3 April 2011).

appropriate for outside of cities.[213] After soliciting comments, ICASA decided on a particular approach.[214] Thus, the 2.6GHz frequency would be available in six licenses for national operators. There would be a pre-qualification "beauty contest" (which would include a minimum of 51 percent black ownership), followed by an auction which would give the regulator the "leverage to implement both economic and social objectives." In the case of licenses for the unassigned 20 percent of the 3.5GHz band, these would be on a regional basis, and amount to two licenses per municipal area. In December 2011, however, ICASA said that an auction (in the form of a sealed bid) would be a last resort, if more than one applicant qualified for a particular spectrum package.[215] Invitations to apply would close on 23 March 2012, with licenses finalized by the end of May. The spectrum would be for wholesalers only, with one package reserved for state-owned Sentech. The conditions would prevent winning bidders from both locking and blocking access, and from entering the retail space. There would need to be a 30 percent ownership by "historically disadvantaged individuals" and an ECNS license would need to accompany the spectrum license. Depending on spectrum received, applicants would have four or five years to service between 50 percent and 75 percent of the population.[216]

On the whole, ICASA's spectrum assignment has been according to policy provisions, although the regulator can be faulted for poor transparency in regard to making available online its detailed license conditions (and the same applies to much other information it generates). In February 2012, it remained the case that the state-owned broadcaster retains prime spectrum estate for its stations, and that, in the radio sector, no competitors to SABC stations have been licensed to utilize frequencies on a national basis.

5.1.3 Competition for Spectrum

ICASA faced a huge outcry in its initial 2008 frequency plan, with Sentech being one of the critics, and threats of legal action coming from licensees who felt they would be disadvantaged (see section *2.1.1*). Another version was finalized in November 2009.[217] This enabled ICASA to proceed with revised DTT regulations—having been fiercely criticized for putting the cart before the horse in the absence of the frequency plan being finalized. However, in 2011, the finalized digital migration regulations were again put up for review, due to the Government's date change for analog switch-off at the end of 2013 and the implications thereof for the transitional period until then.[218] In February 2012, the previous firm commitments to a date were dropped in amendments to the Broadcast Digital Migration Policy. Meanwhile, ICASA's new radio Frequency Spectrum License Fees regulations were due to take effect from 1 April 2012, and likely to elicit contestation.[219]

213. Interview with an ICASA official who requested to remain anonymous.

214. ICASA, *Assignment of the Frequency Bands When Demand Axceeds the Available Bandwidth*, Government Gazette, No. 31150, 17 June 2008.

215. J. Vermeulen, "ICASA Reveals Plans for Spectrum Assignment," MyBroadband, 14 December 2011, available at http://mybroadband.co.za/news/telecoms/39855-icasa-reveals-plans-for-spectrum-assignment.html (accessed 3 March 2012) (hereafter, J. Vermeulen, "ICASA reveals plans for spectrum assignment").

216. J. Vermeulen, "ICASA Reveals Plans for Spectrum Assignment".

217. ICASA, *Terrestrial Broadcasting Frequency Plan 2008*, *Government Gazette*, No. 32728, 18 November 2009.

218. DoC, *Electronic Communications Act, 2005 (Act No. 36 of 2005). Amendment of Broadcasting Digital Migration Policy*, Government Gazette No. 34538, 19 August 2011. http://www.info.gov.za/view/DownloadFileAction?id=149051 (accessed 28 August 2011) (hereafter, DoC, *Electronic Communications Act, 2005*).

219. *ICT Weekly Update*, Johannesburg, Lisa Thornton Inc., 15 February 2011.

A court action by private company Altech in 2008 led to a ruling that ECNS operators could self-provide infrastructure, which contradicted the position of the then Minister of Communications. This led to between 400 and 500 Internet Service Providers (ISPs) having their pre-2006 Value-added Network licenses converted into individual ECNS licenses and individual ECS licenses. However, it does not follow that the actors concerned will automatically qualify for spectrum licenses: scarcity and relative monopolies could still prevail in this regard (except in the realm of local use in license-exempt frequency bands, such as with regard to Wi-Fi networks). In the wake of these developments, most commercial television broadcasters were permitted to self-provide in regard to satellite transmission for their services, and ICASA's policy is that they may also self-provide in regard to DTT transmission, although it is highly unlikely that any will decide to do so.[220]

In line with the Government's formal policy of 2010, a use-it-or-lose-it principle applies to spectrum. Further, the policy specifies that existing users should relinquish unused spectrum which ICASA has assigned them, and that spectrum hoarding will not be permitted. In May 2010, ICASA published its "Regulations on the Procedures and Criteria for Granting Radio Frequency Spectrum Licenses for Competing Applications or Instances Where There is Insufficient Spectrum," which echo the same principle. Mobile phone operator Vodacom argued in early 2011 that spectrum should be removed from license holders who were not using it, and given to large operators with national networks.[221] However, by February 2012, there did not seem to have been any such cases. The same applies to the broadcast license of Super 5 Media which received several extensions (for which broadcasting had been expected to be on satellite and IPTV, although the subscription television licenses did not prescribe the platform to be used[222]). Substantial competition and lobbying can be expected in the event of DTT spectrum being reclaimed by ICASA, should some broadcasters prove unable to use the full capacity.

Leasing and trading of licenses that impact on spectrum use is governed by the Electronic Communications Act. The act says that communications infrastructure must be leased on a non-discriminatory basis. ICASA regulations in 2010 cover terms for the leasing of network facilities, although these do not refer to spectrum leasing as such. Insofar as a broadcaster is the entity receiving a spectrum license in the case of broadcasting, the only cross-spectrum traffic formally recognized in ICASA regulation is in regard to the content of radio licensees being permitted to ride on a television multiplex. It is not clear if television broadcasters will be allowed to lease out the 15 percent capacity that is allotted to them for data transmission on the multiplexes.

A case before ICASA in early 2011 dealt with Sentech's having allegedly subleased spectrum to a wireless ISP called Screamer Telecoms. In October 2010, new draft radio frequency spectrum regulations were published by ICASA which proposed to introduce, amongst other things, radio spectrum trading and the sub-leasing

220. ICASA, *Applications for Individual Electronic Communications Network Service Licences for Self-Provisioning by Broadcasting Service Licensees*, Government Gazette, Vol. 545, No. 33774, 16 November 2010.

221. R. Muller, "1Mbps Broadband for all South Africans," MyBroadband, 8 February 2011, available at mybroadband.co.za/news/broadband/18335-1Mbps-broadband-for-all-South-Africans.html (accessed 3 April 2011).

222. ICASA, *Position Paper in Relation to Internet Protocol Television (IPTV) and Video on Demand (VoD) Services*, Government Gazette, No. 33436, 3 August 2010.

of spectrum on a non-profit basis.[223] This portends an era of continuing competition around spectrum acquisition and use, in which it can be expected that primarily mobile phone companies, both as individual corporations and as a sector, will seek more spectrum at the expense of broadcasters. Because ICASA operates generally on a technology-neutral basis, at least some audio-visual content would be able to travel (as already happens) through these non-broadcast-licensed actors. (See section *7.1.2.1.*)

5.2   Digital Gatekeeping

5.2.1   Technical Standards

There was considerable debate within the television industry in 2010 about whether South Africa should drop the chosen DVB–T standard and adopt the Brazilian version of the Japanese ISDB-T standard. This was at a time when the South African authorities were angling for membership of the "BRIC" network—Brazil, Russia, India, and China. There was massive outcry by the broadcast industry, the major STB manufacturers in the country, and the Southern African Digital Broadcasting Association (Sadiba). Civil society groups did not engage with what they may at the time have taken to be a technological matter. In a lobby process, M-Net and e.tv ran more than 35 tours of their DVB–T2 test transmission site (based in Soweto) in order to persuade authorities in member countries of the Southern African Development Community to oppose the Government's apparent leanings toward ISDB–T.[224] As a member of the Community and cognizant of the associated commitment to harmonization in terms of a regional protocol, it would have been difficult for Pretoria to go it alone with ISDB–T if other countries stuck with the DVB family of standards.

Several issues around the standards options have been debated extensively, with various appeals to public interest in terms of their impact on the costs of transition. This also related to prior investment in DVB transmission facilities and R&D around STB standards. Various lobbyists opposed ISDB–T on the grounds that it would be a more expensive system. Supporters of the DVB–T2 upgrade acknowledged that this option would still be more costly to the public than DVB–T, but they argued that infrastructure for transmitting the new standard added only about 9 percent onto the bill, and that the actual transmission costs would be lower than for DVB–T. STBs were deemed to be some 10 percent higher in cost because of DVB–T2, although it was pointed out that the retail prices of the devices were falling rapidly worldwide. Whether the boxes should be HD-ready or not was also a debate framed in terms of cost to the purchaser, and therefore of relevance to the ubiquity of roll-out. The basic specifications discussion also turned on whether boxes would need to be replaced or not once HD transmission was allowed by ICASA (after analog switch-off). Likewise, there was an issue around whether there should be a built-in return-path (an embedded modem, or capacity for a plug-in modem). These too would make the boxes more expensive, and thereby impact on consumer uptake, although they would also have more public interest functionality in the longer term. On the other

223. ICASA, *Draft Radio Frequency Spectrum Regulations*, Government Gazette, No. 925, 29 September 2010, available at http://us-cdn.creamerme-dia.co.za/assets/articles/attachments/30194_n_925.pdf (accessed 21 March 2012).

224. Interview with David Hagen of M-Net, "Digital TV Special," TalkCentral podcast, TechCentral, available at http://www.techcentral.co.za/talkcentral-episode-23-digital-tv-special/20638/ (accessed 3 April 2011).

hand, speakers at the Digital Broadcasting Switchover Forum[225] in Johannesburg in February 2011 said that the bottom price of a basic DVB–T2 box would be under ZAR 350 (US$50).

Compounding the problem of resolving technical standards has been the to-ing and fro-ing over the past five years, spanning different Ministers of Communications. Under Minister Siphiwe Nyanda, digitization fell behind. He dismissed the membership of the industry advisory body (the "Digital Dzonga") which the department had convened in 2008, announced a new council in August 2010, and sought the acceptance of the Brazilian version of the ISDB–T standard. After Minister Radhakrishna Padayachie took office in late 2010, the Government decided that the technology standard would be DVB–T2. He in turn was replaced near the end of 2011. Nevertheless, by February 2012, the South African Bureau of Standards had yet to publish a finalized agreement on the minimum specifications for DVB–T2 boxes.

5.2.2 Gatekeepers

The Electronic Communications Act, 2006 requires any entity operating on the airwaves outside a license-exempt band to have a spectrum license. However, ICASA has rejected arguments by Sentech that this signal provider should be co-assigned frequency licenses that had been assigned to its broadcast clients. The regulator argued that signal distributors are deemed to be agents of broadcast licensees. The regulator also rejected Sentech's arguments that the signal provider should, as a network service licensee, also be responsible for multiplexing; ICASA said that the broadcast licensees should decide who should do this because it entailed activities such as electronic program guide compilation, which was not a communications network service.[226] Broadcasters have expressed concern over the role of state-owned Sentech to be effectively a sole provider of DTT signals, with potentially huge gatekeeping power in terms of costs and content.

ICASA's 2010 regulations state that each digital broadcaster would have to use a licensed provider of electronic communications network services, i.e. a multiplex operator, to secure signal distribution services. These would be subject to the regulator's approval of the signal roll-out timetable, and to possible tariff regulation, as well as the passing-on of any government subsidy of transmission costs to the actual broadcaster client (using the digital transmission).[227]

According to ICASA's DTT regulations, each channel is to be responsible for its own electronic program guide, and there is no express requirement to have to cooperate on a common listing.

Public interest issues have been raised by civil society activists in relation to whether possible Conditional Access capacity on the STBs could be used by the public broadcaster to cut off poor households who are unable to pay the license fee, which already operates as a form of regressive taxation.[228]

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225. See http://www.cto.int (accessed 3 April 2011).

226. ICASA, *General Notice*.

227. ICASA, *General Notice*.

228. Using Conditional Access to cut off non-paying viewers would conflict with the "Universal Service and Access" provision in the SABC Editorial Policies (SABC, 2003a). See C. Armstrong and R. Collins, *Digital Dilemmas*, p. 21.

5.2.3   Transmission Networks

Community broadcasters have long lobbied for special tariffs for signal distribution in their sector, but without success. This may, however, be regulated when ICASA completes its regulations around transmission standards and spectrum-use fees. Community television was initially excluded from DTT during the transitional period but, in February 2012, the Government amended its policy to require that this sector should be accommodated on the DTT multiplexes.[229] What was not clear, however, was whether this sector would benefit from government subsidy over the period for dual transmission ("simulcasting") costs, or risk having to do a "hard switch-over"—a complete and single shift from analog to digital.

Prior to DTT commencing, the South African regulator has allocated two elements of the UHF spectrum to the second fixed-line operator, Neotel, which would enable this company to lead the field in rolling out LTE services. In regard to DTT, the only case of privilege being awarded is in regard to Sentech being the vehicle for government subsidy of DVB–T2 signal roll-out.

5.3   Telecommunications

5.3.1   Telecoms and News

There is no cable market for television in South Africa to speak of, and the lack of cheap bandwidth has also cramped the roll-out of IPTV. Internet companies in South Africa do not themselves provide content services, as distinct from connectivity. Companies owning major "pipes" include Telkom, Neotel, and Broadband InfraCo, who also have shares in the increasing numbers of undersea cables connecting South Africa to the outside world.[230] One (temporary) exception to the absence of content provision was the partly state-owned telecoms operator Telkom,[231] which secured a license to operate a subscription television business in 2007, with a subsidiary called Telkom Media that aimed at a mix of satellite and IPTV delivery. After spending ZAR 104 million (US$5 million) in the 2010 financial year alone, with only ZAR 2 million (US$0.3 million) in revenue, the company sold its majority stake to Shenzhen Media SA, a consortium of Chinese and South African investors. The business was renamed Super 5 Media, but by February 2012 there was still no sign of it launching.

Mobile telephony is dominated by Vodacom, with 31.5 million subscribers in 2009, followed by MTN (16.4 million in 2010), and Cell-C (6.9 million in 2011).[232] Virtual operators include Virgin and, from February 2011, Red Bull. All operators offer internet access, SMS facilities, and voice telephony but not IPTV in the full sense of the service.

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229. Amendment of Broadcasting Digital Migration Policy.

230. See A. Comninos, S. Esselaar, A. Gillwald, M. Moyo, and K. Naidoo, *South African ICT Sector Performance Review 2009/2010. Towards Evidence-based ICT Policy and Regulation*, Volume Two, Policy Paper 6, 2010, pp. 19–20, available at http://www.researchictafrica.net/publications/ Policy_Paper_Series_Towards_Evidence-based_ICT_Policy_and_Regulation_-_Volume_2/Vol_2_Paper_6_-_South_Africa_ICT_Sector_Performance_Review%20_2010.pdf (accessed 3 April 2011) (hereafter A. Comninos et al, *South African ICT Sector Performance Review*).

231. A total of 37.7 percent of Telkom shares are owned by the State directly, and indirect state interests are represented by other shares held by the Public Investment Corporation as custodian of civil servant pension investments.

232. See relevant company information at http://www.vodacom.com/reports/ar_2009/pdf/full.pdf; http://wirelessfederation.com/news/25179-mtn-subscribers-base-in-africa-increases-in-q1/; and http://www.cellc.co.za/about/overview (accessed 3 April 2011).

Telecoms companies do have other involvements in relation to mobile content. This can be indirectly (whether or not they supply handsets that can receive digital mobile broadcasting). It can also be directly (via 3G content services). In regard to digital mobile broadcasting, Super 5 Media, along with a group called Mobile TV (which trialed digital mobile broadcasting standards in 2010), failed to secure licenses in 2010, but two other broadcasters did receive licenses[233] and they will depend on the mobile phone operators to supply suitably enabled handsets to the public.

One licensee was e.tv, licensed for DVB–H services in 40 percent of a special digital mobile Multiplex (MDDT 1). It offered five free-to-air channels (including news) in partnership with MultiChoice (whose DStv holds the rest of the capacity on multiplex, and offers eight pay channels). DStv had already begun trials of DVB–H back in November 2005, in conjunction with Vodacom and MTN.[234] In 2011, the company introduced a decoder device combined with a Wi-Fi re-transmitter device called the Drifta, which can transmit the DVB–H signal to bigger screens such as tablets. In 2011, DStv's content offer cost ZAR 36 a month (US$5) or ZAR 9 (US$1.3) a week, which is also payable via a partnership with mobile phone companies through airtime payment (including pre-paid airtime).

It is not clear that digital mobile broadcasting services will be viable, due to the scarcity of DVB–H enabled handsets (in the DStv mobile trials, the phones were Samsung P910 and Nokia N96 terminals). There is said to be a lack of interest from mobile phone companies to offer such devices, which could compete with their own 3G video services.[235] It may also be noted that DVB–T2 transmission can also serve mobile devices, provided that these are enabled to receive it. This possibility may surpass interests in special transmission via DVB–H.

Telecoms companies are also directly involved in providing audio-visual content via 3G. Vodacom also offers selected local and foreign DStv channels for ZAR 59 (US$8) a month, which includes CNN.[236] It also had a partnership with a UK company, the On Demand Group, for 3G distribution of imported content from HBO, MTV, and Disney. The cost was ZAR 75 (US$11) per month in 2011.[237] Vodacom also announced in February 2011 a device called Webbox, which is a keyboard with in-built SIM-card modem and FM receiver that plays through a television screen.

However, there does not appear to be a pointing device and the system operates with Edge speed (rather than 3G), both of which could inhibit internet browsing and audio/video downloads or streaming, which would in turn limit audio/video news consumption via this device. The product cost ZAR 749 (US$107)

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233. See http://www.advanced-television.com/2010/sep12_sep17.html#t7 (accessed 3 April 2011).

234. See http://www.dvb.org/about_dvb/dvb_worldwide/south_africa/index.xml (accessed 3 April 2011).

235. Phil Laven, Chair of Digital Video Broadcasting, speaking at the Digital Broadcasting Switchover Forum, Johannesburg, 1–3 February 2011.

236. See http://www.vodacom.co.za/personal/services/entertainment/dstvmobile/?pageUrl=/personal/services/entertainment/dstvmobile&firstLoad= true (accessed 3 March 2012).

237. T. Manners, "Vodafone Launches Mobile TV Service," TechSmart, 2 August 2010, available at http://www.techsmart.co.za/features/news/ Vodacom_launches_mobile_TV_service.html (accessed 22 March 2012); see also http://www.ondemand.co.uk/news-a-press/177-aug-10-on- demand-and-vodacom-launch-africas-first-ever-mobile-tv-svod-service-to-millions-of-3g-users (accessed 3 March 2012) (however, in March 2012 the service was not offered on the Vodacom.co.za website).

and included the first 100Mb of data free, although there was no flat-rate option thereafter.[238] MTN also launched a substitutable device in 2011, called the InternetOn TV. It operated on 3G speeds and retailed for ZAR 999 (US$143). It consisted of keyboard and mouse, and an internet-connected phone, which all link to the television set.[239] However, there is skepticism about whether the costly pricing models for these two services will see substantive uptake—meaning that there is likely to be little delivery of news via internet to the television screen.[240]

5.3.2 Pressure of Telecoms on News Providers

By February 2012, there were no publicly known cases where telecommunications operators had put pressure on news providers by means of selective pricing or other discriminatory measures. Nor were there incentives for the supply of specific news content as marketing "sweeteners" to attract new subscribers to a given telecoms operator. This links to the issue of "net neutrality," which concerns the differential pricing and possible vertical integration relating to the delivery of video content through the internet. South Africans are accustomed to connectivity that is already tiered in terms of capped versus uncapped, and shaped versus unshaped, internet access and there has been no mobilization against this.

Also, by early 2012 there had not been tie-ups of particular content companies with ISPs or telecommunications groups that were exclusive or privileged in terms of bandwidth speeds. Through various mobile telephony providers, Blackberry phones in 2011 were being offered with unlimited browsing for a small monthly fee of ZAR 60 (US$9), although this service precluded streaming, downloads, or utilization of the device as a modem. There was no discrimination between sources of news delivered through telecommunications and/or internet suppliers.

5.4   Assessments

The Electronic Communications Act, 2006 states that its aim is to ensure the regulation of communications in the public interest, and to promote an "environment of open, fair, and non-discriminatory access to broadcasting services, communication networks, and communication services." This objective appears to be the practice as well. There are complaints, however, that there is collusion around interconnection costs and also that there is government protectionism of Telkom, with ICASA being complicit in allowing these situations.

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238. "Vodacom Unveils R749 Internet TV Device," TechCentral, 11 February 2011, available at http://www.techcentral.co.za/vodacom-unveils-r749-internet-tv-set-top-box/21040/?utm_source=feedburner&utm_medium=email&utm_campaign=Feed%3A+co%2FUqJF+%28TechCentral%29 (accessed 3 April 2011).

239. "MTN Takes Wraps off R999 WebBox Rival," TechCentral, 16 February 2011, available at http://www.techcentral.co.za/mtn-takes-wraps-off-r999-webbox-rival/21141/ (accessed 3 April 2011).

240. C. Jones, "Why Vodacom and MTN Must Do More," TechCentral, 18 February 2011, available at http://www.techcentral.co.za/why-vodacom-and-mtn-must-do-more/21201/ (accessed 3 April 2011).

In policy terms, spectrum assignment in South Africa is supposed to be approached from the point of view of public interest in the country. A government policy directive in January 2009 urged the regulator to pay special attention to the needs of the poorest sections of the population when considering licensing applications.[241] The Government's April 2010 policy presented its rationale as being to give "over-arching guidance" for using spectrum "in the broad national interest," and to "promote economic and social development and ensure safety of life."[242] It further stated that the policy "will also ensure that government objectives are catered for in the table of frequency allocations." Accordingly, the policy proposed that the assignment of digital dividend should encourage wireless broadband access in under-served areas, and also be available for community television. These provisions are appropriate to South Africa's social needs, although, as previously mentioned, Cape Town community television has had to wait at the back of the queue for frequencies until, in February 2012, Government policy introduced a requirement (which would need to be put into effect by ICASA) that the community television sector should be accommodated on the planned DTT multiplexes.

ICASA's 2008 frequency plan cited an allocation rationale of, inter alia, serving the three tier system of public, community, and commercial broadcasting; the interests of incumbent broadcasters; language obligations especially for SABC; viability of SABC; coverage and power requirements; and regional identity and regional broadcasting. In these respects, the plan echoed principles previously outlined in ICASA's 2004 Draft Terrestrial Broadcasting Frequency Plan.[243] This regulation again can be said to be appropriate to South Africa, although the balancing act favors the incumbent broadcasters especially when it comes to digital television. In December 2012, the Minister of Communications published Draft Policy Directions on high-demand spectrum and the exploitation of the digital dividend.[244] These emphasized the principles of introducing new providers of electronic communications, including broadband; ensuring that the licensees would contribute to Black Economic Empowerment (see section *6.1.3*); and obligations to promote uptake in rural and urban poor settlements. If finalized, ICASA will need to allocate spectrum accordingly.

Appropriateness of spectrum regulation in South Africa also relates to the costs of access. In 2009, ICASA published the *Draft Radio Frequency Spectrum Fee Discussion Document*. This proposed an Administrative Incentive Pricing (AIP) scheme, whereby fees would be high enough to discourage spectrum hoarding and inefficient spectrum usage, but also low enough so as not to create a barrier to market entry. Public hearings on the draft spectrum fee policy secured submissions from 19 organizations in 2010.[245] According to Radio Frequency Spectrum License Fee Regulations gazetted in 2010, and due to come into force on 1 April 2012,[246] awards will be for a maximum of five years on the AIP basis and aimed at encouraging efficiency and rural distribution of signals. This system has been criticized as likely to increase costs to users.[247]

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241. Government Gazette, No. 31173, Notice 12, 9 January 2009.

242. DoC, *Radio Frequency Spectrum Policy for South Africa*, Government Gazette, No. 33119, 16 April 2010.

243. ICASA, *Draft Terrestrial Broadcast Frequency Plan 2004*.

244. *Electronic Communications Act (36/2005): Policy Directions Drafted in Terms of Section 3(2) of the Act*, Government Gazette, Vol. 558, No. 34848, 14 December 2011, available at http://www.ellipsis.co.za/wp-content/uploads/2012/01/MoC_Policy_Direction_20111214.pdf (accessed 3 March 2012).

245. S. Song, *Open Spectrum,* p. 5.

246. ICASA, *General Notice*.

247. "Frequency License Fees," available at http://www.ellipsis.co.za/licensing/frequency-licensing/license-fees/ (accessed 3 March 2012).

Meanwhile, the Government's 2010 policy aligned itself to promoting universal service and access, as well as transparency and openness in spectrum management, in terms of setting guidelines for spectrum use and establishing principles for spectrum fees. It added that "care must be taken to ensure that the pricing system does not act as a barrier to entry for users of the spectrum." Arguing that it is not in the public interest to manage spectrum exclusively along economic principles, the policy said that this would adversely affect small enterprises and new entrants. These policy provisions can be assessed as appropriate to the conditions of South Africa, although they have yet to be implemented, so that actual impact has not yet been felt on competition, service quality, and access.

The Wireless Access Providers' Association (WAPA) has called on the Government to address "white space" spectrum allocation.[248] They want such unused space below 900MHz between television channels to be made available as unlicensed spectrum for "cognitive radio" communications. They envisage it being used for wireless broadband services because it can travel long distances and penetrate through walls better than the 2.4GHz and 5GHz bands currently used to provide Wi-Fi services.[249]

It remains unclear whether the same white spaces will persist in the DTT environment, but the idea of white space usage goes beyond the notion of digital dividend (spectrum freed up by analog television switch-off). It can also be understood as covering the unlicensed dynamic exploitation of gaps in transmission (analog or digital), according to varying data loads sent out by licensed frequency users. It is difficult to assess the impact of this lobby, but at a workshop in October 2011, ICASA indicated that it had already agreed several partnerships to conduct white space trials.[250]

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248. See R. Muller, "White Space Spectrum Needs to Be Addressed: WAPA," MyBroadband, 4 November 2010, available at http://mybroadband.co.za/news/wireless/16335-White-Space-spectrum-needs-addressed-WAPA.html (accessed 3 April 2011).

249. See H. Kleynhans, "White Space: SA's Broadband White Knight," TechCentral, 21 January 2011, available at http://www.techcentral.co.za/white-space-sas-broadband-white-knight/20501/ (accessed 3 April 2011).

250. A. Moyo, "Clash over TV White Space," ITWeb, 7 October 2011, available at http://www.itweb.co.za/index.php?option=com_content&task=view&id=47965&Itemid=&tmpl=component&print=1 (accessed 3 March 2012)

6. Digital Business

6.1 Ownership

6.1.1 Legal Developments in Media Ownership

There were no legislative changes regarding media ownership between 2005 and 2010, although ICASA signaled interest in revisiting the terms. The existing rules on concentration in broadcasting, and on cross-ownership between print and broadcasting, remained unchanged by February 2012, as did the ceiling on foreign ownership in broadcasting ventures. Black economic ownership proportions continued to be a focus in regard to ICASA licensing electronic communications entities, including broadcasters.

The legislative requirements on ownership, as referenced in the Electronic Communications Act, 2006, are that foreign ownership in broadcasting may not entail control of the company concerned, and therefore that such ownership should be restricted to a share of 20 percent at maximum. Thus Super 5 Media was bought by Shenzhen Media SA, which could include only a 20 percent investment by a Chinese company called the Sino-Africa Group Ltd.

The law also states that no person may control more than one commercial television channel or more than two FM or two AM commercial radio stations. Although exemptions are permitted, it is clear that these stipulations will become outdated in regard to the additional television channels that will be launched on DTT multiplexes. ICASA has been reviewing the ownership and control regulations for broadcasting, but had renewed calls for feedback on the issue in February 2012.[251] Back in 2005, ICASA published Regulations and Terms & Conditions of the Provision of VANS (value-adding network services—at the time, primarily ISPs) which set a target of 30 percent black ownership within 24 months of the issue of a license.[252] These licensees are being converted into Electronic Communications Services licensees and Electronic Communications Network Services licenses, with the same ownership stipulations in operation. ICASA generally has specified a 30 percent ownership quota by historically disadvantaged South Africans in terms of its licensing practices.

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251. *ICT Weekly Update*, Johannesburg, Lisa Thornton Inc., 15 February 2011.

252. OSF, *Meeting Their Mandates?,* p. 66.

The Electronic Communications Act, 2006 also states that no person who controls a newspaper may have financial control of any broadcasting licensee.[253] In addition, it states that no person who controls a newspaper may have control, which is 20 percent or more of any broadcasting licensee that broadcasts in a similar area.[254]

The Competition Act also has authority over ownership, mergers, and collusion as regards the communications industries. The act provides for a Competition Commission in charge of investigating issues, and a Competition Tribunal with adjudicative powers. There is also a Competition Appeal Court. A number of cases have been heard over the years, primarily in relation to issues within the print media. The system has been criticized for being hard for ordinary people to access, and for having an inadequate understanding of the complex relationships between ownership pluralism and editorial diversity.[255]

6.1.2   New Entrants in the News Market

In television, the biggest investment has been made by Telkom. As discussed in section *5.3.1* above, Telkom set up a subscription television subsidiary called Telkom Media, but then sold it on. A similar license was also awarded to Walking on Waters, a religious-oriented service, but it too had failed to launch by June 2011. Top TV (noted above), however, came to market in 2010. Although e.tv was licensed to run a satellite subscription service, it decided instead to provide only a 24-hour news channel within some of the broader bouquet packages offered by DStv and Top TV.

In June 2007, CNBC Africa was launched as a business channel in the DStv bouquet. MultiChoice also launched a youth-oriented station called Vuzu within the DStv bouquet during 2010, which involves interactivity, although it does not provide formal news programs. Both e.tv and DStv launched mobile television offerings, as did Vodacom (see section *5.3.1*).

In the print environment, the tabloid newspapers were well established before 2005. In 2007, the Avusa-owned *Sunday Times* launched a daily edition, the *Times*, which has attempted to operate a converged print–web news operation. Over the period, Avusa's partnership with Pearson UK launched the *Weekender*, but the paper was closed down in 2010. In the same year, the *Sunday Times* also launched a Zulu-language edition, and there was also the launch of the *New Age* newspaper, owned by immigrant businessmen with close ties to the president's family. In 2011, the Government announced that it would convert its bi-monthly magazine into a tabloid newspaper, becoming fortnightly in 2012.

New online initiatives in the period which have joined successful stand-alone specialist and small-publisher-owned websites such as ITWeb and Moneyweb have been Memeburn and TechCentral. The *Daily Maverick*, which styles itself more as political analysis than news, is another newcomer in terms of online-only journalism.

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253. Electronic Communications Act, 2006.

254. See I. Sikiti da Silva, "Monopoly Media Ownership Hurting SA Democracy," Bizcommunity.com, 30 October 2009, available at http://www.bizcommunity.com/Article/196/15/41530.html (accessed 5 February 2011) (hereafter, I. Sikiti da Silva, "Monopoly Media Ownership Hurting SA Democracy").

255. Personal communication, Jane Duncan, 3 March 2011.

6.1.3   Ownership Consolidation

- **Broadcast ownership**

Radio, the medium with the biggest reach in South Africa, has 42 percent of its outlets owned by SABC.[256] These, along with most commercial stations (many owned by Kagiso Media and Primedia), also have a presence on the internet.[257] Television ownership in the free-to-air sector is also dominated by SABC (three analog stations), and there is only one private terrestrial analog station (e.tv), which is partly owned by trade union investment funds.

There are local community television stations, owned by non-profit organizations, in four major cities. The pay-TV market is dominated by DStv and M-Net, held by the primarily white-owned MultiChoice. Set up by Naspers, this company also has an empowerment scheme called Phuthuma Nathi, through which approximately 120,000 black people and groups indirectly own shares in the company.[258] In 2010, the largely black-owned company On Digital Media launched the satellite subscription service Top TV.[259, 260]

One matter that is of possible concern from a consolidation point of view is the lock-in of pay-TV subscribers to specific STBs, which is the case with DStv and Top TV whose devices are not interoperable. However, there is also a technological dimension here, in that Top TV utilizes DVB–S2 and MPEG–4, unlike DStv and Vivid which still utilize DVB–S and MPEG–2. Nevertheless, a subscriber would need to purchase an additional box in order to switch from one service to the other, and not just install a new Conditional Access system or card, which constitutes a strong disincentive to opt for such a change.

The concentration of power in the ownership of SABC is also of concern, in that its immense broadcast holdings could, in one fell swoop, come under the sway of Government as representative of the public owner. There were several occasions during 2005–2010 where SABC's sheer size made it a tempting target for increased control by the Minister of Communications. However, the idea of unbundling the public broadcaster into several autonomous entities has not had resonance in Government or civil society.

- **Print ownership**

Print media is mostly independent of the Government, and owned by just a few publishing houses. The top four own or control 75 percent of titles and 90 percent of circulation in this sector.[261] The four companies are: Avusa, Media24 (in turn owned by Naspers), Caxton, and the foreign-owned Independent Newspapers. Unlike Caxton and Independent, the other two publishing houses have been slowly increasing their Black Economic Empowerment (BEE) ownership.[262] Media24 has a broad-based BEE initiative, Welkom Yizani, with approximately 100,000 black people and groups indirectly

256. See I. Sikiti da Silva, "Monopoly Media Ownership Hurting SA Democracy."

257. See "SA's Print & Broadcast Reach and Ownership," Amandla, 1 February 2010, available at http://www.communitymedia.org.za/alt-media-resources/134-media-reach-ownership (accessed 3 April 2011) (hereafter, "SA's print & broadcast reach and ownership").

258. *Naspers Annual Report, 2010.*

259. ICASA, *Application for Individual Electronic Communications Network Services (I-ECNS) License for the Provisioning of Broadcast Services. Reasons for Decision. November 2010*, Government Gazette, Vol. 545, No. 33774, 16 November 2010.

260. See I. Sikiti da Silva, "Monopoly Media Ownership Hurting SA Democracy."

261. MDDA, *Trends*, p. 83–5.

262. See "SA's Print & Broadcast Reach and Ownership."

owning a part of the company.[263] The magazine market (many of whose titles also have online editions) is mainly owned by the big four newspaper groups.[264] The Media Development and Diversity Agency commissioned a research report in 2009, which highlighted the still-marginal black ownership in the print media. In 2010, the ruling ANC called on Parliament to promote an ownership transformation "charter" to be adopted by print media for promulgation by the Government. Early in 2012, it was reported that the ANC wanted this to be a BEE code, although details were not elaborated.[265] Industry has responded that the lack of racial diversity in ownership needs to be offset against racial redress in other areas, such as staff composition including demographics at executive level, and training. Meanwhile, the Government's Department of Trade and Industry has developed Broad-Based Black Economic Empowerment (B-BBEE) scorecards, which identify seven elements of empowerment—ownership, management control, employment equity, skills development, preferential procurement, enterprise development, and socio-economic development.[266] The scorecard is based on a target of 25 percent black ownership. The devices of charters and scorecards also measure whether companies do business with companies that are B-BBEE compliant. These factors impact on the ability of companies to win government tenders (although by February 2012 Government advertising continued to be on the basis of cost per audience reach, and was not determined by this factor).

Table 15.
B-BBEE scorecards of major media houses in 2010

B-BBEE status	Weighting point	Actual points			
		Avusa	Media24	Caxton/CTP Limited	Independent Newspapers
Ownership	20	17.6	12.2	0	0
Management control	10	8.8	8.1	8.7	6.2
Employment equity	15	8.8	5.8	5.5	10.0
Skills development	15	5.3	2.1	6.3	7.4
Preferential procurement	20	16.4	16.7	15.5	14.0
Enterprise development	15	15.0	15.0	15.0	15.0
Socio-economic development	5	5.0	5.0	5.0	5.0
Black owned	100%	51.3	14.5	0	0
Black women owned	100%	1.4	0.04	0	0
B-BBEE contributor	Between level one (highest) and non-compliant (lowest)	Level 3	Level 4	Level 5	Level 5

Source: B-BBEE scorecards.[267]

263. *Naspers Annual Report, 2010.*

264. See I. Sikiti da Silva, "Monopoly Media Ownership Hurting SA Democracy."

265. "ANC Wants New Constitution," Business LIVE, 4 March 2012, available at http://www.businesslive.co.za/southafrica/2012/03/04/anc-wants-new-constitution (accessed 3 March 2012); see also http://anc.org.za/docs/discus/2012/communication.pdf (accessed 13 March 2012).

266. See http://bee.thedti.gov.za/01.htm (accessed 3 April 2011).

267. Information kindly provided by Jane Duncan, and sourced inter alia from http://www.media24.com/en/bee-scorecard/download/919/851/19.html (accessed 3 April 2011); http://www.caxton.co.za/pages/downloads/CTP_BEE_CERTIFICATE_2009.pdf (accessed 3 April 2011); and http://www.avusa.co.za/PDFs/Avusa_Ltd_BEE_Certificate_2010.pdf (accessed 3 April 2011).

The ruling party has called on the Competition Commission to investigate whether there are anti-competitive practices in the print media value chain (paper, printing, publishing, distribution, and advertising).[268]

There have been no major mergers or buy-outs in broadcasting or print in recent years. One case worth noting, however, is the purchase arrangement in 2010 by Avusa of Hirt and Carter Printing, which appeared to be partly driven by Avusa's interest in broadening its black shareholder score, thereby increasing pluralism in ownership. Another case is Avusa's purchase of the Big News publication, an independent title originally backed by the Media Development and Diversity Agency, but the subsequent closure of the journal due to poor profitability reduced diversity.

It is widely considered that the *New Age* newspaper was, despite its owners' denials, started in order to curry favor with the ruling party. The publication enjoys easy access to members of the ruling party, and the bulk of its advertising appears to come from Government.

- **Website ownership**

Generally, news websites in South Africa are the property of the parent media house. However, during the period of this study, the *Mail & Guardian* reacquired ownership of its website, by buying back the 65 percent shareholding that it had previously sold to MWEB, an ISP owned by Naspers. Significantly, Naspers itself owns News24 and decided to invest in the MXit mobile networking platform in 2007, taking a 30 percent share. (The News24 news feeds are present on both MXit and MultiChoice platforms.)

It is also noteworthy that black-owned broadcasting house Kagiso Media secured the franchise to run the website MSN–South Africa in 2010, which widens the reach of this company's ownership.

6.1.4   Telecoms Business and the Media

Apart from the aborted investment by Telkom in Telkom Media (now Super 5 Media), the telecoms industry has not generally bought media outlets nor sought to operate multiplexes in South Africa. One small exception to telecoms involvement has been in Zoopy, an online video site, which was invested in by Vodacom in 2008 and eventually wholly acquired by it. However, the telecoms industry has put extensive sponsorship into building media relations over the years, with the Vodacom journalism awards, MTN community radio awards, and Telkom ICT awards (later changed to Telkom business journalism awards).

Conglomeration in mobile telephony may impact on access costs for users wanting to utilize these services to access or participate in media. Ismail Vadi, the former head of Parliament's committee dealing with communications, has accused Vodacom and MTN of apparent collusion over call-termination rates.[269]

268. SAPA, "ANC Questions Print Media's Commitment to Transformation," *Times LIVE*, 10 August 2010.

269. I. Vadi, Public Lecture, Wits Graduate School of Public and Development Management, 2 November 2009, available http://www.docstoc.com/docs/69721959/PUBLIC-LECTURE---WITS-GRADUATE-SCHOOL-OF-PUBLIC-AND-DEVELOPMENT- (accessed 3 April 2011) (hereafter, I. Vadi, Public Lecture).

Although they denied the charges, widespread unhappiness with the costs along with pressure from an impatient Minister of Communications led to ICASA deciding in 2010 to regulate these prices more tightly.

Of relevance to the media is competition by mobile operator Vodacom for audience and advertising share. Thus, Vodacom has made clear that it saw itself as seeking a share of the advertising revenues through what it envisages would become worth ZAR 1.4 billion (US$200 million) in 2011, amounting to 4 percent of the total advertising spend in South Africa.[270] An insurance company used the platform at a cost of ZAR 11,000 (US$1,600), and raised ZAR 139 million (US$20 million) worth of leads (all of them potentially valuable because the company had charged a premium reply SMS fee of ZAR 2.50, which acted as a class filter).[271] In addition to this, Vodacom has also been looking to get location-based advertising on its mobile social network with geographic positioning via mobile phone towers called The Grid.[272] Banner adverts have been sold on Vodacom's mobile internet portals—Vodacom4me and Vodafone live!—which drew a total of 1.4 million users per month when the service began in 2007.[273] The company has also become the biggest broadband ISP, accounting for 43 percent of subscriptions in 2009.[274] Vodacom's portal (Vodafone live!) is a gated site in which browsing (though not downloading) is free for subscribers to its network. The offerings include news and the company has also launched a daily MMS news service delivered free to subscribers, under the name "News For You."

In general, these involvements have not compromised media independence.

6.1.5 Transparency of Media Ownership

There are no specific legal provisions requiring news media companies to disclose their ownership. Under generic rules for listed companies, entities such as Caxton that are registered on the Johannesburg Stock Exchange are required to disclose information about directorships, remunerations, auditors, etc., with most doing so in terms of what are known as the King Commission recommendations.[275] A new Companies Act threatened to reduce this transparency, but there were questions in 2010 and 2011 as to whether it would be put into effect. Independent Newspapers, registered in Ireland, has little corporate information available, while Naspers (registered on the Johannesburg and London Stock Exchanges) has disclosure requirements that meet these institutions' requirements. These arrangements provide a degree of transparency of owners. Control of Naspers vests in South African shareholders (not all of whom are known), even though it also has a large number of foreign shareholders entitled to dividends. This is because Naspers has two classes of shareholders—with almost two-thirds of voting rights held by A-class shares, although there are only 71,000

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270. See http://www.vodacom.com/sus_access.php (accessed 3 April 2011).

271. "Mobile Marketing," available at http://www.marketingmix.co.za/pebble.asp?relid=3200 (accessed 3 April 2011).

272. "Please Ad Me," available at http://www.itudaily.com/home.asp?articleid=515200801 (accessed 3 April 2011).

273. "Vodacom Enters New Multibillion-rand Media Space," MyDigitalLife, 12 October 2007, available at http://www.mydigitallife.co.za/index.php?option=com_content&view=article&id=6350:miranda-lambert-revolution&catid=18:home-a-entertainment&Itemid=251(accessed 3 April 2011); and "Vodacom Enters New Multibillion-rand Media Space," press release, 12 October 2007, available at http://www.itweb.co.za/index.php?option=com_content&view=article&id=6252&catid=76:cellular&tmpl=component&print=1 (accessed 3 April 2011).

274. PWC, *South African Entertainment and Media Outlook: 2010–2014.*

275. See http://www.iodsa.co.za/products_reports.asp?CatID=150 (accessed 3 April 2011).

of these in comparison to the more than 366 million low-voting power N-class shares.[276] Only a third of the A-shares are on the Johannesburg Stock Exchange, with the remainder held by unlisted companies with roots in Afrikaner nationalism.[277]

Although South Africa has the phenomenon of black individuals fronting for white business interests, this is not evident in the case of the media.

6.2 Media Funding

6.2.1 Public and Private Funding

As Table 16 shows, end-user spending (i.e. subscriptions and purchases) remains a much larger contributor (around two thirds) to media business economics than advertising. But advertising has still been growing notwithstanding a setback in the 2009 recessionary year.[278]

Table 16.

Advertising and end-user spending (in ZAR million and share of total media funding in %), 2005–2009

	2005		2006		2007		2008		2009	
	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%
Advertising	15,995	35	18,823	36	21,909	37	23,631	37	20,247	31
End-user spending	30,055	65	33,726	64	37,644	63	40,957	63	45,483	69
Total	46,050	100	52,549	100	59,553	100	64,588	100	65,730	100

Source: PWC, *South African entertainment and media outlook: 2010–2014.*

As Table 17 shows, television has retained a constant share of approximately 40 percent of combined advertiser and end-user spending over the five years, while newspapers have dropped by eight percentage points, and internet has risen from 20 to 30 percent of total share.

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276. L. Gedye, "Caxton, Naspers Go Another Round," *Mail & Guardian Online*, 27 August 2010, available at http://mg.co.za/article/2010-08-27-caxton-naspers-go-another-round (accessed 3 March 2012).

277. See MDDA, *Trends*, p. 50.

278. It may be noted that a different set of data presents higher figures than PricewaterhouseCoopers. See A. Austin, J. Barnard, K. Bermingham, and G. Owen, "Advertising Expenditure Forecasts October 2008," ZenithOptimedia, October 2008, available at http://adpedia.ch/uploads/Advertising_Expenditure_Forecasts.pdf (accessed 3 April 2011).

Table 17.

Media spending, breakdown by media sector (in ZAR million and % of total spending)

	2005		2006		2007		2008		2009	
	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%
Television	11,265	42	12,789	41	14,797	40	16,556	41	17,233	41
Radio	1,972	7	2,175	7	2,390	7	2,634	7	2,439	6
Newspapers	8,446	31	9,562	31	10,653	29	11,506	28	9,682	23
Internet	5,364	20	6,716	21	8,712	24	9,761	24	12,671	30
Total	27,047	100	31,242	100	36,552	100	40,457	100	42,025	100

Source: PWC, *South African entertainment and media outlook: 2010–2014.*

Table 18 shows that advertising is losing its lead to subscriptions in terms of share of revenue for television. The share of subscription television reflects the rising penetration, from 14 percent of households in 2006 to 23 percent in 2101 (see Table 4). License fees are a shrinking percentage of income.

Table 18.

Total television advertising revenues (in ZAR million and % of total spending)

	2005		2006		2007		2008		2009	
	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%
Total TV advertising*	5,400	48	6,402	50	7,803	53	8,306	50	7,508	44
Revenue from TV subscriptions	4,880	43	5,395	42	5,990	40	7,238	44	8,701	50
License fees	985	9	992	8	1,004	7	1,012	6	1,024	6
Total TV spending	11,265	100	12,789	100	14,797	100	16,556	100	17,233	100

Note: * includes negligible sums of online and mobile television advertising.
Source: PWC.

SABC's own revenue sources tell a story over the years of huge dependence on commercial revenue, with a declining percentage only because injections of government revenue were required to bail out the broadcaster. Just one third of television-enabled households have been calculated to be paying the license fee of ZAR 250 (US$36) per year.[279] However, even absolute compliance would not cover the broadcaster's costs, which may explain the 2009 proposal to replace the fee with a special broadcasting tax in the Public Service Broadcasting Bill (which proposed law was withdrawn in 2010). The Government has signaled dislike of dependence "on the vagaries" of advertising,[280] but no action has been taken to reduce this reliance. According to the SABC annual report for 2008–2009, the funding mix for operations for that year (ending 31 March 2009) was:

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279. Based on data from OSISA, *On Air*, p. 183. (In 2003, the figure was estimated at 69 percent. See C. Armstrong and R. Collins, *Digital Dilemmas*, p. 21.)

280. A. Sennitt, "South African Draft Bill Seeks to Scrap TV Licences," Media Network, 31 October 2009, available at http://blogs.rnw.nl/medianetwork/south-african-draft-bill-seeks-to-scrap-tv-licences (accessed 3 March 2012).

- Commercial funding: 77 percent (ZAR 3.663 million) (US$523 million)

- License fee income: 18 percent (ZAR 865 million) (US$124 million)

- Government allocation: 2 percent (ZAR 106 million) (US$15 million)

- Other (including sale of merchandise, rental of studios, etc.): 3 percent (ZAR 144 million) (US$ 21 million)

(This excludes a ZAR 150 million (US$21 million) allocation from Government for implementation of digital migration technology upgrades.) Over the period of this study, as Table 19 shows, license fee income accounted for 15 percent of total revenue in 2004, 17 percent in 2008, and 18 percent in 2009.

Table 19.

Breakdown of SABC revenues (in ZAR million and % of total budget)

Year	Commercial		Government		Licenses		Other		Total
	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%	
2005	2,670	79	49	1	568	17	96	3	3,383
2006	3,054	77	50	1	739	19	100	3	3,943
2007	3,297	77	84	2	760	18	127	3	4,268
2008	3,656	78	75	2	822	18	151	3	4,704
2009	3,633	77	106	2	865	18	142	3	4,746
2010	3,485	73	306	6	868	18	132	3	4,791

Source: SABC Annual Reports 2005–2010.

It is worth comparing the advertising rate-cards for the different television stations in relation to primetime news shows, and bearing in mind that SABC3, not SABC1 and 2, is supposed to be the surplus-generating commercial SABC channel. IsiXhosa/isiZulu news on SABC1 at 7.30 p.m. rated at ZAR 74,000 (US$ 9,600) per advertisement, this being the corporation's highest ranking news program. On SABC2, the primetime Afrikaans news at 7 p.m. rated at ZAR 110,000 (US$ 14,300), which was the highest of the news shows on this channel and compared to Morning Live at 6 a.m. at ZAR 14,000 (US$ 1,800), and Sesotho and Setswana news at 8.30 p.m. at ZAR 27,000 (US$ 3,500). The SABC3 English primetime news at 7 p.m. rated only ZAR 42,000 (US$ 5,500). The private channel e.tv had its primetime English news at 7 p.m. ranked at ZAR 60,000. In other words, SABC2's Afrikaans news was seen to deliver a more marketable property than any other station, while e.tv had an audience that commanded a higher rate than its rival SABC3 audience.[281]

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281. SABC1 Rate Card 2010, SABC2 Rate Card 2010, SABC3 Rate Card 2010; see http://www.etv.co.za/files/rates/etv%20Nov%202010-iz.pdf (accessed 6 February 2011).

As Figure 7 shows, in the newspaper publishing sector, there has been a slowing in the rate of increase in print advertising revenue, and a similar trend year-on-year for newspapers' online advertising share. The overall pace of growth of digital advertising is high (albeit off a lower base).

Figure 7.

Newspaper advertising revenues (in ZAR million and year-on-year change in %)
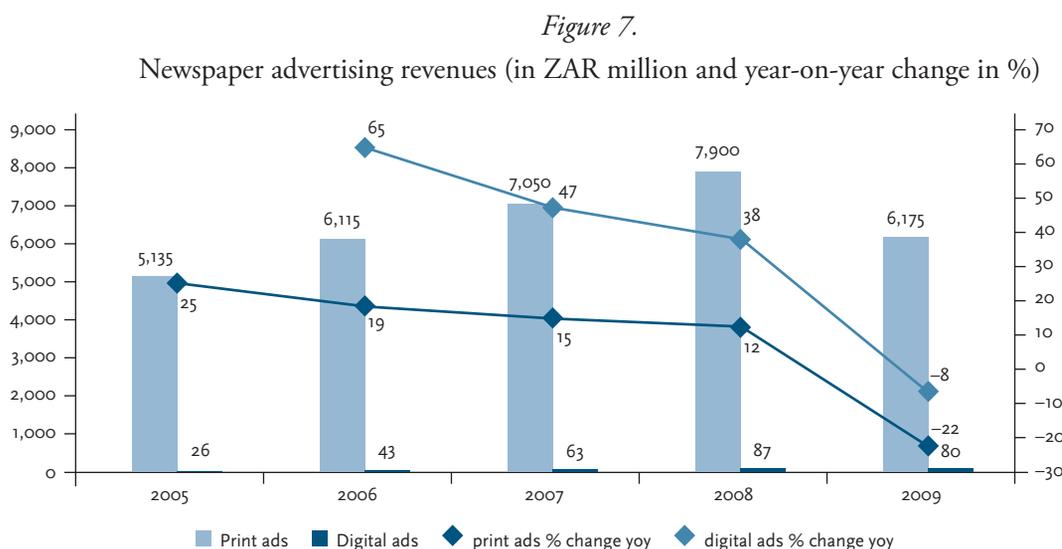
Source: PWC.

The leading advertisers are retail stores, mobile telephony, alcohol brands, and Government.[282, 283] The total advertising spend from January to end of August 2010 amounted to ZAR 17.7 billion (US$2.52 billion), compared to ZAR 15 billion (US$2.1 billion) in the same period in 2009, with the increase being attributed to FIFA World Cup spending.[284]

Nielsen Media Research lists Government as one of the top 10 advertisers in the media, ranking fifth in 2008.[285] Print media received 47 percent of these funds (much related to government personnel recruitment), radio 31 percent, and television 18 percent. The Government Communication and Information System (GCIS), which buys an amount of advertising on behalf of other government departments, gave a breakdown in its annual report for the 2007–2008 financial year showing 44.2 percent of its specific spend went to radio, 22.8 percent to print, and 22.06 percent to television.

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282. Top 20 spenders during August 2010 were: Unilever SA, Shoprite Holdings Ltd, Cell C, SAB Miller, Vodacom Communication, Reckitt Benckiser, Pick n Pay, Government National, Brandhouse, and Distell; see "Nielsen's AdDynamix Releases Adspend Figures," Totally MAd, 19 October 2010, available at http://www.totallymad.co.za/?IDStory=31200 (accessed 3 April 2011) (hereafter, "Nielsen's AdDynamix releases adspend figures").

283. In September 2010, the top 15 advertisers for all media in order of spend were: Coca-Cola SA, Reckitt Benckiser, Standard Bank, Distell, Spar SA, KFC, Cell C, FIFA, Brandhouse, Pick n Pay, MTN, Vodacom, SAB Miller, Unilever SA, and Shoprite Holdings. The top 10 advertisers in newspapers specifically, between January and September 2010, were: Shoprite Holdings, Pick n Pay, Spar SA, Mass Stores, Cell C, MTN, Vodacom, JD Group, Absa, and the Government. See I. Sikita da Silva, "Adspend Up, Tv Leads Market Share," 29 November 2010, available at http://allafrica.com/stories/201011290805.html (accessed 22 March 2012).

284. See "Nielsen's AdDynamix Releases Adspend Figures."

285. OSISA, *On Air.*

Advertising spending by the Government Communications and Information Service (in ZAR '000)
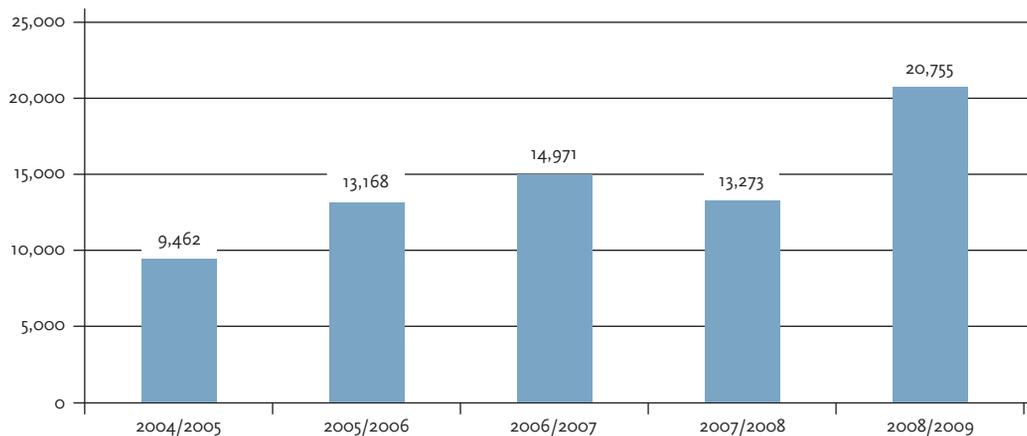
Source: GCIS annual reports, available at http://www.gcis.gov.za/resource_centre/reports/annual_rpts (accessed 20 October 2011).

Despite Government's prominent role in advertising, this does not seem to have had an impact on media independence, although threats to change this emerged in June 2011 from cabinet spokesman Jimmy Manyi, who said the ZAR 1 billion (US$143 million) annual spend would be centralized.[286] While no further news had emerged on this by February 2012, the Media Development and Diversity Agency (MDDA) announced an online booking system for community and small commercial media to eliminate what it said were corrupt private media brokers defrauding government advertising spend.[287]

In terms of sustainability, the FIFA World Cup in 2010 helped to catalyze a boost in the advertising industry.

6.2.2   Other Sources of Funding

The MDDA was established in 2004 as a partnership between the State and private media to fund small-scale media development. The print industry contribution is a voluntary payment based on five-year memorandums of understanding. In 2010, Print Media South Africa signed a new agreement on behalf of its four big newspaper companies to pay the same ZAR 1.2 million (US$0.17 million) per annum per principal as previously for the first three years, but ZAR 1 million (US$0.14 million) for the last two years. The contribution by broadcast industry actors is an optional payment within their legally compulsory overall levy of 0.2 percent of annual turnover (and the same applies to telecoms operators). As such, broadcast (and telecoms) contributors can choose to offset payments to MDDA against what would otherwise be payments

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286. See B. Boyle, "Manyi to Oversee All Government Advertising," *Times LIVE*, 9 June 2011, available at http://www.timeslive.co.za/politics/2011/06/09/manyi-to-oversee-all-government-advertising (accessed 25 August 2011).

287. "New Ad Booking System 'to Curb Media Buyer Fraud,'" Bizcommunity.com, 24 February 2012, available at http://www.bizcommunity.com/Article/196/524/71327.html (accessed 3 March 2012).

to the statutory Universal Service and Access Agency of South Africa (USAASA). This latter is the institution that receives the levies that all electronic communications licensees (telecoms companies and broadcasters) have to pay, and it channels the resulting funds through to the Treasury.

Table 20.

MDDA income (in ZAR million and % of total)

Year	Broadcast media		Print media		Government Communication and Information Service		Department of Communications		Total
	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%	
2005	5.3	31	4.8	28	7	41		0.0	17
2006	5.3	28	4.8	25	9.12	47		0.0	19
2007	5.3	24	4.8	22	11,991	54		0.0	22
2008	5.3	12	4.8	11	14,558	33	20*	45	45
2009	17,861	45	4.8	12	16,709	42		0.0	39
2010	11,869	34	4.8	14	18,449	53		0.0	35

Note: * Sums earmarked for programming production.

Source: MDDA Annual Report 2008–2009, 2009–2010.

The MDDA often makes the point that it is underfunded in terms of original projections and the volume of actual demand for its support.[288]

Table 21.

Income distributed by MDDA per media sector

	Community radio		Community TV		Community print media		Small commercial print media		Research & training		Other		Program production		Total
	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%	ZAR m	%	
2005/2006	2.7	16		0	3.5	20	2	14	9	50		0		0	17
2006/2007	7.5	44		0	4.3	25	3	19		0	2.0	12		0	17
2007/2008	6.1	30		0	1.6	8	3	16	1	4	1.2	6	7.5	36	21
2008/2009	5.4	28	2.4	12	1.9	10	4	20	1	6	0.4	2	4.3	22	19
2009/2010	9.0	38		0	2.5	11	6	23	0	1	0.7	3	5.8	24	24
Average % of annual budget		31		2		15		18		12		5		17	

Source: Compilations by authors from MDDA Annual Reports.

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288. See also D. Pillay, "The Challenges of Partnerships Between the State, Capital, and Civil Society: The Case of the Media Development and Diversity Agency in South Africa," *Voluntas*, Vol. 14. No. 4, 2003, available at http://www.springerlink.com/content/t552111r6un3l877/ (accessed 22 March 2012).

Almost half of the support disseminated by MDDA over five years has gone to community radio, with a third on print. These are traditional media platforms that will increasingly face the need to engage more deeply with digital platforms. Meanwhile, MDDA has supported diversity of content that would not necessarily have made it alone in the market place, such as gay publications and minority language stations serving poor and rural communities. The DoC, for a period, supported programming on community radio through grants that covered fields such as healthcare, but in 2010 ceased its longstanding support which had for the past two years been administered via the MDDA. In February 2012, a draft ANC policy document proposed the merger of the MDDA and USAASA.[289]

Donor funding has been a factor in providing support for public-interest news content. The Open Society Foundation (South Africa) has supported sections in the *Mail & Guardian*, and also supported the formation of that paper's affiliated amaBhungane ("dung beetles") investigative journalism unit. The Taco Kuiper foundation has also provided funds for particular investigative journalism projects.

6.3 Media Business Models

6.3.1 Changes in Media Business Models

Bad economic conditions in 2009 saw many media houses in trouble. Print media saw rounds of retrenchments. SABC closed down its international offices, delayed payments to independent producers, and suspended commissions of outside content. In 2011, it was still operating cuts in its programming budgets, and seeking injections of state funds. The then-CEO of the media group Avusa, Prakash Desai, told the 2011 Mondi Shanduka Newspaper Awards ceremony that difficult conditions meant that newspapers should be freed of cross-ownership limitations in regard to broadcasting. However, economic problems across the media industry cannot be ascribed to digitization. On the other hand, at least one media CEO has anticipated that digital television migration will intensify revenue problems over the transition period, beginning when digitization commences by spreading a finite advertising pie across two transmissions and, ultimately, additional channels.[290]

Up to 2012 at least, digitization had not substantially affected traditional models of doing media business. Given that advertising is the biggest contributor to media funding in South Africa, it is worth comparing the volume in each media sector, plus the extent of growth. The figures show that newspapers and broadcast advertising levels have generally held up on analog platforms. Broadcast advertising was ZAR 5,400 million (US$770 million) in 2005 and ZAR 7,500 million (US$107 million) in 2009.[291] Newspapers' advertising figures were ZAR 5,135 million (US$734 million) in 2005, rising to ZAR 6,175 million (US$959 million)

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289. See http://anc.org.za/docs/discus/2012/communication.pdf (accessed 13 March 2012).

290. e.tv's CEO Marcel Golding stated as far back as 2008 that: "It is unlikely … that advertising spend … will increase—it is more likely that the available spend will have to be shared across more channels. As more channels mean higher costs for broadcasters, this will have an adverse effect on incumbent broadcasters." M. Golding, "e.tv briefing on digital migration to Parliament's Portfolio Committee on Communications," 17 June 2008.

291. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 43.

in 2009 (though they had ZAR 7,900 million (US$113 million) in 2008 prior to the recessionary period that followed). In contrast, digital platform revenues have been much lower. Newspaper digital operations attracted ZAR 26 million (US$3.7 million) in 2006, hitting ZAR 87 million (US$12.4 million) in 2008 and falling back to ZAR 80 million (US$11.4 million) in 2009.[292] Advertising on wired internet sites rose from ZAR 150 million (US$21 million) in 2005 to ZAR 440 million (US$63 million) in 2009, with mobile advertising rising from ZAR 3 million (US$0.4 million) in 2007 to ZAR 15 million (US$2.1 million) in 2009.[293]

All this shows that newspapers and broadcasters have continued to derive the bulk of their advertising revenue from their legacy businesses. Although digital advertising revenues are growing, they still constitute but a fraction of the total. PWC expects that while digital media spend will continue to grow, non-digital revenue streams are still expected to account for 69.1 percent of total South African spending in 2014.[294]

In terms of end-user spending as a revenue stream, circulation revenues for newspapers remained fairly static between 2005 and 2009, below ZAR 3,500 million (US$500 million) in total per annum.[295] Subscription television (largely digital) grew from 1.67 million subscribers in 2005 to 2.7 million in 2009.[296] What this shows, however, is that while end-user spend has held up in print, it has greatly expanded in pay-TV. The PWC data also shows a relative increase in the proportion of end-user spending, in relation to advertising spend over the period. All this suggests a growing preparedness to pay for some content. One factor in the pay-TV market has been competition—although it took more than two years for one licensed rival to MultiChoice to come to market, i.e. Top TV. However, the build-up to this competition already saw MultiChoice start offering cheaper packages. Top TV has also been offering low-cost bouquets, and the total impact has been to grow rather than "cannibalize" the market. MultiChoice's "Compact" bouquet aimed at "the emerging market" added 245,000 subscribers in 2010 alone, taking the total to 716,000 homes who paid for this service.[297]

SABC considered entering the pay-TV market in 2010, but decided to remain free-to-air at that time. In preparation for DTT, however, the corporation began preparations for a 24-hour news channel which, according to reports in March 2012, would debut on the subscription-only DStv service. (The reasons for these developments could not be established by this researcher.) Meanwhile, starting in 2008, the broadcaster underwent a major financial crisis mainly due to chaos in management and governance. Political interference in the appointment of the board, infighting between the board and the management, and questionable corporate governance within SABC led to paralysis on the business side of the corporation, and Government

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292. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 103.

293. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 23.

294. PWC, "PwC's entertainment and media report highlights industry trends," news release, available at http://www.pwc.com/za/en/press-room/pwcs-entertainment-and-media-report.jhtml (accessed 3 April 2011).

295. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 105.

296. PWC, *South African Entertainment and Media Outlook: 2010–2014*, p. 44

297. *Naspers Annual Report, 2010.*

having to extend a huge bank guarantee to avoid bankruptcy. SABC's 2010 report acknowledged the problems as follows: "The year under review has been an extraordinary year for the SABC. The company has had three different boards of directors, taken on debt for the first time in more than 15 years, saw declining revenue and faced some very real challenges in meeting the expectations of all our stakeholders." Of a requested bail-out guarantee of ZAR 1.473 billion (US$210 million), SABC was granted ZAR 1 billion (US$140 million), with the remainder being conditional upon steps toward financial stabilization.

By February 2012, it seemed that SABC had managed to cut its losses, although it had also spent the funds which it had borrowed on the back of the government guarantee.[298] The broadcaster continued to face having to pay off the rest of the loan at the same time as covering its already difficult budget. The effect of all this has been highly damaging to the independent production sector, SABC content offerings, audience ratings, and the credibility of the institution. In August 2011, Parliament was told that SABC would need ZAR 384 million (US$55 million) in the 2011–2012 financial year, ZAR 2 billion (US$300 million) in 2012–2013, and close to ZAR 5 billion (US$700 million) in 2013–2014.[299]

None of these problems could be attributed to digitization, given that additional government grants over the years have been given for SABC to prepare for DTT. The challenge to the institution, however, will be underwriting the additional channels it is supposed to provide on Multiplex 1 when the actual launch period commences (set early in 2012 by the Minister of Communications as September of the same year). Already criticized for the way its commercial business model has compromised public service programming (especially in minority languages), SABC has been struggling to keep even that level of service operational. The original idea that the broadcaster's purely commercial SABC3 television station would subsidize its public service sisters is probably unviable. Although SABC does not provide properly disaggregated figures, it is likely that greater revenues are generated by public service SABC1 and 2 than by SABC3 (see section *6.2.1*).

This background partly informed the draft Public Service Broadcasting Bill, released in October 2009, which proposed to fund SABC through creating a special fund that would be derived largely from an additional income tax of up to 1 percent of personal income. The idea was that some of the funds could be contested by other broadcasters as well. However, the bill was withdrawn after widespread opposition from many quarters, including the broadcasting industry and the state treasury. Since 2002, the ruling party's conferences have regularly called for state funding of SABC, but its members in Government have not followed through on this. One outcome has been that in a decade since they were first proposed, channels SABC4 and SABC5, providing additional indigenous language services, have never gotten off the ground. That there is ample technical space for such initiatives in the DTT environment is not the issue; rather it is how they would be

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298. According to an ITWEB report of a parliamentary submission by SABC: "In the year to March 2011, the SABC made a ZAR 214 million loss, which was less than the anticipated ZAR 228 million. The SABC expects to report a net loss of ZAR 92 million by the end of March, ZAR 320 million lower than the ZAR 228 million in profit it committed to under the government guarantee." See also N. Mawson, "SABC Mum on Digital Plans," ITWeb, 12 March 2012, available at http://www.itweb.co.za/index.php?option=com_content&view=article&id=52498 (accessed 12 March 2012).

299. B. Phakathi, "SABC Funding Request Grows to R7bn," BusinessDay, 17 August 2011, available at http://www.businessday.co.za/articles/Content.aspx?id=150825 (accessed 28 August 2011).

resourced. The troubled business model of the state-owned broadcaster thus remains in place, suggesting that any additional channels would likely have to compete for advertising if they hoped to operate with any degree of sustainability. In effect, then, SABC is likely to struggle to meet the ICASA regulations for public digital channels as distinct from commercial ones.

Also relevant to changing business models is piracy. The Internet Service Providers Association (ISPA) has opposed suggestions that it should enforce copyright restrictions, and also refused a request in 2009 from the Recording Industry of South Africa to block two international sites selling online music more cheaply than local platforms. PWC expects digital piracy to increase in South Africa, which has implications for media and other actors. Another issue affecting media business models is an ongoing controversy around so-called needletime royalties. The National Association of Broadcasters (NAB) in early 2011 was in dispute with the South African Music Performance Rights Association (SAMPRA) over a new proposal that radio stations pay between 0.8 percent and 6.2 percent of their net broadcasting revenue to song writers.

The recessionary pressures on print in 2009 and 2010 have had an effect on the business models of a number of newspaper websites. Independent Newspapers' companies have limited access to some content through making it dependent on having a print subscription. Avusa in 2011 erected partial paywalls in relation to the accessibility of a selection of its online content, making it conditional on a pay formula. The company also put the digital operations of *Sowetan*, *Sunday World*, the *Herald*, and *Daily Dispatch* under a central division named Avusa Media LIVE. One strategy they have adopted is a revenue share with the US-based company NewspaperDirect.com which will market electronic editions of the paper internationally. There are no public data on the success of these initiatives. One casualty, however, has been the disbanding of web teams at some sites, such as at the award-winning *Daily Dispatch*.[300]

Informal discussions with people in the industry indicate that hopes in 2011 were being pinned on selling applications to tablets as these devices become more widespread in South Africa, and that websites would take second place to this emergent platform.

Another business strategy being pursued is in emulation of Independent Newspapers, which over the years has cut costs by increasing intra-group content sharing and by centralized sub-editing and design. This phenomenon is now advanced at News24, and it appears to be in development at Avusa where content-sharing between titles, and an aggregation at portal level, have been explored.[301]

One strategy that has been floated as an option for supporting newspaper websites has been to partner with ISPs who then bill the users slightly more if they wish to get access to these destinations.[302] In a sense, this mirrors the strategy of e.tv which, rather than struggling to run a satellite channel solo, successfully sold

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300. G. Moodie, "So Long and Thanks for All the Awards," Bizcommunity.com, 3 November 2011, available at http://www.bizcommunity.com/Article/196/15/53906.html (accessed 3 April 2011).

301. S. Niewoudt, "Crisis Control," *The Media*, 1 February 2009.

302. K. Bloom, *Successful "New Media" Business Models: Case Studies of Independent Commercial Print Media in South Africa*, Sol Plaatje Media Leadership Institute, Rhodes University, Grahamstown, 2009.

a 24-hour news service to DStv, which used the stream to enhance the attractiveness of its subscription bouquets. Another view is that a monthly fee to users would work for papers such as *Daily Dispatch*, which has distinctive and exclusive content on its site. This site rose from 30,000 unique visitors a month in 2008 to 130,000 in August 2009. For newswire-driven websites, this would not be an option, however.

A model that seeks to reinvent advertising as the key funding for online media is the *Daily Maverick*. Its founder, Branko Brkic, sees his online publication as the equivalent of a magazine, offering large-size brand display adverts as distinct from "tactical" banner adverts.[303] In addition, he points to the easier cost-based economics of online publishing, such as using the free Open Office and WordPress 2.8 platforms, and dispensing with the need for even a laser printer, as well as layout and distribution teams. Print and circulation costs are also eliminated. According to Mr Brkic, he reduced his costs by 80 percent by moving from a printed magazine to an online publication, and generated 1,800 magazine-quality stories in 2010, with a staff of just four full-timers and four part-timers. If his advertising model works in relation to this cost base, that will represent a valuable enduring contribution to the media landscape. In June 2011, Mr Brkic launched an iPad version of his publication, with a subscription price over two years that included the cost of the tablet. If a system can be found for seamless and cheap user payments for online content, for example on tablets such as the *Daily Maverick* model, this could also add to the revenues of quality media institutions.

6.4   Assessments

At the time of writing, digitization had not made much difference to plurality and power in the media marketplace. However, new and arguably influential media, such as the *Daily Maverick*, have been able to emerge. One simmering issue, however, is the extent to which public information that is becoming digitized is becoming privatized. The concern is over increasing amounts of public domain online information becoming only available (for a fee) via private companies, which are usually also not media companies. For instance, in South Africa, this applies to the CIPRO database of company registrations.

Generally, private media owners do not have a track record of interfering with editorial independence in South Africa, although their immediate interests tend to lead to the appointment of personnel who lean toward neoliberal economic policies. This means that alternative perspectives get little play in most news outlets.[304] Private ownership further affects the diversity and independence of voices in a powerfully indirect way in South Africa, and which arguably is less about ownership or ideology than about the targeting of specific markets (usually upper-class audiences). This tilts the content mix toward the concerns and worldviews of a minority.

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303. Interview with Mr Brkic, Johannesburg, 16 February 2011.

304. J. Duncan, "The Uses and Abuses of Political Economy: The ANC's Media Policy," *Transformation*, No. 70, 2009, pp. 1–30, available at http://www.transformation.ukzn.ac.za/index.php/transformation/article/view/1020 (accessed 22 March 2012); J. Duncan, "Desperately Seeking Depth," pp. 215–231.

If anything, the significance of ownership in terms of media independence seems to have been weakened by digitization. For instance, the independent though liberal-leaning *Mail & Guardian* website features extensive comments by right-wingers as well as by pro-ruling party personnel. The possibility exists that some may even be paid trolls in service of particular vested interests.[305]

The extent of ownership concentration in South African media, including the state-owned sector, has not eliminated competition between the various conglomerates in print and broadcasting, although the sector remains a difficult market for newcomers to break into successfully. For example, many community radio stations struggle to secure advertising in the face of competition from the commercial and SABC stations. The Association of Independent Publishers reported that half its membership had ceased operations over the 2009–2010 period,[306] illustrating the difficulty facing small operators whose success would expand the plurality of media outlets.

Most detrimental to the diversity of media has been advertising-driven broadcasting, particularly at SABC. Various studies have argued that the broadcaster has ended up with much programming that is internally undifferentiated, although its various radio and television stations are legally supposed to be divided into either commercial or non-commercial operations. This in turn is seen as resulting in SABC programming not being distinctive when compared to private radio and television stations.[307] The net effect has been that imported English-language programming has been acquired cheaply and run at the expense of local and African-language content. Even this, however, has not proved to be a sustainable financial model for SABC, given its reliance on a government bail-out in 2009. The content mix has been designed for sought-after audiences to attract advertisers, and thence limited to urban and middle-class audiences. Another adverse trend is the centralization of operations described above, based on the Independent Newspapers model. In one scenario, South Africa will end up with three daily national papers, each with minor regional news tweaks—one from the Independent Newspapers stable, one from Avusa, and one from News24. The effect is a diminishing of differentiation between titles within newspaper groups.[308]

On the brighter side, smaller scale online media such as the *Daily Maverick*, as noted above, are seeking to develop models that are more conducive to media diversity, pluralism, and independence. In another model, highly publicly relevant content that is independent of political parties and Government has been produced by the *Mail & Guardian* newspaper, which has been sustained through a combination of a very high cover price for the newspaper and quality UGC (volunteer blogs by invitation) on the website.

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305. For a discussion on moderating sites in South Africa, see J. Bischof, "What's That You Say? Web eds tackle the highs, lows of commenting," Journalism.co.za, 29 October 2010, at http://journalism.co.za/whats-that-you-say-online-news-eds-tackle-the-highs-and-lows-of-user-comments.html (accessed 3 April 2011).

306. M. Sanglay, *Grassroots Print Media and Ownership in South Africa: A Case Study of the Association of Independent Publishers. Paper presented at a colloquium on media, democracy and transformation since 1994: An assessment*, Rhodes University School of Journalism and Media Studies, 16–18 October 2010.

307. See OSF, *Meeting Their Mandates?*

308. M. de Waal, "Malema, Sapa, and SA English Media's Wire Copy Problem," the *Daily Maverick*, 5 October 2010, available at http://dailymaverick.co.za/article/2010-10-05-malema-sapa-and-sa-english-medias-wire-copy-problem (accessed 22 March 2012).

7. Policies, Laws, and Regulators

7.1 Policies and Laws

7.1.1 Digital Switch-over of Terrestrial Transmission

7.1.1.1 Access and Affordability

The context in regard to policies on access and universal service has been discussed in section *2.1.4*. To add to the discussion, it can be noted that in terms of public access issues, the Government has set up around 500 multi-purpose community centers (MPCCs), 98 Thusong Centres,[309] and 700 public information terminals that enable people to connect to the internet.[310] These are, however, not very successful in terms of maintenance and usage. A similar verdict applies to the work of the Universal Service and Access Agency of South Africa (USAASA) which has tried to promote rural telecoms services.

All this suggests that the South African state will face policy and capacity challenges in ensuring access and affordability as DTT commences, and as the multi-functional potential of STBs becomes recognized. The Government has made various policy statements, as signaled earlier in this report, that migration to DTT should benefit poor people, and that close to 100 percent of the country should be covered by digital signals before analog is switched off.[311] As elaborated below, its budgeting follows in this vein.

7.1.1.2 Subsidies for Equipment

It is highly unlikely that significant numbers of South Africans will buy new digital-ready television sets with in-built DVB–T2 receivers by the time of analog switch-off, so the interim measure of STBs will be essential if viewers are not to lose access to television. In August 2008, the Government announced that partial subsidies would be made available to enable some five million poor South Africans to acquire STBs. At the

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309. "A Thusong Service Centre is a one-stop service centre providing information and services to communities, through the development communication approach, in an integrated manner." See http://www.thusong.gov.za/about/what/index.htm (accessed 21 December 2011).

310. Association for Progressive Communications (APC) and Humanist Institute for Cooperation with Developing Countries (Hivos), *Global Information Society Watch 2009*, p. 198.

311. DoC, *Electronic Communications Act, 2005*.

time, it estimated the total television-owning households at 7.5 million, of which approximately 94 percent relied exclusively on free-to-air broadcasting services, a figure that will have changed since then given the uptake of subscription television (in which the SABC television stations are also bundled). In February 2012, the Government estimated 11.5 million television-owning households with 75 percent relying exclusively on free-to-air services. The Government further calculated that about five million were poor households which would find it very difficult to afford STBs.[312] It is this reality that led the Government to identify a need for a Scheme-for-Ownership-Support (SOS).[313] Part of the rationale is that the boxes are considered as tools for e-government delivery. The Government sees its subsidy as an incentive covering up to 70 percent of the cost of the box and has committed ZAR 2.45 billion (US$350 million) to the subsidy.[314] However, the number of television-viewing households has increased, and this will impact on how far the subsidy will spread. The boxes were originally thought to cost around ZAR 700 (US$100) per very basic unit, although the standard now is DVB–T2 and the cost of a box will also be affected by whether it is HD-enabled and has capacity for a return-path. Separate and more expensive boxes allowing for Conditional Access will likely be produced for pay-television operators and these will not be state-subsidized.

Funding for this subsidy will be sourced from the statutory Universal Service and Access Fund (USAF), which is managed by its parent body USAASA.[315] In other words, the funds for the STB subsidy will largely come from past levies paid by telecoms licensees, on the rationale that the telecoms sector will ultimately benefit from the digital dividend in terms of more access to the 470–862MHz spectrum.

As indicated earlier, a mechanism for implementing the subsidy (at the point of production or distribution) was not yet officially elaborated by February 2012. Reports suggested, however, that there could be a means-test enabling five million households that receive social welfare grants to be given a voucher which would save much of the estimated purchase price of a box.[316] The medium-term scenario, however, is that at least some STBs could possibly become available in retail stores near the end of 2012, even if the subsidy system has not been finalized and implemented at that stage.

7.1.1.3 Legal Provisions on Public Interest

The Government's 2008 policy on digital migration makes several references to public interest issues.[317] It says the transition is critical to the broadcast industry and to "the South African economy as a whole." It specifies that one of its aims is using the migration to develop "a world class electronics manufacturing industry," and another aim as stimulating the country's creative industries.

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312. Amendment of Broadcasting Digital Migration Policy.

313. DoC, *Strategic Plan*.

314. GCIS, "Statement on Cabinet meeting of 6 August 2008," news release, 7 August 2008, available at http://www.gcis.gov.za/newsroom/releases/cabstate/2008/080807 (accessed 3 April 2011).

315. See DoC, "Cabinet Approved Digital Migration Strategy," available at http://www.doc.gov.za/index.php?option=com_content&view=article&id=276%3Acabinet-approved-digital-migration-policy&catid=88%3Apress-releases&limitstart=1 (accessed 3 April 2011).

316. L. Gedye, "Digital TV Migration on Hold—Again," *Mail & Guardian Online*, 24 February 2012, available at http://mg.co.za/article/2012-02-24-digital-tv-migration-on-hold--again/ (accessed 3 March 2012).

317. DoC, *Broadcasting Digital Migration Policy*.

The policy further states: "South Africa is confronted with a wide range of developmental challenges such as the digital divide as well as building social cohesion and a common national identity, poverty eradication, and employment creation." Digital broadcasting, it adds, has the potential "to contribute significantly to addressing these challenges." It foresees programming about education, health, and small business development, and new investment opportunities, and thereby contributing to skills development and "the war against poverty." One section of the policy states: "Access to government information and services, in particular, is fundamentally important in poverty eradication efforts. Through the effective application and use of ICTs (e-government), opportunities are created for the efficient management of information to the citizen, better service delivery, the empowerment of people through access to information, and participation in public policy decision-making. The Government therefore decided that as a matter of policy the South African set-top box will be a tool for access to information and services for all South Africans."

The policy further states that it aims to ensure that there will be uptake of digital television services, including by the poor. It sees digital television as helping with programming related to provincial issues, and parliamentary and government information "especially for the poor." The STBs should have special features "which enable e-government services for all citizens, especially those who thus far have had limited or no access." Also referred to is television programming becoming available in more languages, and greater access to viewers with disabilities (such as through using closed captioning, including in various languages). In sum, the policy argues that digital broadcasting can "directly contribute to socio-economic development and the improvement of the quality of life of all the people in South Africa."

In a similar vein, ICASA states that: "Digital broadcasting should be used as a means to develop and disseminate local content in all eleven official languages."[318] This public interest orientation should be seen in terms of the "public interest value test" that is outlined in the ICASA regulations about licensing new digital channels.[319] In terms of these, applications for "authorization" (seemingly a synonym for licensing) to operate an "incentive channel" by any migrating broadcaster would be subject to a public value test, with the opportunity for public representations on the case, and possible public hearings. In addition, the applications for additional channels will require a market impact analysis covering the implications for diversity and other television services, the primary language(s) of the channel and a programming plan including local content. As background, it can be noted that broadcast legislation dating back to 1993 mandates the regulator to take account of the needs of language, cultural, and religious groups.[320] In the case of SABC public service channels, there also has to be a satisfactory motivation in terms of contribution to the SABC Charter. Given the challenges of financing the extra channels, however, it is not clear how strictly any public interest test, and the language and local content provisions, could be enforced if SABC is to secure the necessary permissions to launch extra digital channels.

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318. ICASA, *General Notice.*

319. ICASA, *Digital Migration Regulations*, Government Gazette, Vol. 536, No. 32956, 15 February 2010.

320. OSF, *Meeting Their Mandates,* p. 67.

If DTT licenses are not granted, or not implemented, then there will be vacant digital bandwidth on the multiplexes. In this instance, ICASA's policy is that any unused part of the frequency after analog switch-over will be forfeited by the licensee back to the regulator, and the question then is how the public interest would be applied in reassigning it—especially if it is to rivals of the incumbents on the same multiplex. Meanwhile, the influential SOS civil society coalition (Supportpublicbroadcasting.co.za) which campaigns to reform SABC says that ICASA's Digital Migration Regulations are not sufficiently audience-focused.[321] A study published in 2007 has argued that public interest was increasingly interpreted in South African policy as consumer interest, to the exclusion of citizen interest. In addition, the same study found that few ICASA employees were able to define the meaning of "public interest."[322]

7.1.1.4 Public Consultation

South African law and practice is premised on substantial public consultation,[323] although in practice it is elite groups that tend to take advantage of this, and little provision is made to enable participation by grassroots citizens. As one example of the consultation requirement, the Electronics Communications Act, 2006 requires the Minister of Communications to publish proposed policy directives in the Government Gazette and to consider feedback before proceeding. In another example, the ICASA Amendment Act, 2006 legally requires the regulator to publicize in the Government Gazette when an inquiry is instituted, and to invite written submissions that should be open to the public. USAASA engaged the public in 2009 as part of its development of a definition of universal service. Other areas of consultation include the experience in 2009, when a Draft Spectrum Policy was released for public comment and updated before being submitted to the Cabinet.

In this spirit, the DoC released a draft policy on digital migration for public comment in March 2007, and although it took until August 2008 to produce a second version, some of the initial problems had been resolved as a result of the consultation. Participants in the consultation included various industry players, as well as civil society groups including SOS. In February 2012, South Africa's Minister of Communications, Dina Pule, published amendments to the 2008 Digital Migration Policy "taking into consideration submissions made by stakeholders."[324] In the same month, ICASA announced that it had begun road shows across all the provinces to interact with stakeholders in reviewing the existing broadcasting regulatory framework. It stated that this consultative process would feed into a Ministerial Broadcasting Policy Review and the digital migration process.[325]

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321. See NGO Pulse, "Digital Terrestrial Television Regulations," available at http://www.ngopulse.org/category/sos-campaign-taxonomy/campaigns/digital-terrestrial-television-regulations (accessed 3 April 2011).

322. OSF, *Meeting Their Mandates?* p. 42.

323. Promotion of Administrative Justice Act, 2000.

324. Amendment of Broadcasting Digital Migration Policy.

325. "ICASA Chair's Statement on 2012," Screen Africa, 8 February 2012, available at http://www.screenafrica.com/page/news/industry/1164860-ICASA-chairs-statement-on-2012 (accessed 12 March 2012).

In a related development, in November 2011, the DoC published the Electronic Communications Amendment Bill for public comment. This controversial draft law would ensure that ICASA and USAASA "follow" (rather than, as previously, "consider") policy directions by the minister. The minister would get control over spectrum planning, diminishing ICASA's previous involvement. It would also streamline licenses and authorize ICASA to be flexible on ownership restrictions. The Government did not appear to be taking consultation very seriously when, after a radically short timeframe for submissions (a December deadline), followed by a government gazette in late November that it had withdrawn the bill,[326] it announced that it would table a revised draft law for comment in March 2012.[327]

The DoC released a draft Broadband Policy for public comment in September 2009, prior to reworking this for cabinet approval. In December 2011, the Minister of Communications called for public comment on draft policy directions to ICASA on "the Exploitation of the Digital Dividend Spectrum and Radio Frequency Spectrum for Electronic Communications Services," covering the 800MHz and 2.6GHz radio frequency bands. This forced ICASA to affirm that its own parallel consultation on "Licensing of High Demand Spectrum" would not be finalized until the minister's process was concluded and directions were issued.[328] The incident reflected a lack of clarity between the roles of regulator and Government, but both institutions nevertheless engaged in public consultation.

In most cases of public participation, ICASA has the option to hold public hearings, which it frequently exercises. Parliament, too, invariably holds public hearings about bills. But, in both cases, the venue tends to be in Johannesburg or Cape Town, and travel costs generally have to be carried by those wishing to take part.

7.1.2   The Internet

7.1.2.1 Regulation of News on the Internet

There are no news regulations peculiar to the internet or mobile in South Africa, while some constraints such as *crimen injuria* on the one hand, or civil law on defamation on the other, would apply generically to any platform. By early 2012, there had been few cases in this regard.[329]

The Electronic Communications Act expressly precludes the authority from jurisdiction over content services in regard to Electronic Communication Service (ECS) licensees such as ISPs. As a result, news content on

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326. See DoC, "March 2013 Deadline Set for Tabling Electronic Communications Amendment Bill in Parliament," 27 February 2012, available at http://www.sabinetlaw.co.za/economic-affairs/articles/march-2013-deadline-set-tabling-electronic-communications-amendment-bill-p (accessed 12 March 2012).

327. See L. Thornton, "Electronic Communications Amendment Bill, 2011," Lisa Thornton Inc., 9 November 2011, available at http://thornton.co.za/ict-law-and-regulation-south-africa-blog/electronic-communications-amendment-bill-2011 (accessed 12 March 2012).

328. ICASA, "ICASA to Consider the Final Ministerial Policy Directions When Licensing High Demand Spectrum for Broadband," media advisory, Johannesburg, 22 December 2011, available at http://www.ellipsis.co.za/wp-content/uploads/2012/01/Media-Release-ICASA-will-Consider-Ministers-Policy-Directions-when-Licensing-High-Demand-Spectrum.pdf (accessed 3 March 2012).

329. See "Crimen Injuria," The Outlet, 16 January 2009, available at http://saulk.co.za/2009/01/16/crimen-injuria/; D. Neville, "Facebook Slander," GottaQuirk, 16 January 2009, available at http://www.gottaquirk.com/2009/01/16/facebook-slander/?qpv=dsk; and R. Muller, "Man Bust for Facebook Insults," MyBroadband, 16 January 2009, available at http://mybroadband.co.za/news/internet/6580-man-bust-for-facebook-insults.html (accessed 3 October 2011).

the internet and mobile phones does not fall under regulation in this sphere. This content could, however, come under other regulatory mechanisms such as the Film and Publications Board (FPB, see below). It is also subject to the self-regulatory systems of the telecoms and ISPs, and—where relevant—the codes of conduct of parent broadcast and print self-regulatory systems.

An issue that emerged in 2010 was regulation around IPTV. After consultation, ICASA issued a position paper on IPTV and video-on-demand services in August 2010.[330] In this document, the regulator said it had decided not to make new regulations on these services. It interpreted existing legislation to mean that services distributing content unidirectionally would require a Broadcasting Services License, while other kinds of content services would require only an ECS license. It further argued that internet video, web television, and internet broadcasting (accessed on the open internet) were distinct from IPTV, which amounted to a form of broadcasting as the bi-directional aspect was incidental to the service. Video-on-demand (as distinct from scheduled pay-per-view programming) was defined as a bi-directional content service that ICASA did not license; however, if it were delivered outside the internet, there would need to be an ECS license for the provider of the connection. ICASA said it did not have the authority to regulate content provided under ECS licenses according to the Electronic Communications Act, only the carriage of signals over a network. One rationale here was that Sentech's original licensing under previous legislation (the Telecommunications Act), authorized that company to deliver "internet through television" and video-on-demand, which could be accommodated under its ECS license and thus did not require a Broadcasting Services License to take place.

The ICASA position, therefore, was that licensed broadcasters would not need an extra license to provide IPTV (it would be authorized by their existing Broadcasting Services License), but they would need a (class-based) ECS license for video-on-demand. New entrants would require a broadcasting license for IPTV. Confusing in all this is that ICASA's position seemed to blur the issue of a unidirectional service with the issue of whether a network was open or closed, which raises the prospect of substantial contestation in the future. Meantime, ICASA has said that it would explore making representations to the Government for amendment to the Electronic Communications Act, 2006 to empower it to place content conditions on video-on-demand services outside the internet, and prospective providers would need to indicate how they would limit children's access to inappropriate programming.

7.1.2.2 Legal Liability for Internet Content

Legal liability for internet content is dealt with partly under the Electronic Communications and Transactions Act, 2002. This provides for the limitation of liability for service providers, if these providers are members of an industry representative body that has been recognized by the minister, and they have adopted that body's code of conduct.[331] In this case, the Internet Service Providers Association of South Africa (ISPA) qualifies. ISPA's Code of Conduct adopted in 2008 says its members will respect freedom of expression and privacy of

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330. ICASA, *Position Paper in Relation to Internet Protocol Television (IPTV) and Video On Demand (VOD) Services*, Government Gazette, Vol. 542, No. 33436, 3 August 2010.

331. L. Thornton, "South Africa."

communications.[332] It adds that its members should also have a mechanism to deal with complaints about unsolicited emails, and that they should take measures to avoid criminals hacking their users' data. There is no general obligation on any ISPA member to monitor services provided to customers, but a member is obliged to take "appropriate action" where it becomes aware of any unlawful content or conduct. Members should also not knowingly host or provide links to unlawful content.

Complaints can be laid through ISPA, and plaintiffs have to specify which clauses of the Code of Conduct they believe have been breached (e.g. privacy, cybercrime, consumer protection, and protection of minors). ISPA also offers a higher level of sanction called a "Take-Down Notice" for what it calls "unlawful" content. Members have to provide an online form for this level of dissatisfaction. In terms of the 2002 law, failure to comply with a legitimate Take-Down Notice invalidates an ISP's immunity from liability. The Take-Down Notices processed through ISPA undergo a defined procedure and turnaround time.[333] The final decision about whether to remove the contested content is in the hands of the ISP and/or the actual client who hosts a website via the ISP.

However, the documentation of ISPA and some of its members implies that service providers are usually expected to simply remove content that is subject to a Take-Down Notice in order to retain their legal indemnity for having had the content published (even though such Take-Down might in some cases violate the legitimate freedom of expression of those who put the contested content online in the first place).[334] A case in point in 2010 saw a site reportedly being closed by an ISP when the client who owned the site refused to comply with what he regarded as an illegitimate Take-Down order.[335]

The ISPA website provides a different kind of indemnity in stating that: "Should you belong to ISPA and you act on a valid take-down notice by removing content, the ECT Act also protects you from liability for wrongful take-down claims from the owner of that content."[336] There is no appeal process for the plaintiff or the content publisher concerning the decisions on Take-Down. All this appears to skew the decision of ISPs toward acceptance of Take-Down Notices. However, the ISPA says it has pointed out to the Government that the lack of any mechanism for a content-owner to challenge a Take-Down is a flaw in the system. In addition, ISPA says that it does advise an ISP which is targeted with a Take-Down, that it has the option to refuse to take down the content and risk the liability, as well as to refuse to take down the content but get the client to provide some form of indemnity. The association does not, however, provide its members with general guidance on how to assess the merits of Take-Down claims.[337]

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332. See http://www.ispa.org.za/code-of-conduct (accessed 3 April 2011).

333. See http://ispa.org.za/code-of-conduct/take-down-procedure/ (accessed 3 March 2012).

334. See, for example, http://www.hetzner.co.za/helpcentre/index.php/articles/content/category/take-down-notices/policy-take-down/ (accessed 3 March 2012).

335. See "How's This for Censorship?," This Tourism Week, 22 November 2010, available at http://www.thistourismweek.co.za/newsletters/how%E2%80%99s-this-for-censorship/

336. See http://ispa.org.za/about-ispa/ (accessed 22 March 2012).

337. Information from Ant Brooks, ISPA General Manager, via email, 12 March 2012. Brooks also says that most Take-Downs are related to trademark/copyright/domain name infringement, web development companies that have not been paid, and "phishing" or fraud sites, and that only a few deal with free speech issues.

ISPA draws the line at Take-Downs, however. It rebuffed the Recording Industry of South Africa, an industry body, in 2009 by refusing to get its members to block two online music sites. The association said it was only in the business of advising members about Take-Down Notices, and advised the industry body to go to court instead.[338]

According to a paper commissioned by ISPA,[339] the organization believes the identification of undesirable content is best left to the FPB and the courts, and that neither telecommunications providers nor ISPs have the expertise or capacity to do this. It implied that requiring its members to perform this function would be bad for the public interest because it would "escalate already overpriced bandwidth." The ISPA, however, encouraged the FPB to provide ISPs with Take-Down Notices when appropriate, and said its members would educate users about how to deal with undesirable content.

Content producers can be exposed to legal action long after publication, due to the impact of the Regulation of Interception of Communications and Provision of Communication-Related Information Act (RICA), 2002. All service providers are required to keep three years of archives of communications-related information that identifies the origin, destination, termination, duration, and equipment used. In addition, service providers have to keep identity and contact details of their customers, such as even when a SIM-card is purchased. Interception and monitoring is legal when directed by a judge on application by the police, or by police preventing "serious bodily harm," and in similar cases. ICASA may also perform these activities for the purposes of monitoring the radio frequency spectrum. A service provider may only hand over communications-related information to the police if authorized to do so by a judge. The Office for Interception Centres, set up under the Regulation of Interception of Communications Act, 2002, oversees "legal interception" (which requires judicial authorization when done by a law enforcement agency). It reports to the Minister of Intelligence Services.[340] Telecoms companies qualify for state compensation for costs incurred when they are ordered to engage in interception.[341]

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338. Information from Ant Brooks, ISPA General Manager, via email, 7 March 2012, shows the following patterns:

Table 22.
Take-Down Notices as administered by the Internet Service Providers Association, 2008–2011

	Take-Down requests lodged	Invalid requests	Requests passed onto ISPA members	Content removed or blocked by ISP or their client	Take-Down requests refused by ISP	% Take-Down of the total requests which reach ISPA members
2011	98	29	69	54	7	91
2010	59	14	45	33	11	80
2009	46	16	30	26	4	88
2008	44	13	31	22	3	91

339. P. Esselaar, "What ISPs Can Do About Undesirable Content," paper commissioned by ISPA, May 2008, available at http://old.ispa.org.za/files/ISP_undesirable_content.pdf (accessed 3 April 2011).

340. See Office for Interception Centres website, available at http://www.oic.gov.za (accessed 22 March 2012).

341. See Ellipsis Regulatory Solutions website, available at http://www.ellipsis.co.za/wp- content/uploads/2011/02/RICA_Mobile_Cellular_Operators_GoN93_GG_31844_20090206.pdf (accessed 22 March 2012).

The Protection of Personal Information Bill—still before Parliament in February 2012—would regulate the collection, retention, dissemination, and use of personal information, and editors fear that its provisions could be used against journalists. They have refused an option to be exempted, on the ground that this would logically entail a list of registered journalists.[342]

7.2   Regulators

Regulation is supposed to be a subsidiary of law and, ultimately, policy. This is indeed the background to the successful merger of two separate telecoms and broadcast regulations commenced in 1997 in the creation of the Independent Communications Authority of South Africa. Convergence was further echoed at a formal level by the Electronic Communications Act, 2006, which—despite a lack of policy in this instance— nevertheless set out a semi-integrated licensing regime (although broadcasting is defined to mean unilinear transmission of content that still requires a separate license from other forms of electronic communications). As discussed earlier, ICASA has made complex distinctions as to when it regulates audio-visual content (see section *7.1.2.1*)

However, the lack of an integrated policy has also produced a regulatory divide between internet and broadcasting that is also institutionalized in separate bodies. This is evident in the "Digital Dzonga," the advisory body on digital migration appointed by the Government in June 2009, and which was summarily disbanded in November 2009 by the then-minister who accused it of representing vested broadcast and manufacturing industry interests. The body was reconstituted in August 2010, but again its composition failed to include civil society and telecoms and internet industry interests. By February 2011, it still lacked a secretariat and its activities had been formally suspended by the Government. A Digital Migration Project Office was announced in February 2012, although its composition was not elaborated. In a similar silo-operation, ICASA has proposed setting up a Joint Spectrum Advisory Committee for digital transition, but has explicitly rejected suggestions to go beyond restricting the membership to broadcasters—even though there are additional stakeholders (not least the telecoms industry and civil society) who are very much affected by the issue. ICASA argues that telecoms interests are only of relevance to digital dividend issues which will be handled through separate processes.

The absence of converged regulation has meant that industry actors have been able to operate in silos, without challenge. Thus, on the one hand, broadcasters have not shown much interest in using DTT to do anything more than deliver video content. There is a blind spot in regard to them recognizing the potential to transform themselves into information and communication players more broadly. As a result, little thought has been given to delivery of data services (for instance, copies of Wikipedia digitally broadcast to each STB), and even less to the interactive possibilities (including, e.g., video-on-demand requests and transmissions, or generation of UGC). On the other hand, the telecommunications players have been conspicuously absent

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342. SAPA, "Sanef Opposes special Dispensation for Media," the *Citizen*, 16 February 2011, available at http://www.citizen.co.za/citizen/content/en/ citizen/local-news?oid=172817&sn=Detail&pid=334&Sanef-opposes-special-dispensation-for-media (accessed 3 April 2011).

from recognizing that they have an interest in lobbying for the basic STB specifications to include both software and hardware that would allow for an open user Application Program Interface (API), and SIM-card-based modem and data storage capability that could enable the boxes to become smart devices. The further potential for an internet hybrid system, with uplink via a STB modem, and download via the digital broadcast signal to the home, is not perceived.

Although ICASA is a converged regulator, it tends to operate with subsidiary silos. This is partly because in regard to internal broadcasting issues, there is a policy vacuum in the Government. There is an outdated policy White Paper for broadcasting in general, produced in 1998, but nothing of this status since. One consequence is the development of draft law without the benefit of policy guidance, which happened with the Public Broadcasting Services bill which had to be withdrawn in 2010. On the positive side, the Government agreed the same year to launch a new policy development process for broadcasting, although by February 2012 it seemed that this still-delayed step was not being taken as a precondition for legislative and regulatory changes.[343]

The absence of policy thus means that structures of authority, and processes of law-making, are not conducive to integrated regulation.

7.2.1   Changes in Content Regulation

South Africa has two statutory regulators for media content, the Film and Publications Board (FPB) and the Independent Communications Authority of South Africa (ICASA). There are two self-regulatory bodies, the Broadcast Complaints Commission of South Africa (recognized under law by ICASA), and the Press Council of South Africa. Their structures and powers have generally remained static under the past five years, notwithstanding digital developments. Several self-regulatory structures have arisen in regard to internet and telecoms mediated content, as discussed below.

The FPB was set up under the Film and Publications Amendment Act, 1999.[344] Its scope was updated in 2008, when an amendment bill in effect threatened that newspapers would have to seek classification ratings before publishing, but this particular provision was dropped after opposition. However, now included in its definition of "publication" are any messages and communications on distributed networks, including the internet. The amendment defined and banned child pornography, including pornography involving women under the age of 18. Critics have said the law is unclear as to how the categories of creator, distributor,

343. See SOS—Support Public Broadcasting Coalition, "Open letter to the Minister of Communications—Call for the immediate prioritisation of the broadcasting policy review process," 5 March 2011, available at https://groups.google.com/group/sos-news/browse_thread/thread/f8ee f38c0d969f20/4c93bb490d6914d8?show_docid=4c93bb490d6914d8&pli=1; DoC, "Budget Vote of the DoC delivered by the Honourable Minister of Communications, Mr Radhakrishna Lutchmana Padayachie (Roy), Parliament, 31 May 2011," available at http://www.doc.gov. za/index.php?option=com_content&view=article&id=509:budget-vote-of-the-doc-delivered-by-the-honourable-minister-of-communications-mr-radhakrishna-lutchmana-padayachie-roy-parliament-31-may-2011&catid=88:press-releases; and "SOS Concerned that Department of Communications is Reneging on Hard Fought Broadcasting Policy Review," NGO Pulse, 17 March 2011, available at http://www.ngopulse. org/press-release/sos-concerned-department-communications-reneging-hard-fought-broadcasting-policy-revie; and "Debating a New Broadcast Landscape," Support Public Broadcasting, 1 July 2010, available at http://www.supportpublicbroadcasting.co.za/campaigns/entry/debating_a_ new_broadcast_landscape (all accessed 25 August 2011).

344. See FPB's website, available at http//www.fpb.gov.za/ (accessed 3 April 2011).

producer, importer, or possessor of child pornography relate to ISPs which are generally exempt from having to monitor and exclude such content issues unless they take no action after a third party has made them aware of unlawful content being hosted by their site.[345]

ICASA's council may regulate broadcast (but not internet-transmitted) content inasmuch as it violates the conditions set out for broadcast licensees or regulations on elections coverage. The task falls to its Complaints and Compliance Committee which considers cases and makes recommendations to the council for possible implementation, amendment, or rejection.

Self-regulatory bodies are discussed further below.

7.2.2   Regulatory Independence

There are different degrees of independence from Government for the different statutory regulators, relating to legal status, modes of appointment, dismissal, and funding. These dimensions have remained fairly unchanged over the past five years, with the exception of increased ministerial involvement in regard to ICASA as discussed below.

The South African Constitution specifies in section 192 that "national legislation must establish an independent authority to regulate broadcasting in the public interest, and to ensure fairness and a diversity of views broadly representing South African society."[346] These provisions are also in the ICASA Act. However, the regulator is lacking in several respects, including funding and expertise.[347] Further, since the ICASA Amendment Act (2006), ICASA's council is appointed by the Minister of Communications from a list of nominees generated by a multi-party parliamentary committee which calls for public nominations and conducts transparent interviews with shortlisted candidates. Formerly, the state president was the appointing officer, which represented more distance between the Government and the council. Further dilution of independence arises from the legislated provision for the minister to operate a performance management system for the chair of the ICASA council. The funding mechanism also weakens ICASA's independence. License fees are sent straight through to the South African treasury, and ICASA is dependent on the DoC for its working budget.

There is, however, no evidence that these factors have compromised particular decisions by ICASA, although there may be an impact on the culture of the organization which is sometimes seen as leaning toward status quo interests and power-holders. The regulator has been accused of a regulatory practice of "silence" in regard to SABC controversies.[348] In 2009, it rejected a complaint from the Freedom of Expression Institute

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345. Association for Progressive Communications (APC) and Humanist Institute for Cooperation with Developing Countries (Hivos), *Global Information Society Watch 2009*, p. 197.

346. Constitution of the Republic of South Africa, 1996.

347. L. Thornton, "South Africa."

348. P. Govenden, "Toothless Regulator?," and Freedom of Expression Institute, "FXI is vindicated by the ruling of ICASA's monitoring role in respect of the SABC's monitoring role of political commentators," 25 January 2011, available at http://www.fxi.org.za/index.php?option=com_content&view=article&id=46 (accessed 22 March 2012).

about alleged blacklisting of sources at SABC, saying this was an internal matter for the corporation and its board.[349] When the institute took the case to appeal, the South Gauteng High Court in February 2011 ordered ICASA to consider the complaint.[350] The case continues.

In 2010, the Government proposed the ICASA Amendment Bill which would further increase ministerial powers over ICASA regarding the work of the councilors and the appointments to the Complaints and Compliance Committee which would no longer be accountable to the council.[351] This elicited much criticism but, by February 2012, the Government controversially announced it would table the bill again before the end of March.[352] A further concern about independence is that there is no "cooling off period" for ICASA councilors or employees who leave office, which raises concerns that decisions could be influenced by the potential for future private involvements in the communications industry.

In the case of the FPB, there is a more directly dependent status as regards Government. The Minister of Home Affairs appoints the members of the FPB, and the government funds its operations directly. Public nominations of suitable candidates for appointment as examiners are made in national newspapers once every three years. There is no evidence to suggest that the board has played a politically partisan role in its operations.

7.2.3   Digital Licensing

Licensing of broadcasters (whether for analog or digital broadcast channels) is independent of the applicants' political leanings, but political parties and their allies are not eligible for licenses. This has been regarded as fair, because it applies to all parties. It has also been regarded as just in regard to preference being given to license applicants with substantial black ownership—and, in the case of internet providers and infrastructure providers, a quota of 30 percent was formally required. This is part of correcting racial imbalances in media ownership and the legacy of wealth continuing to be concentrated in the white community which benefited from unfair privilege under the apartheid system.

Complaints about unfairness related to the transition to DTT address ICASA's freezing of new television licenses (though not radio) until after analog switch-off, and over the digital incentive channels to be awarded by ICASA to the incumbent broadcasters. These measures are seen as benefiting established players by protecting them from competition, and as enabling these incumbents to strengthen their positions in advance of new licenses being made available after analog switch-off. In defense of ICASA, it would appear difficult to find open spectrum to assign space for new television broadcasters during a period of "dual illumination" in which existing broadcasters are required to retain their analog signals at the same time as also transmitting

349. "ICASA CCC Ruling on Complaint Against SABC," Politicsweb, 30 June 2009, available at http://www.politicsweb.co.za/politicsweb/view/politicsweb/en/page71656?oid=134574&sn=Detail (accessed 3 April 2011).

350. "ICASA Ordered to Probe SABC," *Mail & Guardian Online*, 26 January 2011, available at http://www.mg.co.za/article/2011-01-26-icasa-ordered-to-probe-sabc (accessed 3 April 2011).

351. ICASA Amendment Bill, 2010, Government Gazette, no. 33324, 25 June 2010.

352. See "SOS Wants Broadcasting Policy Review Process Prioritised," Screen Africa, 5 March 2012, available at http://www.screenafrica.com/page/news/industry/1192120-SOS-wants-broadcasting-policy-review-process-prioritised (accessed 12 March 2012).

in digital. ICASA's concession has been to allow 10 percent of Multiplex 2 for experimentation by would-be new broadcasters. In addition, a second envisaged multiplex for mobile subscription broadcasting (MDDT 2) is expected to be reserved for "greenfields" initiatives—i.e. entirely new entrants. The mechanism for licensing the digital incentive channels makes distinctions between commercial and public criteria, and—as discussed in section *7.1.1.3*—it also requires SABC applications to motivate accordance with its legislated Charter. The licensing is also subject to public hearings over the proposed public value test, and it will also include market impact assessments.

7.2.4   Role of Self-regulatory Mechanisms

Self-regulation in South Africa differs between print, broadcast, and internet-related actors. South African newspapers mainly adhere to the self-regulatory system of the non-statutory SA Press Council (and its ombudsman).[353] Although the organization and its code do not explicitly deal with online issues, it seems likely that this will change in regard to particular online content under the auspices of a newspaper house's own new media platform. Several major newspapers also have an ombudsman or public editor, and the same principle would likely apply with these officers dealing with new media content issues.

By 2011, however, no newspaper websites had become publicly involved in controversial issues of ethics and regulation, even though the number of complaints registered by the Press Council for print content has continued to grow year on year. The Press Council system came under fierce criticism from the ruling party in 2010–2011, which sought to advance a parliamentary-appointed Media Appeals Tribunal which could overrule the council. The ANC's claims—widely seen as arising largely from political resentment of hard-hitting investigative journalism—were that the council was weak, had an inadequate code, and was too closely associated with the newspaper industry.

Most major South African broadcasters are regulated by the Broadcasting Complaints Commission of South Africa (BCCSA),[354] a self-regulatory body that is legally recognized by ICASA under the law, while the remainder (mainly community radio stations) are directly under the authority of the Complaints and Compliance Committee (CCC) of the regulator itself. An extraordinary issue arose in June 2011, when SABC sought to have a BCCSA ruling overturned at the CCC as if the latter body was a mechanism of appeal, but the broadcaster was refused permission to do so by the BCCSA. Neither of these bodies explicitly deals with online or mobile content, but it is likely they would do so in cases where their members were responsible. By 2011, no broadcasters had become publicly involved in issues of ethics and regulation in regard to new media platforms.

The Internet Services Providers' Association operates independently of government control as a self-regulatory body. There is no legal obligation on ISPs to monitor communications, and it would be illegal to do so unless required to under the RICA (2002). Another independent body which also plays a self-regulatory role is

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353. See the Press Council website, available at http://www.presscouncil.org.za (accessed 3 April 2011).

354. See the BCCSA website, available at http://www.bccsa.co.za (accessed 3 April 2011).

the Wireless Access Providers' Association (WAPA) formed in 2006, and representing licensed providers of wireless access services.[355] This organization pays allegiance to the ICASA Code of Conduct, but also has its own code. Its website does not indicate if it has in fact dealt with any consumer complaints to date.

A third actor in self-regulatory digital matters is the Wireless Application Service Providers Association (WASPA).[356] This body was formed in 2004, and represents over 250 members whose membership is required by the major mobile phone operators on whose systems the WASPA constituency largely operates. Their business covers services such as ringtones, mobile games, and voting, as well as mobile content including sexual content. The association has a code of conduct and also advertising rules, plus what it calls an independent secretariat to handle complaints drawn from "13 independent ICT lawyers" and a three-person appeals panel of ICT lawyers. An emergency panel of three WASPA adjudicators can shut down services pending a formal adjudication where there is evidence of immediate and ongoing consumer harm. In addition, WASPA says it hires two media monitors who check daily for compliance with its rules. They say that they issue advisories to members about distribution of certain content, and their sanctions for violations of the code can include fines and expulsion.

The organization also engages in lobbying the formal system of regulation. It has proposed that multimedia content in the Film and Publications Act should be regarded as a publication, not a film which would entitle the sector to recognized self-regulation. Its members were concerned about the magnitude of potentially classifiable items in their sector, which would be impractical for the FPB to classify. Their recommendation was for periodic oversight, and the setting up of a sector-specific, co-regulation classification committee. It does not appear that the FPB has accepted these proposals, although joint committees were reportedly agreed in October 2010.[357] The body does forward complaints (e.g. about spam "adult" SMS messages) to WASPA.[358]

All South African media houses with online presences on ISPs that are members of ISPA are supposed to abide by ISPA's code of conduct.

In 2007, a controversy arose around a blog by a supposed male prostitute who claimed to have serviced various celebrities. In response, one prominent opposition politician called for blogs to be regulated. However, in the end the culprit was "outed" by the blogging community and, in the face of being sued for defamation, took down the offending blog.[359]

355. See WAPA's website, available at http://www.wapa.org.za (accessed 3 April 2011).

356. See WASPA's website, available at http://www.waspa.org.za (accessed 3 April 2011).

357. See "Home Affairs Backs Down on Porn Law," TechCentral, 7 October 2010, available at http://www.techcentral.co.za/home-affairs-backs-down-on-porn-law/17830/ (accessed 13 March 2012).

358. See, for example, http://www.waspa.org.za/code/download/8180.pdf (accessed 13 March 2012).

359. G. Berger, "Caught in the Middle—How a Scurrilous South African Blog Raised the Issues of Freedom, Regulation and Responsibility," paper presented at 16th annual AMIC conference, "Media, Education & Development: the quest for new paradigms," Singapore, 25 June 2007, available at http://bit.ly/i2iXVH (accessed 3 April 2011).

The major mobile phone operators themselves observe various self-regulatory practices, including issuing their own guidelines to content providers and enabling subscribers (such as parents seeking control of children's phones) to block access to certain kinds of downloads via their networks. In early 2011, two large mobile phone companies providing internet service decided voluntarily to block a Russia-based site which featured South African UGC of school-goers having sex.[360]

The Advertising Standards Authority of South Africa (ASASA) also has a code of practice and a "Procedural Guide."[361]

7.3   Government Interference

7.3.1   The Market

Preferential (and, conversely, punitive) treatment of selected media houses by state bodies has not been a major part of the South African landscape. In 2008, a senior minister proposed withdrawing advertising from a media house that produced critical stories which embarrassed the then-Minister of Health. Local government advertising boycotts, however, have been implemented against small-town newspapers in Grahamstown, Port Alfred, and Oudtshoorn.[362] There were initial but mainly unrealized fears in 2010 that state advertising could be used in an untoward manner to support the *New Age* newspaper that was established by pro-government owners. In June 2011, cabinet spokesperson Jimmy Manyi raised the prospect of government advertising favoring sympathetic media houses. However, there were not concerns about government advertising being abused to influence the market in broadcasting or online/mobile.

However, it has been widely believed that the South African state has long been biased toward some of the communications institutions it owns. Thus, it is widely believed that delays and limits on liberalization of the telecoms market have been because of government interests as part-owner in Telkom, the former state monopoly telecoms company. This protectionism has had a negative impact on broadband costs, and it has also been blamed for the slow pace of local loop unbundling (a process that began in 2007). The Government stated that it would issue a policy directive to ICASA on an implementation plan for unbundling, to be completed by 2011, although this did not happen. ICASA itself issued documents in June and November 2011, saying it would engage with Telkom on reducing interconnection pricing, and it pledged to conduct workshops with stakeholders and initiate a regulatory impact assessment of various forms of unbundling.[363] In November 2011, when the Electronic Communications Amendment bill suggested putting control of

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360. See A. Goldstuck, "How Outoilet Was Taken Out," The Good News, 24 November 2010, available at http://www.sagoodnews.co.za/blog/how_outoilet_was_taken_out.html (accessed 3 April 2011).

361. See ASASA's website, available at http://www.asasa.org.za (accessed 3 April 2011).

362. See G. Berger, "Resources about government advertising boycotts of private media," Rhodes University New Media Lab, 24 October 2008, available at http://nml.ru.ac.za/blog/guy-berger/2008/10/24/resources-about-government-advertising-boycotts-private-media.html (accessed 3 April 2011).

363. See ICASA, "Findings Note on the ICASA Framework for Introducing Local Loop Unbundling," available at https://www.icasa.org.za/Portals/0/Regulations/Working%20Docmuents/Local%20Loop%20Unbundling/Draft/Findings%20Note%20on%20the%20ICASA%20Framework%20for%20Introducing%20Local%20Loop%20Unbundling.pdf (accessed 10 December 2011).

spectrum in the hands of the DoC rather than ICASA, concerns were expressed that this would lead to favoritism toward state-owned entities.[364]

In another case of apparent bias (this time through the regulator) in favor of state assets in the pre-DTT era, Sentech alone was allocated in 2002 what was called a "Multimedia" license and a "Carrier of Carriers" license. Some observers believe that these rights potentially give Sentech many of the rights of a content provider and multichannel/multiplex operator (on top of its traditional role as a network/infrastructure operator). This dispensation would give Sentech a high degree of potentially anti-competitive "vertical integration" in the digital broadcasting environment.[365] In addition, the Government's long resistance to private companies self-providing their own signal infrastructure has been construed as protectionism for Telkom's and Sentech's dominant place in the sector.

Most recently, the digitization of transmission and the digital signal subsidy that will go to Sentech will have the effect of distorting the market in the sense of making it difficult for private competition to flourish in DTT signal distribution. However, the official view is that state-owned institutions can be used as strategic levers to redress market failure, hence the special conditions that apply to them. Nonetheless, in the face of criticism around Sentech's dominant position in signal distribution, the regulator ICASA gave notice in October 2010 that it would investigate monopoly behavior in the availability, quality, and pricing of wholesale transmission services for broadcasters, as a result of concerns raised by e.tv and community broadcasters. In particular, e.tv had been highly critical of Sentech's claims that digital transmission of a single channel would cost 70 percent of the current cost of transmitting an analog channel, which e.tv said did not make sense as the additional channels are multiplexed onto the same signal.[366]

7.3.2   The Regulator

The Government has sought to influence ICASA through increased control over appointments to the governing council as well as its Complaints and Compliance Committee (see section *7.2.2* above). Overreach by the regulator itself has been evident in one case of possibly excessive power: ICASA's initial DTT regulations limited data provision to 15 percent of the allocated capacity to ensure that the available capacity would be prioritized for the provision of television services. The authority also said that for the same reason it would not allow the provision of sound broadcasting services on the DTT multiplexes.[367] The final regulations responded to criticism around these issues, dropping the ban on radio channels being included in any given multiplex. The change avoided a situation whereby the regulation would have deprived audiences of a platform on which to receive a range of radio broadcasts which might otherwise not be available through regional and local limits on analog radio transmission.

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364. See "Gov't Under Fire Over EC Act Amendments," TechCentral, 11 November 2011, available at http://www.techcentral.co.za/govt-under-fire-over-ec-act-amendments/27359/ (accessed 12 March 2012).

365. C. Armstrong and R. Collins, *Digital Dilemmas,* p. 29.

366. e.tv, "e.tv Submission on Draft Broadcasting Digital Migration Strategy for South Africa," 5 April 2007; see also acknowledgement of this in ICASA, *General Notice*.

367. ICASA, *Statement Of The Independent Communications Authority Of SA Regarding The Finalisation of The DTT Regulations*, Johannesburg, 3 July 2009, available at http://www.ngopulse.org/node/13554 (accessed 3 April 2011).

"Negative interference" was demonstrated in 2011, when a court found that ICASA's Complaints and Compliance Committee had misdirected itself when it decided it had no authority to investigate complaints about politically motivated blacklisting of sources at SABC several years earlier. This instance relates to the analog era, but the indictment raises questions as to whether ICASA will avoid sensitive issues around SABC when DTT comes into being.

7.3.3   Other Forms of Interference

SABC has been a target for increased government control such as through former minister Ivy Matsepe-Casaburri seeking to develop its editorial policies and through former minister Siphiwe Nyanda's Public Service Broadcasting Bill (see section *6.3.1*). This would have given him the power to issue directives to the broadcaster and legitimize ministerial involvement in the appointment of SABC's top executives. The same bill would have given municipal officials powers over community radio.

The board of SABC was the target of political interference in 2007 when the ruling party's headquarters overrode the preferences of its MPs in the quest for appointments that would be perceived as more favorable to the then-president. This episode compromised the integrity of the parliamentary process of public nominations and public interviews.

Extra-legal pressure has been exerted on print journalists, although there are no known cases as regards digital news media. Prominent print journalists harassed in 2010 were the *Sunday Times*'s Mzilikazi wa Afrika, arrested in an intimidating and vengeful way; and *City Press*'s Piet Rampedi, who was threatened and blackmailed by youth members of the ruling party.[368] The *Mail & Guardian* newspaper is frequently the victim of aggrieved applicants (including SABC in 2007), who have won court interdicts that prevented, at least temporarily, the publishing of critical information. In November 2011, the paper blacked out parts of an investigative report under threat of criminal prosecution by presidential spokesperson Mac Maharaj. Self-censorship meant the information was also not put online.

7.4   Assessments

The configuration of policy, law, and regulation in South Africa means that DTT is unlikely to make an early impact on access in terms of choice of language or local content, though it could help increase signal availability. Whether it could make a difference in terms of the digital divide is still an open question.

The biggest shortcoming in South Africa is the silo-character of policy. The Government has a policy for broadband (South Africa's National Broadband Policy, adopted in June 2010),[369] and a separate policy for

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368. "What Press Freedom? Treatment of Mpuma Journos Raises Concerns," Journalism.co.za, available at http://journalism.co.za/index.php?option=com_content&Itemid=51&catid=170&id=3642&view=article; G. Moodie, "Sunday Times' Wa Afrika on Reporting from the Wild, Wild West," Journalism.co.za, available at http://journalism.co.za/index.php?option=com_content&Itemid=51&catid=170&id=3372&view=article (both accessed 3 April 2011).

369. *Broadband Policy for South Africa*, available at http://www.greengazette.co.za/docs/2010/07/Gazettes/National/20100713_-_National_Gazette_No_33377_of_13-Jul-2010,_Volume_541/ (accessed 3 April 2011); also available at http://www.scribd.com/doc/43794703/Broadband-Policy-for-South-Africa (accessed 3 April 2011).

digital migration of broadcasting (Broadcasting Digital Migration Policy published in September 2008).[370] Although they each refer to the Information Society and the need to overcome the digital divide, the two documents do not cross reference their respective arenas. This is all despite an overarching commitment by the Government to creating an Information Society.

The broadcast–broadband divide is also one reason why the initially hyped e-government services via DTT have not materialized,[371] and the Government's broadband policy barely mentions spectrum management issues. All this had implications for the 2011 budget, where the Government announced it would spend ZAR 450 million (US$64 million) over the next three years on broadband—an amount not only dwarfed by the sums allocated to broadcasting, but also one that misses how an integrated approach could have secured spending synergies.[372] However, the costs of mobile phone services, both voice and especially data, have been falling rapidly as a result of pressure by the public and the authorities, and heightened competition made possible by licensing additional operators. The same applies in digital subscription television. To this extent, an approach of enforcing a degree of competition between digital providers has been successful.

However, the basic policy fragmentation has also seen rivalry and duplication. Thus the failures of Sentech and Telkom to provide cheap bandwidth led the Department of Public Enterprises to create another state-owned entity for this purpose, called Broadband Infraco. In February 2011, the Government was reported to be discussing a tie-up between the two initiatives, which one analyst described as likely to multiply their individual problems.[373]

Some of these problems could be addressed by Government's stated plan to develop an Integrated National ICT Policy that would culminate in a corresponding law by 2013. The former head of the parliamentary committee dealing with communications, Ismail Vadi, has underlined the importance of such steps, but there were no public indications that followed.[374] National broadband legislation going to cabinet in 2010–2011 was also cited in the Government's plan. However, work on all of these had not yielded public fruit by February 2012.

The Government's guiding framework over the years has been called "managed liberalization," which has not been fully elaborated as a policy. One consequence has been an erratic position as regards interventions in the marketplace. Another has been the contradictory business model affecting institutions such as SABC which are supposed to achieve public objectives while also having to operate on a completely commercial footing in order to pay for this mandate.

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370. DoC, *Broadcasting Digital Migration Policy*.

371. See, for example, Speech by (then) Deputy Minister Dina Pule, "Briefing on Digital Migration Process," delivered at the National Summit on Set Top Boxes (STB) Manufacturing, 22–23 October 2009, available at http://www.doc.gov.za/index.php?option=com_content&task=view&id=372&Itemid=435 (accessed 3 April 2011).

372. "Budget 2011: R450m for Rural Broadband," TechCentral, 23 February 2011, available at http://www.techcentral.co.za/budget-2011-r450m-for-broadband/21329/?utm_source=feedburner&utm_medium=email&utm_campaign=Feed%3A+co%2FUqJF+%28TechCentral%29 (accessed 3 April 2011).

373. See "Possible Sentech, Infraco Deal Has Analysts Worried," TechCentral, 11 February 2011, available at http://www.techcentral.co.za/possible-sentech-infraco-deal-has-analysts-worried/21037/ (accessed 3 April 2011).

374. I. Vadi, Public Lecture.

As indicated earlier, South Africa has a strong post-apartheid history of consultative policy and law, albeit one that has mainly been availed by the elite.[375] While the websites of both ICASA and the DoC include many (but not all) written submissions, they do not provide online spaces for public comment and debate. By February 2012, it was too early to say if public consultation has increased or diminished in regard to digital issues, as compared to the analog-only period.

Legislation regarding much communications pre-dates digital developments and this specifies the values of pluralism and diversity—for example, in the ICASA Act and the Broadcasting Act. It is likely that these values will persist, at least symbolically, as digital policy, law, and regulation unfolds.

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375. See regulatory and telecoms laws requiring public hearings: OSF, *Meeting Their Mandates?* p. 60.

8. Conclusions

8.1 Media Today

As can be seen from this report, the process and results of digitization have not yet had a profound impact on journalistic independence, plurality of outlets, and diversity of voices in the news space. This reflects the limited extent of digitization, particularly in the form of online access on the desktop. On the whole, over the period 2005–2010, mobile phones had proved themselves to be useful instruments for the production of professional journalism, and for user participation in talk radio, but had not developed to the point of making a large difference to the consumption of news.

8.1.1 Positive Developments

The pluralism of voices across the news media increased, though it was limited to blogs, such as on News24 and Thought Leader, and to user comments on news stories on various news websites. While other new media platforms gave opportunities for minority views, these have not had a significant impact on the mainstream agenda. However, the voices of poor and marginalized people, though mainly rendered into English, were at least registered on the internet. Journalism (especially investigative journalism) also has been strengthened by the use of new technologies, notwithstanding associated developments such as the ease of plagiarism, which undercut ethics.

8.1.2 Negative Aspects

News media independence in South Africa came under political threat in 2010. The ruling party targeted the information environment through the Protection of Information Bill brought to Parliament in 2010, and passed by the National Assembly in 2011 as the Protection of State Information Bill. Another threat was the formal mandate to Parliament by the ruling party to investigate whether statutory regulation should replace self-regulation in the newspaper industry. Media and civil society campaigns have mobilized successfully to dilute and delay these pressures, but have fallen short of properly exploiting new media technologies.

Economic pressures in the wake of the recessionary conditions in 2009 also impacted negatively on the diversity of news media and news content, leading to a scaling down of newspaper websites, the closure

of most of SABC's international offices and the *Weekender* newspaper, and a number of retrenchments in 2009–2010. On the other hand, a new (pro-government) newspaper (the *New Age*) was launched in 2010, as was a digital daily analysis publication (the *Daily Maverick*), and increasing numbers of South Africans used Twitter to both publish and follow the news.

8.2   Media Tomorrow

Digitization in South Africa from 2012 to 2015 will receive a boost in the form of increased wireless internet access via smartphones. In addition, by the end of 2015, DTT roll-ut ought to be complete and the digital dividend will free up further space for wireless broadband. There is likely to be a limited amount of digital incentive channels on offer, although the incumbent free-to-air broadcasters will struggle to find a viable business model in an environment with more competition and greater fragmentation of audiences. The new channels will struggle to provide content in indigenous languages, and their public service obligations are likely to be reduced. Nevertheless, after 2015, newcomers to digital television broadcasting will be able to make an entry, further expanding competition and further putting pressure on broadcast revenues at the same time as increasing viewer choice. Digital broadcasting to mobile devices is, as elsewhere in the world, not a likely growth area, especially if subscription-based (as it is at least with DStv).

If the mobile phone companies continue their push to complement voice with data services, they will no doubt be encouraging their users to use internet services. Although there were no signs of this by February 2012, such a development could yet lead to convergence with STBs, where a plug-in SIM-card modem, storage capacity, and a software interface to the internet will make for a smart television set. In this way, with the television set as monitor, and the box as computer, the digital divide could—in some respects, at least—be overcome in many DTT-receiving households. An even greater development would be if digital broadcasters could interface with ISPs to utilize some of their spare multiplex capacity to serve as a download path for bandwidth-hungry content. In this way, a hybrid system could overcome the bandwidth constraints of 3G as a limited technology in regard to uncongested internet access.

For the public, this would mean greater plurality of outlets, and more diversity of content (including UGC) and interaction capacity.

Journalism in South Africa will likely come under continuing political pressures. It will, however, also become more distributed across society, and not only be the preserve of media companies. However, at the same time as journalism will have many more authors, more platforms to ride on, and more ways to engage with the public, business models will continue to be a challenge. Hybrid ways of funding journalism are likely to prevail. The success of pay-TV shows that at least middle-class people are prepared to put end-user money into content that includes some news information along with entertainment and sports channels on television screens. The question arising is whether a viable pay model can be found for journalism, not least for that content which will be distributed and consumed on mobile devices.

List of Abbreviations, Figures, Tables, and Companies

Abbreviations

3G	Third generation
ABC	Audit Bureau of Circulation
ADSL	Asymmetric Digital Subscriber Line
AIDC	Alternative Information Development Centre
AIP	Administrative Incentive Pricing
AM	Amplitude modulation
AMPS	All Media and Products Study
AMR	Average Minute Rating
ANC	African National Congress
API	Application Program Interface
AR	Audience Ratings
ASASA	Advertising Standards Authority of South Africa
B-BBEE	Broad-Based Black Economic Empowerment
BCCSA	Broadcasting Complaints Commission of South Africa
BEE	Black Economic Empowerment
CEO	Chief Executive Officer
CCC	Complaints and Compliance Committee
COPE	Congress of the People
COSATU	Congress of South African Trade Unions
DA	Democratic Alliance
DAB	Digital Audio Broadcasting
DoC	Department of Communications
DRM	Digital Rights Management
DTT	Digital Terrestrial TV
DVB	Digital Video Broadcasting

DVB–H	Digital Video Broadcasting–Handheld
DVB–S	Digital Video Broadcasting–Satellite
DVB–S2	Digital Video Broadcasting–Satellite–Second Generation
DVB–T	Digital Video Broadcasting–Terrestrial
DVB–T2	Digital Video Broadcasting–Second Generation Terrestrial
ECNS	Electronic Communication Networks Services (license)
ECS	Electronic Communications Services (license)
EPG	Electronic program guides
FM	Frequency modulation
FPB	Film and Publications Board
Gb	Gigabytes
Gbps	Gigabytes per second
GHz	Gigahertz
GCIS	Government Communication and Information System
GDP	Gross Domestic Product
GNI	Gross National Income
HD	High definition
HIV	Human immunodeficiency virus
HSDPA	High-Speed Downlink Packet Access
HTML	HyperText Markup Language
ICASA	Independent Communications Authority of South Africa
ICT	Information and communications technology
ID	Independent Democrats
IFP	Inkatha Freedom Party
IMF	International Monetary Fund
IMT	International Mobile Telecommunication
IPTV	Internet Protocol television
ISDB–T	Integrated Services Digital Broadcasting–Terrestrial
ISP	Internet Service Provider
ISPA	Internet Services Providers Association
ITU	International Telecommunications Union
Kbps	Kilobytes per second
Mb	Megabytes
Mbps	Megabytes per second
MDDA	Media Development and Diversity Agency
MHEG	Multimedia and Hypermedia Experts Group
MHz	Megahertz
MMS	Multimedia Messaging Service
MPCC	Multi-Purpose Community Centers
MPEG	Moving Picture Experts Group
NAB	National Association of Broadcasters

NGO	Non-governmental organization
OPA	Online Publishers Association
PA	Political advertisements
PBS	Public Broadcasting Service
PCS	Public Commercial Service
PEB	Party Election Broadcast
R2K	Right To Know Campaign
RSS	Really Simple Syndication
SAARF	South African Advertising Research Foundation
SABC	South African Broadcasting Corporation
SACP	South African Communist Party
SACSIS	South African Civil Society Information Service
Sadiba	South African Digital Broadcasting Association
SAMPRA	South African Music Performance Rights Association
SAPA	South African Press Association
SMS	Short Message Service
SOS	Scheme-for-Ownership-Support
STB	Set-Top Box
TAC	Treatment Action Campaign
UGC	User-Generated Content
UHF	Ultra High Frequency
UK	United Kingdom
URL	Uniform Resource Locator
USA	United States of America
USAASA	Universal Service and Access Agency of South Africa
USAF	Universal Service and Access Fund
VANS	Value-Added Network Services
VHF	Ultra High Frequency
VOD	Video on Demand
WAP	Wireless Application Protocol
WASPA	Wireless Application Service Providers Association
ZAR	South African Rand

Figures

Tables

Companies

Alexa.com

Aljazeera

Altech

Association of Independent Publishers

Avusa

BBC

Bidorbuy

Bizcommunity

Bloomberg

Blueworld

Broadband InfraCo

CapeTown Community Television

Caxton

Cell-C

CNBC Africa

CNN

Disney

DStv

e.tv

Facebook

GetJar

Grocott's Mail

Gumtree

HBO

Independent News and Media

Independent Newspapers

Independent Online

Kagiso Media

LinkedIn

Media24

Mobile TV

M-Net

MTN

MTV

MultiChoice

MWEB

MXit

MyVideo

Naspers
Neotel
NewspaperDirect
Nielson
OMD
On Demand Group
On Digital Media
Online Publishers Association
Opera
Orbicom
Pearson UK
PricewaterhouseCoopers
Primedia
Red Bull
Reuters
SABC
Screamer Telecoms
Sentech
Sino-Africa Group
South African Advertising Research Foundation
South African Press Association
Shenzhen Media
Super 5 Media
Telkom
Thumbtribe
Top TV
Twitter
Virgin
Vodacom
Walking on Waters
Wikipedia
World Wide Worx
Yahoo!
YouTube
Zoopy

Mapping Digital Media: Country Reports

1. Romania

2. Thailand

3. Mexico

4. Morocco

5. United Kingdom

6. Sweden

7. Russia

8. Lithuania

9. Italy

10. Germany

11. United States

12. Latvia

13. Serbia

14. Netherlands

15. Albania

16. Hungary

17. Moldova

18. Japan

19. Argentina

Mapping Digital Media is a project of the **Open Society Media Program** and the **Open Society Information Program.**

Open Society Media Program

The Media Program works globally to support independent and professional media as crucial players for informing citizens and allowing for their democratic participation in debate. The program provides operational and developmental support to independent media outlets and networks around the world, proposes engaging media policies, and engages in efforts towards improving media laws and creating an enabling legal environment for good, brave and enterprising journalism to flourish. In order to promote transparency and accountability, and tackle issues of organized crime and corruption the Program also fosters quality investigative journalism.

Open Society Information Program

The Open Society Information Program works to increase public access to knowledge, facilitate civil society communication, and protect civil liberties and the freedom to communicate in the digital environment. The Program pays particular attention to the information needs of disadvantaged groups and people in less developed parts of the world. The Program also uses new tools and techniques to empower civil society groups in their various international, national, and local efforts to promote open society.

Open Society Foundations

The Open Society Foundations work to build vibrant and tolerant democracies whose governments are accountable to their citizens. Working with local communities in more than 70 countries, the Open Society Foundations support justice and human rights, freedom of expression, and access to public health and education.

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