

## The search for sustainable local media: tools and models

*Summary of a study prepared by Franz Krüger, PhD, Adjunct Professor in the Wits Centre for Journalism, University of the Witwatersrand*

The report looks at the challenge of sustainability faced by local media serving regional and metropolitan audiences, including marginalised communities, in Africa and other parts of the Global South. It considers the role of public policy in supporting these outlets and enabling them to access diverse income streams such as advertising, government subsidies, cross-subsidisation and community support.

The author contends that public support should:

- Focus on the ecosystem and create an environment conducive to media development;
- Promote high-quality journalism and prioritise areas where reliable information is in short supply;
- Guarantee media independence and introduce mechanisms aimed at preventing political interference;
- Be platform neutral, while paying close attention to where audiences are concentrated.

The report looks at four areas of support:

### 1. Creating an enabling environment

Governments need to establish an appropriate legal framework that includes measures to curb the abuse of media power, such as prohibiting media ownership by politicians and placing broadcast licensing in the hands of a visibly independent body.

In addition, argues the report, public authorities should support institutions that offer high-quality training in journalism and other media-related competencies including technical and managerial skills. Support should also be offered to effective audience research mechanisms that can provide a more reliable basis for advertising sales and rates.

### 2. Indirect support

Mechanisms for indirect subsidy for media are common around the world. Examples include giving preferential postal tariffs to newspapers; removing tax obligations from public interest websites; offering lower rates of VAT to encourage investment in media; and reducing licensing fees for community broadcasters. Care must be taken to ensure that benefits such as tax breaks do not simply increase profit margins but result in real investment in high-quality media.

### 3. Direct public funding

Several countries have funds that support independent media, including outlets that serve ethnic minorities or people living in remote regions. These measures have been credited with ensuring the survival of healthy media systems. In Norway, for example, direct public funding has supported the distribution of newspapers in the sparsely populated north as well as a range of innovation projects.

The South African Media Development and Diversity Agency offers funding to community broadcasting and small commercial print publications. Part of its funding comes from broadcast licensees who are obliged to contribute a percentage of their revenues to the fund. The agency also spends money on research and training for community media.

### 4. Government advertising

Government communication budgets make an important contribution to the viability of media markets and international organisations such as UNESCO have developed policy guidelines aimed at ensuring that these funds are spent equitably. In South Africa, there are long-standing calls for the government to allocate 30% of its advertising budget to local and community media.

Furthermore, countries in Latin America have launched initiatives to establish a principled basis for the purchase of advertising by creating a registry of media and by requiring government entities to develop an annual campaign plan. In Argentina, such arrangements already exist at state level. The city authorities of Buenos Aires, for instance, operate a “neighbourhood media registry”. Media projects using a range of different platforms can register, and the city then pays them a regular monthly sum on the condition that they broadcast some official advertising. Commentators say that, to date, this measure has not been subverted for political goals.