

LOCAL CONTENT

INTRODUCTION

As South Africa's public broadcaster, the SABC is firmly committed to supporting the South African music and production industries by airing local television programmes and South African music. The SABC believes that South African music and television content play a key part in reflecting and celebrating our country's diverse people and cultures. Given the neglect and degradation of many aspects of South African cultural expression in the past, local content on the public broadcaster helps to restore a sense of pride and dignity in local music, performance, film and the arts. This, in turn, assists in furthering important public interest goals such as nation-building and reconciliation.

The SABC also recognises that broadcasting local content on the public broadcaster can contribute to promoting growth of the music, production and associated cultural industries.

Nevertheless, the ability of the SABC services to broadcast high levels of local content is influenced by market dynamics in the local music and production industries. For instance, the music industry does not always produce South African music consistently across all the music formats. As far as television production is concerned, the cost of local material is usually significantly more than international programmes. In an environment where programming is funded primarily through advertising, there is also pressure on the SABC to screen material that would draw audiences and revenue.

This is the context in which the SABC operates, and in which it seeks to demonstrate its commitment to broadcasting local content.

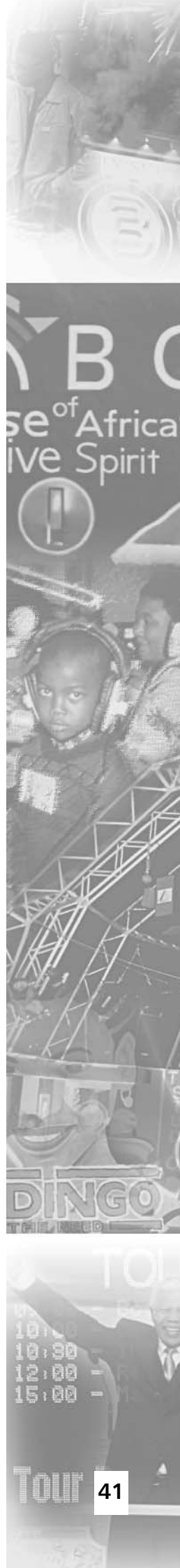
REQUIREMENTS AND COMMITMENTS

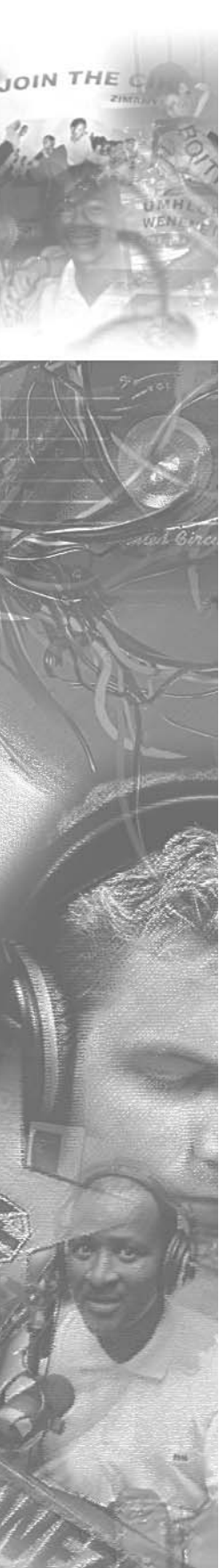
Various regulatory and legislative requirements applicable to the SABC in terms of local content were taken into account in developing this policy. They include those of the Independent Broadcasting Authority Act, the Broadcasting Act, and relevant ICASA regulations. Specifically, the SABC has been guided by the following:

- The requirement that broadcasting services, viewed collectively, develop and protect national and regional identity, culture and character
- The obligation of the SABC to take into account the needs of its audiences
- The requirement that the SABC display South African talent
- The requirement that the SABC reflect South African attitudes, opinions, ideas, values and artistic creativity
- The requirement that the SABC offer a plurality of views and a variety of news, analysis and information from a South African point of view
- The need to support the production of local content by South Africans; particularly by historically disadvantaged people
- The specific quotas set by ICASA for local television content, independent production and South African music on the SABC's public and commercial services.

In accordance with those obligations, the SABC commits itself to the following:

- To ensure that local television content is a significant and visible part of its schedules, throughout the broadcasting period and in prime time, in line with the quotas prescribed by ICASA
- To ensure that it commissions a significant amount of its local television content from the independent production industry, in line with the quotas prescribed by ICASA
- To continue to play a high level and wide variety of South African music across the SABC radio stations, in line with the quotas prescribed by ICASA.





SCOPE OF THE POLICY

The imperative to deliver significant levels of local content has a direct impact on all the SABC radio stations and television channels. These services are bound to comply with the ICASA regulations and licence conditions on local content. This Local Content Policy should be read together with those requirements and applies to all the SABC's radio and television services. It is the responsibility of the licensees — the radio stations and television channels — to comply with local content quotas. These platforms prescribe and agree the proportions of local content with internal suppliers, including the content hub, news, education and sport.

The policy should be considered when the SABC:

- Develops strategic plans and/or Key Performance Indicators for the Corporation
- Develops business plans and budgets for the Corporation and its services
- Formulates programme strategies, policies and plans for each station/channel.

TELEVISION

DEFINITION OF LOCAL TELEVISION CONTENT

Local television content is defined in the **Independent Broadcasting Authority Act**¹ as a television programme (excluding broadcasts of sports events and compilations of them, advertisements, teletext and continuity announcements) that is produced by a South African broadcaster, or by South African people.

DEFINITION OF INDEPENDENT PRODUCTION

Also in the Independent Broadcasting Authority Act, an **independent production**² is defined as a production of local television content by a person who is not employed directly or indirectly by a broadcaster, or by a person who is not controlled by, or in control of, any broadcasting licensee.

LOCAL CONTENT QUOTAS

Like all broadcasters, the SABC is bound by the local content and independent production quotas prescribed by ICASA. There are three sets of quotas for television:

- **Global local content** quotas for each television channel. These stipulate that a percentage of the air time between 05:00 and 23:00 should be allocated to local content. The global quotas distinguish between public and commercial television
- **Genre quotas.** These stipulate that if a television channel carries a certain genre of programming (such as drama), a percentage of that type of programming is to be allocated to local content. The genres are defined in the ICASA regulations³ and span the following six areas: drama, informal knowledge building, children's, education, documentary and current affairs. In each case a minimum percentage is prescribed. These quotas also distinguish between public and commercial television
- **Independent production quotas.** Here the stipulation is that a percentage of the total amount of local content aired must be allocated to independent television productions. These quotas make no distinction between public and commercial services.

All the quotas are set out in regulations which may be reviewed by ICASA every three years.

COMPLIANCE WITH QUOTAS

It is the responsibility of each television channel to ensure that they comply with the local content quotas. Scheduling Managers in the channels send their schedules to the Policy and Regulatory Affairs Department monthly. Policy and Regulatory Affairs works with the channels to ensure consistency in the designation and measurement of local content, and adequate forecasting to identify any potential difficulties in meeting the quotas.

Policy and Regulatory Affairs consolidates the information received from channels and compiles it into reports that are submitted to top management. Annual local content compliance figures are published in the Corporation's Annual Report to Parliament.

THE SABC'S APPROACH TO LOCAL CONTENT ON TELEVISION

The following principles underpin the SABC's approach to local content on television:

- In line with the distinction between commercial and public service channels made by ICASA, the most significant delivery of local content is on the SABC's public service channels. The SABC believes it is appropriate for the public service channels in its portfolio to have the most significant commitment to airing local material
- The SABC undertakes to broadcast a range of good quality local productions. This means the television portfolio as a whole airs local content in a variety of genres and programme types, targeted at different audiences. Taken collectively across the SABC's television portfolio, this content should reflect South Africa's diversity of people, provinces, languages, cultures and religions, while also being aligned to the needs of the audience
- The SABC is also aware that historically there has been a lack of good quality local material in African languages. It is a dual objective of this policy, and of the Language Broadcasting Policy, for local African language programming to be seen on our public service television channels
- The SABC is eager to support development of television content on the African content and, if possible, will endeavour to showcase such material, particularly on its public service channels
- The SABC recognises that a productive and thriving relationship with the independent production sector is essential broadcasting of good quality local content. As part of its commitment to strengthening the relationship with this sector, the SABC is publishing a separate policy and procedures on Procurement of Local Content, which details the SABC's policy and procedures for commissioning and acquiring local material. This policy also outlines the SABC's approach to supporting Black Economic Empowerment in the production industry which it has identified as an important objective
- The SABC recognises that it is the industry's biggest investor in skills development. Aligned to its investment in local content is a commitment to investing in empowerment and skills development processes that benefit the industry at large
- The SABC strives to engage more fruitfully with partner organisations in the film and television industry in order to support development and transformation of the local production industry.

RADIO

DEFINITION OF SOUTH AFRICAN MUSIC

South African music is defined in the Independent Broadcasting Authority Act. In order to qualify as South African music, a musical work must meet two of the following criteria:

- The lyrics are written by a South African citizen
- The music is composed by a South African citizen
- The music and/or lyrics are performed principally by musicians who are South African citizens
- The musical work is a live performance recorded wholly in South Africa, or performed wholly in South Africa, and broadcast live in South Africa.

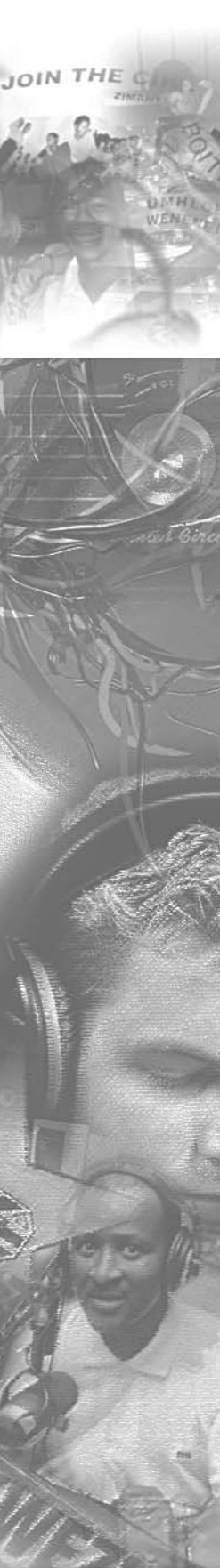
QUOTAS FOR SOUTH AFRICAN MUSIC

The SABC's music stations (those that devote more than 15% of their air time to music) are bound to comply with the South African music quotas prescribed by ICASA. These quotas stipulate that a percentage of the tracks played between 05:00 and 23:00 are to be South African. A distinction is made between public service and commercial radio. The quotas are reviewed by ICASA every three years.

COMPLIANCE WITH QUOTAS

It is the responsibility of each radio station to ensure that they comply with the local content quotas applicable to them. They are assisted by the SABC's Policy and Regulatory Affairs department in reporting their compliance to ICASA. Monthly compliance reports are made to top management, and annual figures are published in the Corporation's Annual Report to Parliament.





THE SABC'S APPROACH TO SOUTH AFRICAN MUSIC ON RADIO

The following principles underpin the SABC's support for South African music:

- ICASA makes a distinction between the level of local content expected from public service stations and from commercial stations, and has set a higher quota for public service stations. The SABC concurs that its public service stations should lead the way in supporting South African music
- With 18 radio stations broadcasting in all the official languages, and in a range of formats, SABC radio stations are uniquely placed to showcase the wide range of musical expression in South Africa. The SABC undertakes to use its stations effectively to explore and celebrate the diversity of South African music
- Whereas the allocation of air time to South African music will always be the primary means of supporting local music, the SABC believes there are a number of other equally effective interventions that SABC radio stations are able to make in support of local music. SABC radio publicises local musicians through interviews, reviews and promotions. The stations, both public service and commercial, also stage live events every year in partnership with South African acts
- One of the greatest challenges facing SABC radio stations is to provide sufficient good quality local material in all music formats. This continues to have a direct effect on stations' ability to meet their quotas. Towards addressing this concern, the SABC works with relevant forums such as the South African Music Forum convened by ICASA. The SABC hopes that through this work the broadcasting and music industries will be able to develop strategies jointly to address the issues of supply in South African music
- The SABC strives to support the development of music on the African continent, and where possible will showcase such music.

MONITORING AND IMPLEMENTATION

The Board requires management to submit an annual local content action plan that identifies future goals arising from this policy. A summary of achievements of the previous year is to be attached to the local content action plan in order to facilitate a review of the achievements, opportunities and challenges.

REVIEW

This policy is reviewed by the SABC Board every five years.

¹ICASA has proposed that all local content definitions be removed from the Act and be published in Regulations

²ICASA has proposed an amendment to this definition to also exclude a person controlled by a controlling shareholder of a broadcasting licensee.

³ICASA South African Television Content Regulations, 15 February 2002