“There can be no keener REVELATION of a SOCIETY’S SOUL than the WAY in which it TREATS ITS CHILDREN.”

- Nelson Mandela
Performance SABC
TRIBUTE TO MADIBA

For the period under review, the tragic passing of the
doyen of our democracy, the former President Mr
Nelson Mandela, put the SABC’s broadcast capability
to the test. SABC Marketing along with SABC TV and
SABC Radio ensured that the on-air elements were
correctly used and executed. The SABC installed
branding to commemorate the passing of Tata Madiba
in all its buildings including the Provincial Offices.

As the Public Service Broadcaster, the SABC played
a critical role in reflecting and honouring the former
President Mr Mandela’s legacy as an icon of the epic
South African struggle for liberation, following his
passing in December 2013.

The TV Division broadcast 19.5 hours of live tribute
programming between 8th and 15th December 2013
on SABC1 and SABC3. The SABC2 channel was set
aside for use by News, for the latest breaking news
around the announcement of Madiba’s passing, his
memorial service, the lying in state and the funeral in
Qunu.

From the 5th to the 16th of December 2013, the SABC
teams worked tirelessly on the formidable task of
producing the live programmes for the TV platforms on
SABC1 and SABC3, as well as specialist content from
the various genres. The SABC delivered programmes
that celebrated Madiba in programmes like Shift,
Generations, Muvhango, 3-Talk, Yo-TV, Hectic 99,
Expresso and Mzansi Insider.

At the apex of SABC Radio highlights was the
extensive coverage of the passing of our beloved Tata
Madiba, where the SABC’s 18 radio stations played a
pivotal role in breaking the sad and shocking news,
whilst keeping listeners informed about developments
as they unfolded. SABC Radio created the glue that
united a nation in mourning. Radio presenters expertly
supported grieving listeners and the public.

The music playlist reflected music befitting of the
sombre mood. Tributes poured in and were shared
with the nation and the world via live streaming. In the
days leading up to the funeral, all PCS and PBS Radio
stations continued to share every new development with audiences. Transversal partnerships with TV saw a smooth and constant flow of information from News aided Radio stations that also created loyalty beyond the main media. Digital and social media platforms became hugely successful extensions of these stations.

The financial achievement was against the backdrop of the SABC having embraced its public service role in covering the passing and funeral of former President Mr Mandela. As a sign of respect, commercial activity was suspended across all SABC services for an initial period of two days, after which the gradual resumption of advertising was limited to ensure it was in keeping with the sombreness of the nation still in mourning.

The special programming received excellent ratings, and the SABC received accolades nationally and internationally for its great work.

“The greatest glory in living lies not in never falling but in rising every time we fall.”

- Nelson Mandela
Situational Analysis

Service Delivery and Organisational Environment

The environment within which the SABC operates is not only determined by the Broadcasting Regulatory Framework, but is also defined by the broader economic context and the constantly changing broadcast media and Information and Communications Technology (ICT) environment. This dynamic environment is characterised by migration from analogue to digital transmission, the use of the internet as a global media platform as well as the emergence of new technologies and media players, which has resulted in audience and revenue fragmentation.

The SABC has previously set itself three major strategic milestones, to be achieved in three phases, to turn it around. These are to: (1) stabilise the Corporation as a going concern in compliance with the Government Guarantee; (2) rebuild the Corporation by realigning its operating model with the imperatives of the digital broadcasting environment; and (3) create a sustainable public broadcaster for the future.

What follows next is brief feedback on implementation of these milestones.

Stability of the Corporation

This is evidenced by stability in leadership, which commenced with the appointment of the Interim and then permanent Board of Directors in September 2013. Key executive appointments were also made, inter alia in Human Capital Services, Risk, Technology, and Procurement Services.

The Corporation’s three executive directors positions were, however, vacant at the end of the financial year. The recruitment process to fill the positions of Group Chief Executive Officer, Chief Financial Officer and Chief Operating Officer will commence early in the new financial year. This will contribute further to the stability of the Corporation.

Of significance is the financial stability achieved through the early repayment of the Nedbank loan. As a result of improved cost management following the implementation of the turnaround strategy and better working capital management, the Corporation was able to pay back the loan in full at the end of September 2013 saving the SABC R34m in interest. During the 2013/14 financial year, despite facing considerable challenges, the Corporation achieved its milestone of stabilising the SABC.

In a broadcast environment characterised by increased competition, the SABC continued to deliver the most-watched TV channels and listened-to radio services in the country.

Rebuilding the Corporation

The SABC has embarked on the process of developing a new operating model, which responds to future demands and challenges of the digital environment. After a consultation process, a number of business units within the SABC implemented structural changes in order to improve and streamline business operations.

A talent management strategy which will be developed in the next financial year will be focused on developing employees on the job, ensuring that the right people, with the right skills and capabilities, are in the right roles and are focused on the right activities.

Future Sustainability of the Corporation

The last phase of creating a sustainable public broadcaster for the future is highly dependent on the outcome of the ICT Policy Review process, which was established by the Minister of Communications to appraise all ICT industries, broadcasting, telecommunications, etc., owing to matters such as the convergence of technologies and the challenges faced by the broadcasting industry. The policy review process will inform Independent Communications Authority of South Africa’s (ICASA) review of regulations. These processes will assist in dealing with critical policy and regulatory matters affecting the SABC, e.g. the SABC’s funding model, its public service mandate, governance and other related statutory issues. Furthermore, it will assist in reviewing regulations that have been impacting negatively on the SABC, such as the “Must Carry” Regulations, Sports Regulations and challenges of competition from new-platform services.

Media Environment and Audience Share

During the 2013/14 financial year, SABC TV continued to provide the most watched channels in the country, effortlessly meeting the public service mandate and delivery of public value. The network continued to dominate the broadcast landscape by retaining 53.6% of all the adult audience share in the country during prime time and 48.6% of the adult audience share during the reporting period. Audience loyalty remains strong, particularly in respect of local dramas on SABC1, with 19 out of the 20 most watched programmes across all channels nationally, being from SABC TV.

SABC Radio continued to show steady growth despite the rapidly changing environment with new entrants in the media landscape, including the digital media. The relentless investment in audience research aimed at thoroughly understanding audience behaviour and drivers for consumption, coupled with recruitment of top talent and on-air product improvements, remained SABC Radio’s recipe for success. As such, SABC Radio remains the voice of our rainbow nation and continues to educate, inform and entertain the majority of South Africans in their mother tongue.

SABC Radio increased its share of the national audience by 1.4%, from 67.4% last year to 68.8% during the year under review. At 59.1%, PBS Radio contributed the largest share towards the overall SABC share performance, while PCS delivered 9.7%.

Most of the SABC Radio stations posted healthy audience growth figures during the financial year. Ukhozi FM and METRO FM need special mention. Both stations reached new record high weekly audience levels during this period. METRO FM exceeded the 6.6 million mark in one of the surveys released while...
Ukhozi FM shot past the 7.7 million audience mark. Collectively these two brands reach more than 14 million listeners per week. SABC Radio’s successes are further reafirmed by the fact that eight out of the top 10 favourite stations nationally come from the SABC stable.

The South African market is already showing signs of the broadcasting ecology and broadband-enabled technologies merging to create a more complex, much broader market for media audience consumption. While this new ecosystem shows an expanded base of players, devices and a global menu of content, this does not suggest that conventional broadcasting will disappear. There will, however, be continued pressure from new alternatives.

For audiences, control and flexibility are crucial especially when it comes to their digital TV services. The SABC is currently exploring partnerships for the provisioning of on-demand services.

In the competitive environment to attract and retain audiences the industry continued to investigate the matter of audience measurement and share. The National Association of Broadcasters (NAB), supported by the SABC and other broadcast members, initiated various work streams to establish a credible new audience measurement structure. This followed the independent audit findings in April 2013 that the integrity of the TV Audience Measurement Survey Panel (TAMS) had been compromised, followed by the subsequent resignation of the NAB from the Board of the South African Audience Research Foundation (SAARF). Changes to the TAMS panel, including the expansion of the panel from 1 800 households to 2 800 households (effective weekly reporting sample of 2 500 households), resulted in improved TV audience research.

**Delivering On Mandate**

As the Public Service Broadcaster, the SABC embraces its mandate but is also limited by the capacity of its funding model. Funding to deliver on the mandate is derived from a combination of commercial advertising and sponsorship revenues, TV licence fees, government grants and other revenues.

There are high expectations on the SABC to deliver on all mandatory obligations. Justifiable discretion is needed to prioritise mandates that contribute the most value, as well as the extent to which any particular mandate should be pursued. Consideration is thus given to achieving the best mix of mandate and licence condition deliverables. Of particular note are nation building elements such as social cohesion and the reality of multiple languages in South Africa.

During the year under review, the SABC successfully delivered on its public service mandate. SABC TV channels continued to exceed their targets on local language for languages other than English during the period under review. The channels notably performed above the set target on local content for SABC1 and SABC2, based on regular reports to ICASA, which covered the following aspects:

- The different genres broadcast in prime time;
- Percentage of South African TV content; and
- The use of each official language, including minority languages.

Due to a lack of capacity within the industry, delivery on marginalised languages on TV continues to constitute a major challenge.

PBS Radio delivers programmes on a weekly basis that address the challenges facing the nation, promotes nation-building and social cohesion. These themes are aligned to the above-mentioned programming drivers and include but are not limited to the following:

- Moral Regeneration;
- Health;
- Education;
- Job Creation;
- Human Rights;
- Xenophobia and Racism;
- Crime and Stability;
- Arts and Culture;
- Sports and Recreation;
- Labour;
- Heritage and Tourism;
- African Renaissance; and
- Science and Technology.

**Liquidity Status**

At the end of March 2014, the SABC showed a cash position of R1.4bn. The Commercial Enterprises Division had a successful year in terms of revenue performance. Year-on-year revenue growth of 8% was achieved through classical advertising and sponsorship and tighter credit management ensured an improvement in the SABC’s working capital. The healthy revenue performance was in spite of the increasingly fragmented audiences and the competitive South African media landscape in which the SABC operates.

In June 2013, the Minister of Communications approved a 6% TV licence tariff increase for the SABC effective from 1 September 2013. The annual fee for a domestic business dealer and lessor licence increased by R15 from R250 to R265. Concessionary TV licences, granted to those over the age of 70 years as well as to receivers of social grants from the State, increased by R4 from R70 to R74 per annum. Additional revenue of R17.2m was realised through this tariff increase.

**Key Policy Developments and Legislative Changes**

The SABC has been participating in the ICT Policy Review process established in 2013 by the Minister of Communications. The process is still ongoing and is intended to culminate into policy recommendations for the Minister by the ICT Panel. The policy process is intended to review existing legislation and regulatory framework against the backdrop of convergence of technologies in the ICT sector and new communication platforms. The SABC in response to the Green Paper made submission to the ICT Panel wherein it raised various critical legislative and regulatory issues that affect its business such as the following:

- Funding of SABC Mandate
- Licensing framework of its services
- Review of the subdivision of SABC into PBS and PCS
• Review of ICASA regulations such as Sports and Must Carry Regulations to state but a few.
• Universal service and access

The SABC further made submission to Parliament on the Electronic Communications Act (ECA)'s amendment bill process on various issues affecting the organisation such as provincial broadcasting, signal distribution, universal service and access.

**DTT Readiness and Digitisation of the Internal Broadcasting Value Chain**

The digital age has redefined the paradigm of broadcasting services. Several characteristics describe the current environment of broadcasting services: ubiquity, accessibility, convenience, localisation and personalisation. These characteristics mean that broadcasters are now able to distribute and access more information than ever before, with a level of personal interaction previously never imaginable in communication media.

The broadcasting environment of the future will have a theme of co-existence. Content, network and service providers will all co-exist, while actively competing against each other. Thus it is the SABC’s challenge as the Public Broadcaster to effectively respond to these environment changes. The success or failure of future broadcasting technology will depend on the quality of broadcasting content and how quickly and effectively broadcasting can respond to the demands or needs of its consumers.

During the period under review, the SABC completed its readiness plans for DTT migration. Infrastructure and systems were put in place to broadcast the existing and future TV channels and radio stations.

The SABC partnered with stakeholders such as South African Bureau of Standards (SABS) to develop the SANS 862 STB standards, which were published in December 2013. In addition, the SABC worked with other free-to-air broadcasters to finalise the South African standard for interactive applications on the DTT platform.

There are still a few matters to be resolved before DTT could be launched, such as the signal distribution tariffs from Sentech, direction from the Shareholder in terms of policies that guide STB control.
The SABC Board of Directors identified the following strategic goals that were to be achieved within the period under review:

**PUTTING BROADCASTING AT THE FOREFRONT**

**Audience Attraction and Retention, Stakeholder Management**

This goal refers to the SABC’s audience share on TV and Radio, DTT migration and new channel rollout, driving key policies to enable the SABC to compete within the changing broadcasting landscape, as well as restoring the integrity of the SABC brand and reputation.

Although the SABC did not reach its TV audience share target, it still continued to dominate the broadcast landscape in all adult audience share during Prime Time and all adult audience share during Performance Period. Radio exceeded its audience share target and continued to show steady growth. Migration of the SABC’s existing TV channels and radio stations could not take place owing to the delay in the national launch of DTT in South Africa. The Corporation is, however, ready to do so once DTT is launched.

The SABC continued to provide input to drive changes to key policies and legislation, including The Electronic Communications Act, as amended and ICT Policy review.

**BRINGING EDITORIAL INTEGRITY BACK**

**News and Current Affairs**

In promoting democracy, the Public Broadcaster is obliged to provide extensive coverage of elections and to ensure that the public receives immediate and comprehensive information. Since 1994, the SABC has established an outstanding track record for its comprehensive and unbiased coverage of the elections.

The SABC obtained approval of its elections broadcasting plan as well as funding from National Treasury for the broadcasting thereof. Pre-election programming included: town hall outside broadcasts, breakfast shows, studio and panel discussions involving political parties and candidates, media analysts/experts, phone-in programmes featuring experts on various fields of government, electoral issues, the Election Commission and political parties.

Bulletins and current affairs programmes were carried out on all Public Service radio stations. Special slots in existing current affairs programmes were introduced.

The SABC further strengthened its delivery on news and current affairs by launching the SABC 24 Hour News channel.

**ECONOMICAL, EFFICIENT AND EFFECTIVE ORGANISATION REVENUE**

**Enhancement and Cost Management**

It remains one of the SABC’s main goals in the short to medium term to become a financially sustainable Corporation, by growing its revenue through a number of traditional and innovative new sources, whilst at the same time managing its costs prudently. Cost management also includes containing headcount costs, reducing the Corporation’s leave liability as well as overtime costs.

For the period under review, revenue of R7.2bn was R445m (6.5%) higher than budget. Expenses of R6.7bn was R475m (8%) higher than budget. The Corporation’s surplus of R468m was R26m (6%) less than budget. Year-on-year revenue was R531m (8%) higher, expenses R251m (4%) higher and net financing income were R41m (129%) higher. This resulted in a surplus that was R321m (219%) higher than the previous year.

Headcount remained stable throughout the year and the Corporation’s leave liability reduced significantly. Overtime costs increased owing to unplanned events such as the broadcasting of former President, Mr Nelson Mandela’s passing and funeral during December 2013.

**OPERATING MODEL**

**Simple and Easily Understood**

For the SABC to meet its public service mandate efficiently and effectively, it is essential that the Corporation is structured appropriately and that clearly defined, appropriate and distinct business processes, standard operating procedures and guidelines are documented for all areas of the business.

The divisions implemented their respective operating models. Further organisational alignment, subject to approval by various governance structures and consultation with relevant stakeholders, are to be implemented in 2014/15 financial year.

**BUILDING A DIGITAL SABC**

**Enhanced Public Service**

During the period under review, the SABC completed its readiness plans for DTT migration. Infrastructure and systems were put in place to broadcast the existing and future TV channels and radio stations.

**IMPROVED GOVERNANCE AND RISK MANAGEMENT**

**Governance**

The SABC is committed to maintaining high standards of integrity, professionalism, fairness and ethical behaviour in all its business relationships, hence the Anti-Fraud and Corruption Programme. This is supported by the Comprehensive Governance Framework with the purpose of defining a set of responsibilities and practices, policies and procedures, exercised by Board and management and other personnel to provide strategic direction and ensuring that organisational objectives are achieved, risks are managed, and resources used responsibly and with accountability.

The CURA risk system enhancements and related training were conducted during the period under review, covering risk champions and senior officials in all Provinces and Divisions. Risk management reports were tabled at the Group Executive Committee, where the implementation of risk management assurance is provided. Risk discussions were conducted in the process of considering business transactions. Risk management reports were tabled and discussed at the Risk Committee and Audit Committee of Board. Strategic risk assessments were held with the Board.
### Key Performance Information by Key Performance Area

#### Key Performance Area: GOAL 1A - Putting Broadcasting at the Forefront (Audience Attraction and Retention).

<table>
<thead>
<tr>
<th>Strategic Objective</th>
<th>Key Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Migrate existing SABC TV channels to the Digital Terrestrial Platform.</td>
<td>Migrate SABC1, SABC2 and SABC3 onto DTT platform.</td>
</tr>
<tr>
<td>Launch New SABC DTT TV channels.</td>
<td>Launch 1 of Public Private Partnerships (PPP)/PCS model channel plus fully funded Parliamentary channel.</td>
</tr>
<tr>
<td>Migrate existing Radio services and launch additional services.</td>
<td>Migrate a total of 19 existing SABC Radio Stations to DTT.</td>
</tr>
</tbody>
</table>

#### Key Performance Area: GOAL 1B - Putting Broadcasting to the Forefront (Stakeholder Management).

<table>
<thead>
<tr>
<th>Strategic Objective</th>
<th>Key Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop the broadcast plans for the national elections and secure budget. Commence with pre-election programming.</td>
<td>Develop the broadcast plans for the national elections and secure budget. Commence with pre-election programming.</td>
</tr>
</tbody>
</table>

#### Key Performance Area: GOAL 2 - Bringing Editorial Integrity Back (News and Current Affairs).

<table>
<thead>
<tr>
<th>Strategic Objective</th>
<th>Key Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficient organisation.</td>
<td>Align the SABC operating model and organisational structure with the requirements of efficient DTT operations.</td>
</tr>
</tbody>
</table>

#### Key Performance Area: GOAL 3 - An Easily Understood Operating Model Supported by Appropriate Organisational Design.

<table>
<thead>
<tr>
<th>Strategic Objective</th>
<th>Key Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop staff and content supplier DTT skills; Align content development to enable e-skills training, collaborate with e-skills providers.</td>
<td>Develop e-skills education content for broadcast and eLearning initiatives.</td>
</tr>
</tbody>
</table>

#### Key Performance Area: GOAL 4A - Economical, Efficient and Effective Organisation (Revenue Enhancement).

<table>
<thead>
<tr>
<th>Key Deliverable FY2013/14</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total SABC Financial Revenue achieved per annum</td>
<td>R6,801bn</td>
</tr>
<tr>
<td>Classical Advertising Revenue</td>
<td>R4,934bn</td>
</tr>
<tr>
<td>Sponsorship Revenue (Sales, Sport, Programming, Education)</td>
<td>R475m</td>
</tr>
<tr>
<td>TV Licence Revenue</td>
<td>R941m</td>
</tr>
<tr>
<td>Other Revenue including Government Grants</td>
<td>R451m</td>
</tr>
</tbody>
</table>

*These figures excludes Trade Exchange.*
## Key Performance Area: GOAL 4B - Economical, Efficient and Effective (Cost Management)

### Strategic Objective: Reduce Organisational Costs.

<table>
<thead>
<tr>
<th>Key Deliverable FY2013/14</th>
<th>Key Performance Indicators</th>
<th>Planned Target FY2013/14</th>
<th>Actual Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Effective and Efficient Organisation</td>
<td>Maintain the current headcount of 3 654 staff. Determine optimal organisational skills and headcount incorporating envisioned DTT operating model.</td>
<td>R6.302bn</td>
<td>R6.495bn</td>
</tr>
<tr>
<td>Performance management</td>
<td>Instil a performance management culture across all levels within the organisation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leave liability reduction by reduction in the quantum of leave days accumulated across the organisation of 140 130 days (Feb 2013)</td>
<td>20%</td>
<td>Accumulated leave liability at end FY2013/14 was 117 860 days. This was a decrease of 16%.</td>
<td></td>
</tr>
<tr>
<td>Overtime reduction from expenditure incurred in FY 2012/13</td>
<td>10%</td>
<td>Overtime costs showed an increase of 3.1% year on year.</td>
<td></td>
</tr>
</tbody>
</table>

### Strategic Objective: GOAL 5 - Building a Digital SABC (Enhanced Public Service).

<table>
<thead>
<tr>
<th>Key Deliverable FY2013/14</th>
<th>Key Performance Indicators</th>
<th>Planned Target FY2013/14</th>
<th>Actual Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>SABC broadcast infrastructure (digital broadcast and production studios) ready to carry full complement of 12 TV channels and 19 Radio stations on standby for launch.</td>
<td>Target for FY2013/14 is 70%.</td>
<td>Infrastructure ready to carry 70% of DTT Services.</td>
<td></td>
</tr>
<tr>
<td>Increase the TV footprint to 100% through: 84% coverage through DTT and 16% Coverage through DTH.</td>
<td>28% DTT.</td>
<td>DTT TV coverage is at 82%.</td>
<td></td>
</tr>
<tr>
<td>Increase Radio footprint to 100% by FY2015/16 via DTT.</td>
<td>100% DTT.</td>
<td>Combination of DTT and DTH ensures 100% coverage on radio footprint.</td>
<td></td>
</tr>
<tr>
<td>A sustainable Internet Protocol Portfolio.</td>
<td>Implement an approved New Media Policy.</td>
<td>New Media Policy not implemented.</td>
<td></td>
</tr>
<tr>
<td>Mobile broadcasting (Radio, TV); Launch of digital mobile broadcasting (Within existing Services).</td>
<td>Develop a mobile broadcast strategy.</td>
<td>A mobile broadcast strategy was not developed. The current radio content is, however, being streamed.</td>
<td></td>
</tr>
<tr>
<td>Enable access to broadband connectivity and appropriate content through the Set Top Box as part of e-learning via internet access and interactive educational content.</td>
<td>• Develop multi-playout capability to suit varied access formats, • Collaborate with content suppliers in appropriate content development.</td>
<td>The strategy could not be executed.</td>
<td></td>
</tr>
</tbody>
</table>

### Strategic Objective: GOAL 6 - Improved Governance And Risk Management (Governance).

<table>
<thead>
<tr>
<th>Key Deliverable FY2013/14</th>
<th>Key Performance Indicators</th>
<th>Planned Target FY2013/14</th>
<th>Actual Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enterprise-wide operations and unit business decision processes, general management activities backed by risk management analysis and mitigations.</td>
<td>1) Roll out CURA Enterprise Risk Management software training to all Divisions, Provinces and units to enable compliance. 2) Divisional risk management staff to undertake international best practice training. 3) Monitor implementation through strategic and operational risk reports tabled monthly at Divisional and Group Executive levels. 4) Board monitoring applied through quarterly Risk Subcommittee meetings.</td>
<td>1) The CURA enhancement and related training were conducted, covering risk champions and senior officials in all provinces and Divisions. 2) Risk management function attended the Institute of Internal Auditors’ Conference that shaped the review and development of existing and new risk management and governance frameworks respectively. 3) Risk management reports were tabled at the Group Executive Committee Risk discussions were conducted in the process of considering business transactions. 4) Risk management reports were tabled and discussed at the Risk Committee and Audit Committee of Board. Strategic Risk assessment was held with Board.</td>
<td></td>
</tr>
</tbody>
</table>

### Strategic Objective: An improved organisational internal control environment.

<table>
<thead>
<tr>
<th>Key Deliverable FY2013/14</th>
<th>Key Performance Indicators</th>
<th>Planned Target FY2013/14</th>
<th>Actual Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>The number of significant internal audit findings.</td>
<td>20% of all audit findings.</td>
<td></td>
<td>During the period under review significant findings made up 83% of all findings.</td>
</tr>
</tbody>
</table>
### Expense Performance

#### Summary of Financial Information

**Performance against budget**

A number of the previous year’s figures had to be restated due to the work done relating to the audit qualifications raised in 2012/13. The accounting treatment for Sport production costs was also changed to bring it line with the production costs of other “live” productions e.g. News and Radio.

#### Revenue Performance

<table>
<thead>
<tr>
<th>Company results</th>
<th>FY2013/14</th>
<th>FY2012/13 (restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sources of revenue</td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>TV advertising revenue</td>
<td>3 604 037</td>
<td>3 344 075</td>
</tr>
<tr>
<td>Radio advertising revenue</td>
<td>1 580 581</td>
<td>1 589 657</td>
</tr>
<tr>
<td>Sponsorship revenue</td>
<td>498 842</td>
<td>474 399</td>
</tr>
<tr>
<td>Trade exchange</td>
<td>110 800</td>
<td>121 188</td>
</tr>
<tr>
<td>Gross TV Licence fees</td>
<td>927 882</td>
<td>940 526</td>
</tr>
<tr>
<td>Government grants</td>
<td>196 278</td>
<td>171 319</td>
</tr>
<tr>
<td>Other revenues</td>
<td>109 137</td>
<td>39 810</td>
</tr>
<tr>
<td>Content and commercial exploitation</td>
<td>36 330</td>
<td>37 121</td>
</tr>
<tr>
<td>Revenue websites</td>
<td>5 553</td>
<td>1 764</td>
</tr>
<tr>
<td>Other income</td>
<td>175 310</td>
<td>79 793</td>
</tr>
<tr>
<td><strong>Total gross revenue</strong></td>
<td>7 244 751</td>
<td>6 799 652</td>
</tr>
</tbody>
</table>

Total gross revenue for FY13/14 was R445m (6.5%) higher than budget. This represents an increase of R531 (8%) compared to the last year.

- **Revenue performance**
  - TV advertising revenue was R260m higher than budget and improved by R275m (8%) on the last fiscal. Despite a decline in audiences, TV advertising performed well because of successful initiatives to regain advertiser confidence and innovative trading mechanisms.
  - Radio advertising performed as expected and was lower than budget by a mere R9m. Radio audience continued to improve from last year’s overall share of 67.4% to 69.3% resulting in year-on-year revenue growth of R107m (7%), attributable to the extensive audience reach of SABC stations and more effective trade marketing.
  - Sponsorship revenue was R24m higher than budget as a result of having a more flexible sponsorship policy in place and improved performance by the Sales Team. The growth on last year was R88m (21%).
  - Trade exchange revenue was lower than budget by R10m because of lower performance in TV programme trade exchanges.
  - The collection of TV licences was R13m lower in view of a decrease in the sale of TV sets and consumers being under financial pressure. Gross revenue managed to grow by R14m (1.5%) from last year. Net TV licence revenue after direct collection costs amounted to R790m, R28m. (4%) better than budget. Year-on-year net TV licence revenue grew by R11m (1%). As per the Broadcast Act, TV licence revenue may only be used for public broadcast services and is transferred net of direct collection costs (postage, paper, sms, paypoint and debt collection fees) and overheads (salaries, IT-systems, marketing and internal costs) from the Audience Services division to PBS Radio and TV platforms.
  - The revenue recognised from government grants for educational programmes were higher than budget due to an increase in spending on local educational programmes. Revenue recognised from grants for the upgrade of outdated analogue technology was lower than budget because of lower than budget investment in capital equipment.
  - Other revenues from mobile services, merchandise sales, facility rentals and TV channel carriage fees were R69m higher than budget. Eight months’ revenue and costs for the newly launched SABC 24 Hour News channel were not budgeted for.
  - The sale of content and programme rights was on target and improved by R4m from last year.
  - SABC website content and maintenance improved during the year resulting in better than expected revenues. Website revenues doubled from last year.
  - Other income mainly from the supply of services at special broadcast events resulted in an above budget performance of R85m (a growth of R12m, 17%).

#### Expense Performance

<table>
<thead>
<tr>
<th>Company results</th>
<th>FY2013/14</th>
<th>FY2012/13 (restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational expenses</td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>Amortisation of Prog. Film and Sport Rights</td>
<td>1 328 069</td>
<td>1 412 016</td>
</tr>
<tr>
<td>Impairment of Prog. Film and Sport Rights</td>
<td>9 978</td>
<td>36</td>
</tr>
<tr>
<td>Net Impairment of Trade Receivables</td>
<td>(30 479)</td>
<td>-</td>
</tr>
<tr>
<td>Mobile Revenue Costs</td>
<td>22 519</td>
<td>-</td>
</tr>
<tr>
<td>Broadcast Costs</td>
<td>340 109</td>
<td>481 007</td>
</tr>
<tr>
<td>Signal Distribution and Linking Cost</td>
<td>554 456</td>
<td>568 993</td>
</tr>
<tr>
<td>Employee Compensation and Benefit Expenses</td>
<td>2 513 718</td>
<td>2 178 888</td>
</tr>
<tr>
<td>Productivity Gains</td>
<td>-</td>
<td>(391 757)</td>
</tr>
<tr>
<td>Marketing Costs</td>
<td>135 293</td>
<td>152 939</td>
</tr>
<tr>
<td>Revenue Collection Costs</td>
<td>972 021</td>
<td>885 902</td>
</tr>
<tr>
<td>Professional and Consulting Fees</td>
<td>69 158</td>
<td>97 904</td>
</tr>
<tr>
<td>Personnel Costs</td>
<td>68 212</td>
<td>82 538</td>
</tr>
<tr>
<td>Operational and Administrative costs</td>
<td>481 609</td>
<td>527 737</td>
</tr>
<tr>
<td>Other (profits)/loss</td>
<td>(302)</td>
<td>201</td>
</tr>
<tr>
<td><strong>Total operational expenses</strong></td>
<td>6 464 361</td>
<td>5 996 404</td>
</tr>
</tbody>
</table>
Operational expenses were R468m (8%) higher than budget compared to the R7m higher than budget spending of last year. Year-on-year expenses grew by R207m (3%) from last year. The amortised cost of TV, film and programmes and sport rights was R84m (6%) lower compared to budget. The accounting treatment of production costs for live Sport events was changed at year-end to align with other live productions e.g. Radio and News. Actual costs were recorded against various other expense items but the budget for live Sport productions of R174m was not re-allocated to those expense items.

TV production costs were R16m lower than a budget of R1bn. Year-on-year TV production costs increased by R17m (2%). During the year local productions cost R754m, foreign productions R208 and current affairs productions for News cost R238m. New programmes (1st runs) accounted for 89% of the costs and repeated programmes (2nd or 3rd runs) only 11% of the costs.

The rights to broadcast mandated sport events was R104m (45%) higher than budget. Total rights fees were R338m of which R285m was spent on local rights and R52m on foreign rights. Year-on-year the investment in Sport rights decreased by R103m in view of changes in the annual sport calendar e.g. the 2012 London Olympic games and AFCON 2013 tournament.

Impairment of programme, film and sport and the impairment of trade receivables are not budgeted for and relate to broadcast rights that expired before the material could be used or where the material was not suitable for broadcasting.

Broadcast costs were R118m (25%) lower than budget in view of a decrease in the provision made for music royalties relating to the “Needletime” legal case. The Supreme Court of Appeal ruled that the percentage of revenue to be paid for music royalties be lowered from 7% to 3%. The adjustment of the provision also resulted in lower year-on-year spending.

Signal and linking costs were lower than budget by R14m as fewer low power transmitters were activated during the year due to the planned change to DTT transmissions. Expenditure increased year-on-year by 7% due to an annual inflation related increase.

Non-permanent employee costs grew by R84m (30%) and was R69m higher than budget by year-end. Independent contractor fees (freelance fees) were R68m (25%) higher than budget and increased by R87m (35%) compared to the previous year. In TV, Radio and Sport, fees were increased to retain on-air talent. The SABC 24 Hour News channel is produced using independent contractors due to the limited duration of the supply contract with DStv. The revenue and cost of the News channel were not budgeted for.

Permanent employee compensation and benefits were R267m (14%) higher than budget. Year-on-year employee costs grew by R276m (15%). Basic salaries increased by R121m (11%). The effective salary increase was 9% after wage negotiations. The budget assumed an increase of 5.65%. The higher than planned increase also resulted in other staff benefits (e.g. pension fund and leave costs) being higher. Adjustments for the actuarial valuation of post employment benefits amounted to R91m and were not budgeted for. These valuations increased by R17m from the previous year. Arbitration awards of R9m decreased by R2m.

Units were required to increase revenues or reduce expenses during the year in an effort to further improve the cash position of the SABC. “Productivity gain” targets were allocated to each business unit, but improvements achieved are reflected against the specific revenue or expense line item.

Marketing costs were R18m (11.5%) lower than budget and R12m (10%) higher than the previous year’s spending. The marketing/revenue ratio improved slightly from 1.8% to 1.9% year-on-year.

Investment in revenue generation campaigns for TV, Radio, Sport and the News channel increased after the finalisation of the marketing agency tender.

Revenue collection costs were R86m (10%) higher than budget in view of higher TV advertising and sponsorship revenues. TV licence collection costs were R41m (23%) lower in view of lower than budget revenues and saving made on paper and postage by using cheaper communication methods e.g. sms, e-mails and the newly introduced TV licence “app” for smartphones. Compared to last year the Audience Services division managed to contain the cost of collecting TV licences as it grew by only R2m (1.5%).

Professional and Consulting fees of R69m were R29m lower than budget, year on year expense was R7m more than previous year this was mostly due to increase in audit fees due to prior year errors which needed to be re-audited. Legal fees has decreased year on year and consulting fees has increased year on year due to additional accounting services to clear the TV content qualification.

Personnel costs were lower than budget by R14m with an underspending on training of R14m. External courses were underspent by R7m and decreased from the previous year. The lower than expected spending on Capex resulted in less training on new technology systems. Spending on the management development programme was also lower following last year’s focus on this area.

Operational and administrative costs were R46m lower than budget. A number of items were lower than budget. This includes maintenance (R23m), communication costs (R9m), operating leases (R32m) and electricity (R12m). Compared to last year other operational expenses increased by R51m (12%). Areas that increased included electricity R1m (1%), municipal rates and services R5m (27%), software licences R10m (36%), maintenance R10m (21%), after hour transport costs R5m (32%), TV stock value adjustments R11m (100%), security R3m (8%) and insurance R2m (25%).

**Capex Budget**

The total value of approved capital projects was R2bn by year end. Value of new projects approved during the year was R539m.

A cash budget of R465m (internal and government funds) was made available for these projects and by the end of the financial year only R104m was used.

**Production Budget**

Funds made available for TV productions were underspent by R63m (6%). Local programmes received 74% of the total production budget. The local content production budget of R763m was underspent by R70m (9%). The investment made by the SABC in local content production increased by R100m (20%) year on year.

Foreign content received 26% of the budget. The budget of R237m was overspent by R61m (3%) because of a weaker Rand Dollar exchange rate. The amount paid for sport rights totalled R450m. This was R44m (11%) higher than allocated during the budget. Events not budgeted for included the Winter Olympics, ICC cricket and various soccer events.

**Loans**

Cash levels continued to improve during the year due to the improvement in days to collect from debtors and the under spending in a number of areas. At the end of the year cash balances were above R1.4bn and liquidity ratios positive. The Nedbank loan and some of the digital OB-van leases were paid in full during the year.

**The Audit Disclaimer**

At the end of the previous financial year the SABC received a disclaimer audit opinion. This required the urgent attention of the SABC and a two year project plan was implemented that focused on the major qualifications that led to the disclaimer. Additional accounting resources were contracted to assist with the volume of work needed to resolve the qualifications of TV content and fixed assets. National Treasury was also engaged to assist with the accounting treatment of TV licence revenue. The Audit Committee of the Board met monthly to monitor progress and provide support. The table on page 17 indicates the work done during year one of the plan.
Revenue Collection

Commercial Enterprises

Commercial Enterprises had a successful year in terms of revenue performance, more streamlined operations, and improved governance.

Year-on-year revenue growth of 9% was achieved through classic advertising and sponsorship and together with tighter credit management ensured an improvement in SABC working capital. The healthy revenue performance was in spite of the increasingly fragmented audiences and the competitive South African media landscape in which the SABC had to compete.

The revenue achievement was against the backdrop of the SABC having embraced its public service role fully in covering the passing and funeral of former President Nelson Mandela in December 2013. As a sign of respect, commercial activity was suspended across all SABC services for an initial period of two days, after which the gradual resumption of advertising was limited to ensure it was in keeping with the sombreness of the nation still in mourning.

The more competitive environment saw a further decline in SABC TV audience share. Radio audience share remained stable. Digital media platforms did not achieve their full revenue potential. The primary hurdle was insufficient tangible audience attraction by the SABC digital media platforms.

Key strategic initiatives included operating model improvements to ensure the segregation of duties within Commercial Enterprises, the establishment of a Business Intelligence unit, and more robust and effective governance. In line with the strategic objective of restoring the integrity of the SABC brand and reputation, SABC Marketing appointed creative agencies to position the SABC and its sub-brands more prominently.

The launch of the SABC 24 Hour News Channel on DStv on 1 August 2013 provided Group Sales with an additional platform from which to generate revenue. Advertising sales began in September 2013 and marked the start of innovative Group Sales revenue strategies and trading models that will cater for the advent of DTT and an SABC multi-channel TV and multi-platform environment.

The independent audit findings in April 2013 that the integrity of the TAMS audience research had been compromised resulted in the subsequent resignation by the National Association of Broadcasters (NAB) from the Board of the SAARF. The NAB, supported by the SABC and other broadcast members, initiated various work streams to establish a credible new audience measurement structure. Changes to the TAMS panel included the expansion of the panel from 1 800 households to 2 800 households (effective weekly reporting sample of 2 500 households), which resulted in improved TV audience research.
SABC Radio

For the 2013/14 financial year, SABC Radio continued to show steady growth, despite the rapidly changing environment with new entrants in the media landscape including the digital media. The relentless investment on audience research aimed at thoroughly understanding audience behaviour and drivers for consumption, coupled with recruitment of top talent and on-air product improvements, remain Radio’s recipe for success.

Delivery as per the Public Service Mandate

Radio programming is underpinned by the following:

- The National Development Plan;
- South African Constitution: Bill of Rights;
- Regulatory Framework: ICASA licence conditions;
- Legislative Framework: The Broadcasting Act;
- South Africa’s Five National Priorities:
  - Job creation;
  - Health;
  - Education;
  - Rural Development; and
  - Fight Against Crime.
- A need to respond to the triple challenge of: poverty, unemployment and inequality;
- The SABC mandate to inform, educate and entertain; and
- Millennium Developmental Goals.

PBS Radio delivers on weekly basis, programmes that address the challenges facing the nation and that promote nation-building and social cohesion. These themes are aligned to the above-mentioned programming drivers and include but are not limited to the following:

- Moral Regeneration;
- Health;
- Education;
- Job Creation;
- Human Rights;
- Xenophobia and Racism;
- Crime and Stability;
- Arts and Culture;
- Sports and Recreation;
- Labour;
- Heritage and Tourism;
- African Renaissance; and
- Science and Technology.

Radio Performance of South African Music

SABC Radio continues to drive the development of home grown artists and their music through extensive airplay, interviews, inclusion in performance line-up at events and through music awards ceremonies like the annual METRO FM and Xitsonga Music Awards ceremonies.

The SABC has generally performed above ICASA’s minimum requirements for South African music. The list below provides annual average music percentage per station. The Regulations require that the Public Broadcasting Service radio stations broadcast a weekly average of 40% South African music with the exception of Lotus FM, which has to deliver a minimum quota of 20%. The commercial stations have to broadcast 25% South African music.

<table>
<thead>
<tr>
<th>% Local Music</th>
<th>Station</th>
<th>Average % FY 2013/14</th>
<th>ICASA % Quota</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCS</td>
<td>5FM</td>
<td>34</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Good Hope FM</td>
<td>34</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>METRO FM</td>
<td>34</td>
<td>25</td>
</tr>
<tr>
<td>PBS</td>
<td>SAlm</td>
<td>53</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Tru FM</td>
<td>64</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Lotus FM</td>
<td>25</td>
<td>20*</td>
</tr>
<tr>
<td></td>
<td>RSG</td>
<td>85</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Munghana Lonene FM</td>
<td>71</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Lesedi FM</td>
<td>74</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Radio 2000</td>
<td>68</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>X-K FM</td>
<td>80</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Umhlobo Wenene FM</td>
<td>68</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Ligwalagwala FM</td>
<td>69</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Motswedeng FM</td>
<td>62</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Phalaphala FM</td>
<td>68</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Thobela FM</td>
<td>63</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Ukozi FM</td>
<td>63</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Ikwekwezi FM</td>
<td>71</td>
<td>40</td>
</tr>
</tbody>
</table>

*ICASA has reduced the music quota of Lotus FM to 20%.

Mafikizolo performs a medley of their hits during a performance at the 2014 METRO FM Music Awards.
**ICASA Genre Licence Conditions:**

The Performance of the SABC PBS Radio Stations against ICASA genre licence conditions

<table>
<thead>
<tr>
<th>Station</th>
<th>News (Daily)</th>
<th>Curr Af (Daily)</th>
<th>Isibindi (Daily)</th>
<th>Education (Weekly)</th>
<th>Children (Weekly)</th>
<th>Drama (Weekly)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mon-Fri</td>
<td>Sat</td>
<td>Mon-Fri</td>
<td>Sat</td>
<td>Weekly</td>
<td>Weekly</td>
</tr>
<tr>
<td>ICASA Quota</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>180</td>
<td>300</td>
</tr>
<tr>
<td>SAfm</td>
<td>99</td>
<td>95</td>
<td>94</td>
<td>332</td>
<td>332</td>
<td>1443</td>
</tr>
<tr>
<td>RSG</td>
<td>112</td>
<td>64</td>
<td>61</td>
<td>207</td>
<td>86</td>
<td>71</td>
</tr>
<tr>
<td>Munghana Lonene FM</td>
<td>80</td>
<td>80</td>
<td>71</td>
<td>121</td>
<td>88</td>
<td>70</td>
</tr>
<tr>
<td>Lesedi FM</td>
<td>88</td>
<td>61</td>
<td>61</td>
<td>200</td>
<td>83</td>
<td>71</td>
</tr>
<tr>
<td>Ikwekwezi FM</td>
<td>129</td>
<td>71</td>
<td>70</td>
<td>130</td>
<td>62</td>
<td>64</td>
</tr>
<tr>
<td>Ukhosi FM</td>
<td>87</td>
<td>67</td>
<td>68</td>
<td>169</td>
<td>74</td>
<td>91</td>
</tr>
<tr>
<td>Phalaphala FM</td>
<td>85</td>
<td>85</td>
<td>76</td>
<td>115</td>
<td>78</td>
<td>60</td>
</tr>
<tr>
<td>Ligwalagwala FM</td>
<td>99</td>
<td>60</td>
<td>60</td>
<td>112</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Motsweding FM</td>
<td>104</td>
<td>61</td>
<td>60</td>
<td>116</td>
<td>79</td>
<td>65</td>
</tr>
<tr>
<td>Thobela FM</td>
<td>196</td>
<td>110</td>
<td>80</td>
<td>120</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Umhlobo Wenene FM</td>
<td>84</td>
<td>79</td>
<td>74</td>
<td>154</td>
<td>87</td>
<td>74</td>
</tr>
</tbody>
</table>

**ICASA Quota**

| Lotus FM                 | 74           | 74              | 74               | 91                 | 84                | 65             |
| ICASA Quota              | 30           | 30              | 30               | 30                 | 30                | 180            |
| X-K FM                   | 73           | 50              | 50               | 110                | 55                | 55             |
| ICASA Quota              | 60           | 60              | 60               | 30                 | 30                | 60             |
| Tru FM                   | 74           | 60              | 60               | 53                 | 30                | 60             |

*Radio 2000 is a facility service with no local content quotas*
Use of Official Languages on Radio

SABC Radio delivers broadcasting in more than the 11 official languages as some stations also broadcast in languages of minority groups.

**PBS Stations:**
- X-K FM broadcasts equally in !Xintali and Khwedam;
- Lotus FM broadcasts mainly in English with daily broadcasts in Urdu, Tamil, Gujarathi and Hindi.

**PCS Stations:**
METRO FM, 5FM and Good Hope FM broadcast as prescribed in English.

Programming Highlights

SABC Radio remains the voice of our rainbow nation and continues to educate, inform and entertain the majority of South Africans in their mother tongue.

In an effort to promote unity and social cohesion, SABC Radio launched its campaign of celebrating ‘20 Years of Inspiring the Nation’ in line with the country’s commemoration of 20 years of freedom.

During the final quarter of the period under review, SABC Radio ensured the promotion and entrenchment of democracy through voter education especially for the ‘born frees’ as well as those people who had never voted. Radio, in partnership with News and Current Affairs, held public debates with the different political parties as they launched their election manifestos. The following represents but not limited to some of the programming highlights Radio delivered during the financial year under review.

Radio content promoted social cohesion by celebrating major calendar events such as:
- The January 8th address of the ruling party;
- The State of the Nation Address and the budget speech broadcast live across all the 15 PBS Radio stations;
- Human Rights Day;
- Freedom Day Celebrations;
- Workers Day;
- Youth Day;
- Nelson Mandela Day; and
- Women’s Day.

Radio has successfully carried sporting codes of national importance (soccer, cricket, rugby and athletics) through promos, interviews, the build-up and live commentary together with review of matches.

The SABC’s flagship of educational programming highlighted both curriculum-based and informal educative topics from a wide range of social, political and economic issues.

Key Achievements

The South African Audience Research Foundation (SAARF) report states the number of adults aged 15+ to be 37 214 000. Radio reaches 33 176 000 adults aged 15+ on a weekly basis (RAMS Aug-Dec 2013).

SABC Radio exceeded the national audience share target with a share of 69%. This represents an increase from the previous year’s share of 67.4%. At 59.1% PBS Radio contributed the largest share towards the overall SABC share performance while PCS delivers 9.6%. It should be noted that from a public value perspective, PBS Radio’s audience share is under-represented as the portfolio broadcasts programmes to children under the age of 15 years is not measured. SAARF only measures audiences from 15 years upwards for commercial advertising purposes. Most of the SABC Radio stations posted positive audience growth during the financial year but the two radio giants Ukhozi FM and METRO FM need special mention.

Both stations reached new record high weekly audience levels during this period. METRO FM exceeded the 6.6 million mark in a RAMS* survey, while Ukhozi FM shot past the 7.7 million weekly listenership. Collectively these two brands reach more than 14 million listeners per week. Umhlobo Wenene FM also reached new heights reaching over 5 million weekly listeners. Lesedi FM has broken through the 4 million audience barrier. SABC Radio’s successes continue with eight out of the top 10 list of favourite stations nationally coming from the SABC stable.

The following table represents a summary of week cume audience performance by station for the measurement period October to December 2013 as per SAARF RAMS:

<table>
<thead>
<tr>
<th>Station</th>
<th>Week’s Audience Performance Oct – Dec 2013 (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCS</td>
<td></td>
</tr>
<tr>
<td>METRO FM</td>
<td>6 532</td>
</tr>
<tr>
<td>5FM</td>
<td>2 021</td>
</tr>
<tr>
<td>Good Hope FM</td>
<td>682</td>
</tr>
<tr>
<td>PBS</td>
<td></td>
</tr>
<tr>
<td>Ukhozi FM</td>
<td>7 563</td>
</tr>
<tr>
<td>Umhlobo Wenene FM</td>
<td>4 359</td>
</tr>
<tr>
<td>Lesedi FM</td>
<td>4 024</td>
</tr>
<tr>
<td>Thobela FM</td>
<td>3 288</td>
</tr>
<tr>
<td>Motsweding FM</td>
<td>3 387</td>
</tr>
<tr>
<td>RSG</td>
<td>1 917</td>
</tr>
<tr>
<td>Munghana Lonene FM</td>
<td>1 074</td>
</tr>
<tr>
<td>Ligwalagwala FM</td>
<td>1 537</td>
</tr>
<tr>
<td>Ikwekwezi FM</td>
<td>1 668</td>
</tr>
<tr>
<td>Phalaphala FM</td>
<td>907</td>
</tr>
<tr>
<td>Tru FM</td>
<td>243</td>
</tr>
<tr>
<td>SAAF FM</td>
<td>558</td>
</tr>
<tr>
<td>Lotus FM</td>
<td>329</td>
</tr>
<tr>
<td>Radio 2000</td>
<td>868</td>
</tr>
<tr>
<td>X-K FM (not reflected in RAMS)</td>
<td>6</td>
</tr>
</tbody>
</table>

* NOTE: Source: SAARF RAMS (October-December 2013).

Looking Forward

The SABC has begun the programme of expanding the FM transmitter networks in order to deliver fully on its mandate. This will see the SABC Radio services being accessed by more South Africans in languages of their choice.

SABC Radio eagerly awaits the dawn of a new era in digital broadcasting and the resulting opportunities this will create for broadcasters and our consumers. Radio will continue to provide all citizens of South Africa with content that is relevant, impactful and aimed at changing lives. We will strive to form part of all our consumers lives along their journey from cradle to grave.
SABC TV

During the year under review, SABC TV continued to be the most watched TV channels in the country, effortlessly meeting their public service mandate and delivery of public value. The network continued to dominate the broadcast landscape by retaining 53.6% of all adults audience share in the country during prime time and 49% of all adults audience share during the performance period.

Compliance to Licence Conditions

The ICASA quotas serve as a yardstick for the Regulator to measure the SABC’s delivery against its public service objectives as stipulated in the Broadcasting Act.

TV Performance for Local Content

The channels generally complied with the licence conditions with a notable over-performance on local content by SABC1 and SABC2 during the 2013/14 financial year.

In terms of the licence conditions, the Corporation must provide the following information to ICASA, in respect of its TV channels on an annual basis:

- The different genres broadcast in prime time;
- Percentage of South African TV content; and
- The use of each official language including minority languages.

The channels continue to strive towards providing prime time quality entertainment for the diverse language and cultural groupings of South Africa.

SABC Local Content

ICASA’s overall local content quotas:
55% for PBS and 35% for PCBS

<table>
<thead>
<tr>
<th>SABC1</th>
<th>SABC2</th>
<th>SABC3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Day</td>
<td>Prime Time</td>
<td>Full Day</td>
</tr>
<tr>
<td>74.78</td>
<td>77.25</td>
<td>61.59</td>
</tr>
</tbody>
</table>

Language on TV

The SABC TV channels exceeded their targets on local language for languages other than English during performance period (05:00 to 23:00). Delivery on marginalised languages continues to be a challenge, due to a lack of capacity within the industry to deliver thereon.

The language quotas for the SABC1 and SABC2 are:

- A minimum number of hours of programming in languages other than English, excluding marginalised languages, in prime time (18:00 to 22:00);
- A minimum number of hours of programming in marginalised languages, in prime time;
- A minimum number of hours of programming in languages other than English, including marginalised languages, in prime time; and
- A minimum number of hours of programming in languages other than English, including marginalised languages, in performance period.

Launguage Delivery

During TV Performance Period

<table>
<thead>
<tr>
<th>SABC1</th>
<th>SABC2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other than English</td>
<td>Other than English</td>
</tr>
<tr>
<td>ICASA’s Quota</td>
<td>Current Performance</td>
</tr>
<tr>
<td>41:00</td>
<td>56:12:51</td>
</tr>
<tr>
<td>41:00</td>
<td>42:29:32</td>
</tr>
</tbody>
</table>

During Prime Time

<table>
<thead>
<tr>
<th>SABC1</th>
<th>SABC2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total other than English</td>
<td>Marginalised</td>
</tr>
<tr>
<td>Marginalised</td>
<td>Other than English</td>
</tr>
<tr>
<td>ICASA’s Quota</td>
<td>Current Performance</td>
</tr>
<tr>
<td>18:12</td>
<td>18:24</td>
</tr>
<tr>
<td>14:53</td>
<td>14:26</td>
</tr>
<tr>
<td>1:48</td>
<td>0:26</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SABC1</th>
<th>SABC2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total other than English</td>
<td>Marginalised</td>
</tr>
<tr>
<td>Marginalised</td>
<td>Other than English</td>
</tr>
<tr>
<td>ICASA’s Quota</td>
<td>Current Performance</td>
</tr>
<tr>
<td>19:36</td>
<td>18:08</td>
</tr>
<tr>
<td>19:41</td>
<td>18:05</td>
</tr>
<tr>
<td>1:54</td>
<td>1:35</td>
</tr>
</tbody>
</table>

Source: Broadcast Schedules (1 April 2013 - 30 March 2014)
**PROGRAMMING HIGHLIGHTS**

Audience loyalty remains strong, particularly on local dramas, with 19 out of the 20 most watched programmes being from SABC TV. The table below depicts the performance of SABC dramas.

<table>
<thead>
<tr>
<th>Ranked</th>
<th>Programme Title</th>
<th>Channel</th>
<th>Genre</th>
<th>Share %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Generations</td>
<td>SABC1</td>
<td>Soaps</td>
<td>65.4</td>
</tr>
<tr>
<td>2</td>
<td>Generations</td>
<td>SABC2</td>
<td>Soaps</td>
<td>59.4</td>
</tr>
<tr>
<td>3</td>
<td>Streets of Mangaung</td>
<td>SABC1</td>
<td>Drama</td>
<td>51.1</td>
</tr>
<tr>
<td>4</td>
<td>Muvhango</td>
<td>SABC1</td>
<td>Drama</td>
<td>54.2</td>
</tr>
<tr>
<td>5</td>
<td>Ngempela</td>
<td>SABC1</td>
<td>Drama</td>
<td>49.3</td>
</tr>
<tr>
<td>6</td>
<td>Amaza</td>
<td>SABC1</td>
<td>Drama</td>
<td>47.8</td>
</tr>
<tr>
<td>7</td>
<td>Hola Mpinji</td>
<td>SABC1</td>
<td>Drama</td>
<td>42.4</td>
</tr>
<tr>
<td>8</td>
<td>InterSEXions</td>
<td>SABC1</td>
<td>Drama</td>
<td>43.9</td>
</tr>
<tr>
<td>9</td>
<td>After Nine</td>
<td>SABC1</td>
<td>Drama</td>
<td>40.2</td>
</tr>
<tr>
<td>10</td>
<td>Soul City</td>
<td>SABC1</td>
<td>Drama</td>
<td>41.6</td>
</tr>
<tr>
<td>11</td>
<td>Society (Drama)</td>
<td>SABC2</td>
<td>Drama</td>
<td>43.3</td>
</tr>
<tr>
<td>12</td>
<td>Society</td>
<td>SABC1</td>
<td>Drama</td>
<td>42.5</td>
</tr>
<tr>
<td>13</td>
<td>Tempy Pushas</td>
<td>SABC1</td>
<td>Drama</td>
<td>40.8</td>
</tr>
<tr>
<td>14</td>
<td>Loxion Lyric</td>
<td>SABC1</td>
<td>Drama</td>
<td>42.0</td>
</tr>
<tr>
<td>15</td>
<td>Shakespeare in Mzansi</td>
<td>SABC1</td>
<td>Drama</td>
<td>41.3</td>
</tr>
<tr>
<td>16</td>
<td>Big Mommies: Like Father Like Son</td>
<td>eTV</td>
<td>Movies</td>
<td>50.9</td>
</tr>
<tr>
<td>17</td>
<td>Ugugu no Andile</td>
<td>SABC2</td>
<td>Drama</td>
<td>40.3</td>
</tr>
<tr>
<td>18</td>
<td>Skeem Saam</td>
<td>SABC1</td>
<td>Drama</td>
<td>46.3</td>
</tr>
<tr>
<td>19</td>
<td>Untold Stories: Love Stories in a Time of HIV and AIDS</td>
<td>SABC2</td>
<td>Drama</td>
<td>41.3</td>
</tr>
<tr>
<td>20</td>
<td>Entabeni</td>
<td>SABC1</td>
<td>Drama</td>
<td>40.8</td>
</tr>
</tbody>
</table>

*Source TAMS 2013/14: Top 20 Programmes Across Channels

TV continued to play a key role in nation-building by providing South Africans with trusted, relevant information about national and local developments, these include:

- Live broadcast on SABC2 of President Jacob Zuma addressing the nation, marking Women’s Day;
- South Africa’s farewell to one of its most revered and distinguished judges, Chief Justice of the Constitutional Court, Honourable Justice Pius Langa. His funeral was broadcast live on SABC2;
- SABC2 partnered with the Department of Education to produce and broadcast live the National Teaching Awards;
- The Miss World Special premiered live on Saturday 28 September 2013 at 14:00 and was repeated in prime time at 19:30;
- SABC Education hosted the matric results live and received over 390 000 sms’s from which 250 000 learners opt-in to receive communication from SABC Education;
- Roughing It Out and Takalani Sesame received certification of recognition as quality programming for children at the Prix Jeunesse in Munich. The shows will be included in their catalogue and the Media Bar of the festival;
- I am Woman was selected for screening at the Sonke Gender Justice Film Festival;
- The Food and Agriculture organisation of the UN Regional Conference for Africa requested that SABC Education nominate and send a representative for the education series Living Land to attend the 2014 Conference to be held in Tunisia;
- Live Broadcast of The Public Protector’s Nkandla report;
- Broadcast the Independent Electoral Commission (IEC) Code of Conduct; and
- Broadcast the South African Reserve Bank Monetary Policy Committee (SARB MPC) 2014.

**Key Achievements**

As part of the SABC’s strategy to retain and grow audiences in a multi-channel environment, SABC1, SABC2 and SABC3 managed to successfully revive and revamp their programming pillars, introducing fresh titles from the 2011 Request for
Proposal (RFP) Book in genres such as drama and comedy, informal knowledge building and entertainment programming.

Adherence to and maintenance of the SABC’s editorial policies has seen SABC Religion meet with a number of religious communities such as the Independent Forum for Faith and Media (IFFM), Islamic community, National Interfaith Council of South Africa (NICSA), the Jewish community and Hindu community on the current editorial policies.

Through SABC Education’s cross collaboration with PBS Radio, 9 x 24 minute financial awareness programmes were produced and broadcast across nine of the SABC PBS Radio Stations in a partnership with the Financial Services Board.

SABC partnered with the Department of Higher Education to execute an awareness campaign targeting learners who did not receive admission to Institutions of Higher Learning to use alternatives like Further Education and Training (FET) Colleges and Universities of Technology, in January and February 2014.

SABC Education rolled out the promotional campaign for the annual Baba Indaba Expo across the three channels. The Expo took place from the 25th to 27th of October 2013 at the Sandton Convention Centre.

SABC Education, in partnership with National Youth Skills Development Programme (NYSDP), attended the Macufe Mangauang African Career and Cultural Festival from 11th to 13th October 2013.

SABC1 partnered with the Pan South African Language Board (PanSALB) for Heritage Month. The campaign encouraged the youth of South Africa to be proud of their heritage, by speaking their mother tongue in a campaign themed ‘Free your Language, Free your Heritage’. The campaign was a call to action to encourage South African youth to recognise that multilingualism is a catalyst for a better democratic change. Languages used in the homes of South African citizens are a valuable resource for social cohesion and economic success of the rainbow nation.

SABC1 partnered with Leading Women, a company dedicated to inspire and empower women in the country. A seminar was hosted in partnership with SABC1 to discuss Women and Entrepreneurship inspiring young South African women to become entrepreneurs in contemporary South Africa. A viewer competition was held on Selimathunzi giving four young women winners a chance to attend the seminar.

Looking Forward

SABC TV business strategy is aimed at remaining competitive, effective and sustainable in the increasingly competitive environment. The Division has identified the following key areas of focus as it moves into the new financial year:

- Implementation of the revised TV operating model;
- Enhancing the content value chain through operational efficiency;
- Revised channel value proposition;
- Content commercialisation;
- Enhanced marketing strategies; and
- Implementation of a multi-platform management strategy.
The pillars of our coverage included the occasion, which the nation was going through. The role of the host broadcaster required the SABC to manage TV production for all of the public events associated with the funeral for the benefit of international broadcasters and distribution by Sentech during the broadcast of the activities that were linked to Mr Mandela, and they range from local viewers, the SABC’s opposition broadcasters to the many international clients (EBU, CNN, BBC, CCTV, et al) who broadcast on TV, radio, and digital media. The success of delivering on the project is attributed to the professional and expert cooperation between the various SABC Divisions.

For the funeral, the SABC had to fulfil two functions. The first function was that of being the host broadcast service provider and the second function was that of the public service mandate.

Compliance to Mandate
In terms of the Broadcasting Act, the SABC is obliged to broadcast programming that, amongst others:
- Reflects South African attitudes, opinions, ideas, values and artistic creativity;
- Displays South African talent in educational and entertaining programmes;
- Offers a plurality of views and a variety of news, information and analysis from a South African point of view; and
- Advances the national and public interest.

The uniqueness of South Africa’s history also drives the functionality and focus of the Division. This is recognised in its Editorial Policies which include the following directives:
- To heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights;
- To improve the quality of life of all citizens and free the potential of each person; and
- To build a united and democratic South Africa able to take its rightful place as a sovereign state in the family of nations.

News and Current Affairs Performance
Informed by these imperatives, the News and Current Affairs Division produces on a daily basis 12 TV news bulletins and 10 TV current affairs shows on SABC1, SABC2 and SABC3 every week, while on its newly launched SABC 24 Hour News channel the Division produced 16 304 minutes of news and 8 336 minutes of current affairs programming per month. Our total emission time on TV increased this year from 2 541:15:58 to 2 980:48:50 mainly because of former President Mandela’s mourning period and funeral and other broadcasts related to it.

Programming Highlights
For the funeral, the SABC had to fulfil two functions. The first function was that of being the host broadcast service provider and the second function was that of the public service mandate.

The role of the host broadcaster required the SABC to manage TV production for all of the public events associated with the funeral for the benefit of international broadcasters and distribution by Sentech to the rest of the world. The second role was 100% for the consumption of the people of South Africa. These were the live events associated with the funeral, and the production and treatment of those events on air. The other aspect was content provision to mark the solemn occasion, which the nation was going through.

The pillars of our coverage included the following:
- The President’s official announcement of the passing of Mr Mandela which was broadcast live, and took precedence on all SABC platforms, which resulted in programming interruptions; and
- The confirmation programming which was carried on all SABC platforms was followed by special breaking news bulletins, regular news updates, obituary, documentaries, in-depth and extensive coverage of all aspects on life of Mr Mandela, memorial services and the funeral.

For all its efforts the SABC received formal and informal accolades for the excellent content and facilities it provided during the broadcast of the activities that were linked to Mr Mandela, and they range from local viewers, the SABC’s opposition broadcasters to the many international clients (EBU, CNN, BBC, CCTV, et al) who broadcast on TV, radio, and digital media. The success of delivering on the project is attributed to the professional and expert cooperation between the various SABC Divisions.

On Radio the Division produced 1 255 radio news bulletins in all the 11 official languages on 18 radio stations every week. In this regard, SABC News and Current Affairs plays a critical role in providing high quality, reliable and unbiased news and current affairs services within South Africa. Significant growth in the popularity of SABC News Online demonstrates the cross platform demand for SABC news content. This approach has made it possible for citizens to find SABC news content everywhere, any time.

Key Achievements
In a rapidly changing media environment, where new technologies are being embraced by audiences with astonishing speed, the launch of the SABC 24 Hour News channel has gone a long way in ensuring that the SABC maintains a strong connection with audiences and keep pace with their changing
needs. The launch of the SABC 24 Hour News channel has ensured that the Division is able to:

- Deliver compelling News and Current Affairs that is informative, educational and entertaining on a 24 hour basis;
- Provide an African perspective on global issues;
- Provide a platform for national dialogue and nation building; and
- Enhance the SABC network capability to attract and retain audiences.

It has also ensured that SABC News and Current Affairs exploits its expanded presence across all platforms and its network of international bureaus and cross media journalists. It has built on the trust and authority of SABC journalism that distinguishes it in a crowded news market.

### Average Evening/Night Time Audiences

<table>
<thead>
<tr>
<th>Platform</th>
<th>Jan</th>
<th>Feb</th>
<th>March</th>
</tr>
</thead>
<tbody>
<tr>
<td>SABC News</td>
<td>5,988</td>
<td>6,564</td>
<td>7,090</td>
</tr>
<tr>
<td>eNCA</td>
<td>1,338</td>
<td>1,130</td>
<td>2,157</td>
</tr>
<tr>
<td>BBC World</td>
<td>1,445</td>
<td>1,746</td>
<td>4,965</td>
</tr>
<tr>
<td>CNN Newa</td>
<td>2,063</td>
<td>1,760</td>
<td>1,998</td>
</tr>
<tr>
<td>Al Jazeera</td>
<td>3,923</td>
<td>4,462</td>
<td>7,026</td>
</tr>
</tbody>
</table>

Since its launch last year the channel has overtaken well established news platforms such as Sky, CNN, BBC and Al Jazeera. While our channel has increased its audiences month on month and has taken a second position on the satellite platform, the channel has also managed to increase its average evening/night time audience between 18:00 and 24:00 by 34% in the last quarter, a sure indication that the channel is moving in the right direction.

### Looking Forward

SABC News and Current Affairs regards the success of the last financial year as a foundation on which to build for the future. As the new financial year unfolds, the channel will increase the speed at which it breaks news as well as being a reference point for any news development in South Africa and beyond.

The Division also plans to continue to act as a platform for the commemoration of national events and celebrations. In this regard, SABC News and Current Affairs will continue to bring to the nation the following key national events:

- The State of the Nation Address (SONA);
- Budget Speech;
- Human Rights Day commemorations;
- Heritage Day celebrations;
- Youth Day;
- Women’s Day;
- The awarding of National Orders; and
- The Nelson Mandela Foundation Annual Lecture, amongst others.

These initiatives link directly to the Division’s preparations for South Africa’s 20th anniversary of democracy in 2014. As part of promoting democracy, the Public Broadcaster is obliged to provide extensive coverage of elections and to ensure that the public receive immediate and comprehensive information. Since 1994 SABC News and Current Affairs has established an outstanding track record for its comprehensive and unbiased coverage of the elections.
SABC Sport

Compliance and Licence Conditions

The current ICASA Regulations on Sports of National Interest that was gazetted on 7 April 2010 (No.330797) lists the following sporting codes as national sporting events:

Listed Events

<table>
<thead>
<tr>
<th>Summer Olympics</th>
<th>Paralympics</th>
<th>All Africa Games</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth Games</td>
<td>FIFA World Cup</td>
<td>Africa Cup of Nations</td>
</tr>
<tr>
<td>IRB Rugby World Cup</td>
<td>ICC Cricket World Cup</td>
<td>ICC T20 Cricket World Championship</td>
</tr>
<tr>
<td>Comrades Marathon</td>
<td>Two Oceans Marathon</td>
<td>Super 15 Rugby</td>
</tr>
<tr>
<td>COSAFA Cup</td>
<td>CAF Champions League</td>
<td>CAF Confederations Cup</td>
</tr>
<tr>
<td>Telkom Charity Cup</td>
<td>MTN 8 Cup</td>
<td>Telkom Knockout</td>
</tr>
<tr>
<td>Nedbank Cup</td>
<td>Currie Cup</td>
<td>MTN 40 (cricket)</td>
</tr>
</tbody>
</table>

Working within the confines of a limited budget and increasing financial challenges on sports rights, SABC Sport effectively complied with ICASA’s mandate, with 95% of all sports acquired during the 2013/14 financial year being sports of national interest.

Sport Programmes

Excluding magazine programmes and minor once-off programmes

<table>
<thead>
<tr>
<th>Sport Genres</th>
<th>2013/14 Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Soccer</td>
<td>95%</td>
</tr>
<tr>
<td>Beach Soccer</td>
<td>30%</td>
</tr>
<tr>
<td>Cricket</td>
<td>5%</td>
</tr>
<tr>
<td>Rugby</td>
<td>2%</td>
</tr>
<tr>
<td>Athletics</td>
<td>2%</td>
</tr>
<tr>
<td>Tennis</td>
<td>2%</td>
</tr>
<tr>
<td>Winter Olympics</td>
<td>2%</td>
</tr>
<tr>
<td>National Interest</td>
<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
</tr>
</tbody>
</table>

Programming Highlights

During the year under review, the SABC was the home and platform of the 2014 Orange African Nations Championship (CHAN) held in South Africa. All 32 matches were broadcast live on SABC TV channels between January and February 2014. Other notable soccer productions included the international friendly matches between Bafana Bafana and Swaziland, Bafana Bafana and Spain and the production of an entertaining match between Kaizer Chiefs Legends and Liverpool Legends.

One of the highlights was when sporting fans joined hands in making history at the inaugural Nelson Mandela Sports and Culture Day, to celebrate and honour the former President, Mr Mandela. For the first time in South African history, soccer and rugby were played on the same day and at the same venue. The live broadcast of the triple header, made up of a Legends match, the international friendly between Bafana Bafana and Burkina Faso and the Castle Rugby Championship match between the Springboks and Argentina was a huge success.

Celebrations began a week prior to this event, with an international match between Bafana Bafana and Nigeria attracting an impressive 3.7 million viewers for the SABC.

During the period under review, soccer continued to be the most popular and dominant sport on SABC platforms. The acquisition of the CAF Champions League rights enabled SABC Sport to broadcast 13 Orlando Pirates matches at home and across the continent, as Pirates reached the finals of this respected African tournament. The Orlando Pirates match against Zamalek on SABC1 attracted over 2.6 million viewers.

The Confederations Cup took place in June and viewers were treated to 16 live matches from Brazil: 14 on SABC1 and two on SABC2. The coverage concluded with a live broadcast of the final match between Brazil and Spain on both TV and radio.

SABC Sport partnered with the Department of Sport and Recreation for the broadcast of the prestigious 2013 SA Sports Awards that took place in Sun City. Sun City was also the venue for the Nedbank Golf Challenge, which was broadcast on SABC’s four radio stations, namely Motsweding FM, Radio 2000, RSG, and SAfm. Other sports awards broadcasts included the PSL Awards and the Gauteng Sports Awards.

Key Achievements

The rights to selected matches for the 2013 International Cricket Champions (ICC) Trophy were secured. On radio, Radio 2000 covered the matches with ball-by-ball commentary.

SABC Radio also covered the Protea’s outbound tour to Pakistan, with ball-by-ball commentary on Radio 2000 and live reports on SAfm, RSG, Tru FM and all nine African Languages Stations (ALS).

SABC Radio also assisted in the delivery of the Springbok Rugby Tour to the United Kingdom and France. In order to meet mandate delivery, SABC Sport acquired the rights to the Pakistan, India and Australia cricket Inbound Tours.

Cricket broadcasts concluded with the live transmission of the South African matches for the Twenty20 World Cup held in Bangladesh.

The acquisition of exclusive rights from Athletics South Africa (ASA) enabled the SABC to broadcast eight hours of live Comrades Marathon action on SABC2 as well as live digital streaming, the latter receiving an overwhelming response from outside the borders of South Africa.

Negotiations were also concluded for the rights to broadcast the Mandela Day Marathon on TV, radio and all SABC digital media platforms. Another marathon making its debut on SABC was the inaugural Legends Marathon held in East London where two SABC radio stations took part, Umhlobo Wenene FM and Tru FM.

SABC Sport acquired the rights for the delayed broadcast of the Springboks 2013/14 season, which included three inbound matches against Italy, Scotland and Samoa. Similar rights were also secured for the Inbound Rugby Tour against Australia and New Zealand. All matches were broadcast live on radio.

During the year under review, rights were concluded for mandated and special events, which include the 2014 Winter Olympics in Sochi, the 2014 Youth Games in China, the 2016 Summer Olympics in Rio de Janeiro and the 2014 Commonwealth Games in Scotland. Sub-licences were acquired for the 2014 ICC Twenty20 tournament in Bangladesh and Super Rugby for radio.

Looking Forward

In a public sphere where there are a variety choices in the broadcast arena, SABC Sport will continue to fulfil its public mandate of bringing audiences together for sporting events of National Interest as well as events of a Public Interest, on a free-to-air platform.
The following key events have been planned for broadcast on TV and radio for the forthcoming financial year:
- Two Oceans Marathon
- FIFA World Cup 2014, Rio de Janeiro
- Castle Rugby Inbound Tour
- Comrades Marathon
- Durban July
- Commonwealth Games, Glasgow
- Cricket Inbound: SA vs. West Indies
- Africa Cup of Nations, Morocco
- ICC Cricket World Cup 2015, New Zealand and Australia
- PSL Soccer Matches
- All Africa Games, Brazzaville
- Bafana Bafana matches

Radio will continue to play a pivotal role in covering sport of National Interest outside the borders of South Africa and rights have been secured for:
- Protea tour to Sri Lanka
- Protea tour to Zimbabwe for the triangular series against Zimbabwe and Australia
- Protea tour to New Zealand and Australia
- Springbok tour to New Zealand And Australia
- Currie Cup
- Super Rugby (home and away)
- Nedbank Golf Challenge 2014

SABC Sport will continue to provide viewers and listeners with compelling sport coverage. Rights have already been acquired for the IRB Rugby World Cup 2015 to take place in England as well as the Summer Olympics in 2016 to take place in Rio de Janeiro.

**UNIVERSAL ACCESS**

The SABC continues to work closely with Sentech to enable more citizens to have access to its services. The period under review saw the successful rollout of Low Power Transmitters (LPT). The aim was to provide more citizens with access to SABC services, particularly those in the rural areas, whilst reducing the costs associated with transmitting the signal.

The solution lay in Direct to Home (DTH) satellite services, as per the Cabinet approved Broadcast Digital Migration (BDM) policy. DTH is focused on providing the SABC services via a satellite platform ensuring 100% availability of all services, irrespective of where the citizen resides.

The SABC Sport continues to provide viewers and listeners with compelling sport coverage. Rights have already been acquired for the IRB Rugby World Cup 2015 to take place in England as well as the Summer Olympics in 2016 to take place in Rio de Janeiro.

**INDUSTRY DEVELOPMENT**

In 2004, the SABC developed a Policy and Procedure Manual for Local Content. The Policy identified three key priorities with respect to the development and transformation of the local production industry. The policy has been reviewed in light of industry trends and national objectives and a TV Transformation Charter has been implemented. The Charter ensures greater emphasis on Broad Based Black Economic Empowerment (B BBBEE) and Preferential Procurement Policy Framework Act (PPPFA) best practice. To further strengthen growth and transformation of the independent TV production industry, the TV division is ensuring compliance by all its content service providers.

SABC TV has concluded a three year training and mentorship partnership with the National Film and Video Foundation (NFVF). In total, the programme will provide an opportunity for 90 people comprising of 45 women and 45 youth through the production of their ideas. Twenty films annually will be broadcast on SABC1 in its Open Window slot.

**Technology**

During the year under review, the SABC continued to embrace the transformation towards digital technologies that will improve the lives of South African citizens.

At the same time, the ICT industry continued its journey towards digital convergence and a citizen centred approach. This will enable access to multiple technological platforms from single devices i.e. mobile devices, vehicle entertainment systems and connected TVs/set boxes/gaming consoles that manage the entire home entertainment experience.

The SABC has to respond to environmental changes in order to remain relevant. In keeping with this, the SABC evolved to improve the service offering, improve access to its service and create an audience focus foundation on which broadcasting exists.

**Innovations**

The Division successfully implemented infrastructure and system upgrades to be able to carry the services, in preparation for DTT migration.

The project planning of building the Storage Area Network (SAN), digital play-out centre for DTT and the Digital Library got underway during the 2013/14 financial year and they are targeted for completion in the next financial year. Other projects to improve the DTT offering are scheduled to commence in the next financial year.

The SABC, in conjunction with NAB, commenced with the Digital Audio Broadcasting (DAB+) trial. The system assesses the efficiencies of distributing multiple audio streams from one multiplex carrier. The technology is spectrum efficient and allows more services to be broadcast in the currently spectrum congested metropolitan areas.

The SABC also completed the mobile TV trial, which is the video alternative to DAB+. The success of both trials accorded the SABC an ability to compete fairly against rival alternatives presented by telecommunication companies. This means that the SABC now has an increased capability using the very high frequency (VHF) spectrum after analogue switch-off. In essence, the SABC is ready for the migration.

**Internet Protocol Portfolio**

In a bid to increase its audience share, the SABC continued to work on new and appealing methods of delivering content during the period under review. Though there is still more work to be done, some successes were registered.

A new Internet Service Provider (ISP) was appointed during the 2013/14 financial year. The virtual environments and connected workflows i.e. content delivery were activated during the period under review.

With the advent of streaming of content from existing radio stations in real time on the internet, the SABC website’s capability was improved during the 2013/14 financial year to allow for this aspect. The Corporation is now on par with industry players in terms of versatility of platforms for providing content.

An important innovation for the SABC during the year under review was the setting up of the Research and Development unit under the Technology Division. The
unit will focus on technologies that directly impact on the audience experience. The unit will source and conduct trials of IP content delivery and Video on Demand (VOD) technologies, which when successful, will be launched in the next financial year.

**Digital Terrestrial Television (DTT)**

During the period under review, the SABC completed its readiness plans for DTT migration. Infrastructure and systems were put in place to broadcast the existing and future TV channels and radio stations. The 2013/14 financial year saw the successful conclusion of projects relating to the:

- DTT set top box user interface;
- DTT Electronic Programme Guide production system and integration into the TV scheduling system (TV BMS);
- Trial of interactive programmes for the DTT platform;
- Finalisation of the free-to-air Rules of Operations Manual;
- Upgrading of the DTT head end from eight standard definition channels to 12 standard definition channels and a high definition channel;
- Business cases developed for sub-title systems, upgrade of DTT head end to accommodate additional four HD channels as well as redundancy measures; and
- Information request for the digital operations centre.

In collaboration with the South African Bureau of Standards (SABS), the SABC played an active role in the development of SANS 862 STB standards, which was published in December 2013. In addition, the SABC worked with other free-to-air broadcasters to finalise the South African standard for interactive applications on the DTT platform.

The signal distribution tariffs and policy direction that will guide Set-Top-Box (STB) control are some of the few issues that need resolution before DTT switch on. During the next financial year, the SABC will continue to work with stakeholders to address the challenges referred to above, improving the existing infrastructure, complete the DTT laboratory, develop the digital operations centre and build on the successful trial held to test the technology readiness to stream video content on the internet.

**Achievements**

The highlight of the Technology Division during the period under review was the provision of the world class equipment, facilities and skills during the coverage of the passing of Mr Mandela and providing the digital feed to all international media houses for the events.

The rebuilding of the fire damaged Henley studios and the adjacent administrative blocks had begun during the year under review. During the process of restoring the facilities, productions that were housed in Henley studios remain on course and a 99.9% of the on-air broadcast target was achieved. This contributed to the audiences at home viewing an uninterrupted, seamless, entertaining, informing and educating programming as usual.

In addition, to the above, the SABC produced further high quality and ground breaking productions which included the Orange 2014 African Nations Champions as the host broadcaster and the installation of systems and infrastructure towards the launch of the SABC 24 Hour News channel.

**Looking Forward**

Technology Division has identified the following key areas of focus for 2014/15

- Prioritisation of digital migration project and to ensure seamless launch of digital broadcasting services on DTT as well as DTH platforms;
- Conclusion of the DTT tariffs negotiations with Sentech SOC and DTT rules of operations with the broadcasters;
- The licensing and the rollout of analogue FM transmitters to increase the terrestrial footprint for FM radio;
- Facilitation of the Digital Audio Broadcasting (DAB+) trial with NAB, Sentech and broadcasting industry players;
- Development and implementation of a multiplatform infrastructure and a multi-playout capability to suit varied access formats;
- Implementation of a New Media Policy to enable a sustainable Internet Protocol Portfolio; and
- Enhancement of Real Estate and Logistics, TVOB and Talent Management strategy.
Building the SABC Brand

During the 2013/14 financial year, SABC Marketing continued to position the SABC favourably both internally and externally to build and restore the corporate brand reputation by, amongst other strategies, driving transversal support for all SABC sub-brands to assist in meeting audience share and revenue targets.

Critical to the marketing of brand SABC and its Radio and TV brands, has been the appointment of advertising agencies. On the 2nd September 2013 the SABC announced the appointment of four advertising agencies to partner with all brands within the SABC stable. Openco, King James II, Tsalena Media and DDB South Africa (Pty) Ltd were appointed to service the following portfolios: the SABC mother brand, transversal brands as well as SABC TV channels and SABC Radio stations. The appointment of these communications partners will assist the SABC to deliver on its business objectives, through compelling marketing campaigns.

SABC Marketing is in the process of developing a measurement tool to track the return on investment (ROI) for marketing spend as well as campaign effectiveness. During the period under review, a formula for the calculation of the SABC Brand Score was established. This was as a result of a research that was conducted with a sample of viewers and the findings formed part of the formula.

SABC Marketing appointed an independent media monitoring company, to track the rand value (ROI) for free publicity generated across all media for brand SABC, SABC Radio Stations, SABC TV channels, SABC Audience Services, SABC Education, SABC Sport as well as SABC News. Since the monitoring commenced in September 2013 until the end of the financial year, the total AVE (Advertising Value Estimate) for SABC Marketing (all brands included), amounted to R811 406 694. This includes print, broadcast and online media.

Throughout the year under review, the SABC sought relevant and significant opportunities to position brand SABC by means of through-the-line marketing campaigns, sponsorships, brand experiences and publicity interventions to address the negative brand perception. Some of these included the second phase of the TV on-air transversal imaging, the 2013 AFCON campaign, Mandela campaign, Women and Heritage months’ campaigns.

During the last quarter of the period under review, the SABC rolled out its ‘20 years of inspiration’ campaign using its extensive audience reach, on highlighting the achievements in the ‘20 years of democracy’.

Other projects included the marketing of the SABC 24 Hour News channel 404 on DStv. The second phase of the campaign (outdoor) was rolled out with key outdoor, street pole and Gautrain sites. These assisted with brand visibility.

One of the highlights on the SABC Marketing calendar was its participation in the 20 Year Anniversary Edition of Brands and Branding, a leading publication detailing the brand landscape in South Africa. The SABC’s four page contribution underlined the strength, value and constancy of brand SABC and its contribution to the economy and social fabric of the country.

During the year under review, the SABC was the premium sponsor of the ‘Future of Media - The Sandton Debates’ and was entitled to prominent branding on all collateral. The event was well attended by the media industry players with over 300 delegates across TV, radio, print, online, out of home and advertising agencies who met to discuss and debate the future of media and new trends affecting the different mediums.

SABC was also the platinum sponsor of ‘Promax/BDA Africa 2013’. This conference is the world’s foremost educational forum, which facilitates the showcasing of promotion, marketing and design of all electronic media. Promax/BDA Africa 2013 provided a great platform to showcase the SABC along with all of its sub-brands amongst peers from both local and international broadcasters, along with on-air production companies.

The role of the SABC extends beyond its mandate. This is evident in its involvement in assisting to develop projects that have a significant positive impact on society. One such project is the Cape Town International Jazz Festival (CTIJF). The SABC was the broadcast sponsor of the 14th and 15th CTIJF. This partnership talks to shared values and skills transfer. The SABC was also a co-sponsor
of the festival’s training and development programme, during the week leading up to the festival. The SABC’s sponsorship contributed towards the annual free Community Concert as well as the ‘Golf with a Cause’ day, which was held in support of the Cape Caddy Foundation and the Lalela Project, which seek to uplift township children through arts.

SABC was the media partner of the 8th annual South African Traditional Music Achievement (SATMA) Awards. A number of print media representatives were successfully hosted in the Eastern Cape Province (East London) during this two day event and this ensured extensive media coverage of the event.

SABC Audience Services launched a campaign to create awareness for the importance of viewers updating their residential addresses, and another campaign was utilised to communicate the TV licence tariff increase along with a benefits proposition in order for viewers to see value beyond the increase.

A gradual increase was measured throughout the year in terms of viewers sourcing content from the SABC digital offerings (the SABC online portal – www.sabc.co.za; SABC News - www.sabc.co.za/news, the SABC social media platform on Facebook, the Twitter platform - www.twitter.com/SABC portal as well as the SABC portal on YouTube – www.youtube.com/sabc).

The SABC websites generated approximately 49 million page views for 2013/14 financial year by offering a cross pollination of content on the bouquet of SABC websites. The YouTube portal in particular, was popular with SABC viewers as the site boasted about 18 000 subscribers with 26 551 581 views of videos uploaded to the SABC portal for the period under review resulting in approximately 152 850 985 estimated minutes watched.

Many other events of national interest were also streamed live.

**SABC TV BRAND ACTIVATIONS**

Brand awareness was a key driver for the Division during the financial year, with nationwide branding entrenching the brand in the hearts and minds of South Africans:

- SABC1 has a total of 29 taxis branded across South Africa. The taxis are on the busiest taxi routes in Gauteng and KZN with efforts of driving awareness of channel programming.
- SABC1 has a total of 36 street pole adverts across the country.
- SABC2 had Full Wrap Quantum Taxis around the country including, 5 taxis in Durban, 10 taxis in Gauteng, 5 taxis in Cape Town and 5 in the Eastern Cape.
- SABC2 has Billboard holdings in Soweto (Chris Hani Road: Klipvalley, Rockville) and KwaZulu Natal (M4 Southern Freeway, facing traffic from the South Coast towards DBN CBD).
- SABC3’s Top Billing’s Dream Home Competition, saw the viewer winner, Mohamed Kajee, walk away with a home worth over R5m, a luxury car worth over R700 000 plus a R100 000 shopping spree.

**MEMORABLE EVENTS**

Radio stations continue to extend their powerful touch beyond the airwaves by giving listeners access to world quality events organised by them. Staying relevant is of utmost importance and a key objective is to make the station brand more tangible to the listener. Most events aim to develop or showcase local music and talent. The following were some of the successful events hosted by Radio during the financial year:

- The 13th Annual METRO FM Music Awards was hosted at the ICC in Durban. The event drew large crowds and was a resounding success. The station rewarded local artists and musicians for their valuable contribution to the local music industry during a glitzy event attended by the crème-de-la-crème of South Africa’s entertainment and record industry.
- The event was broadcast live on SABC1, METRO FM, Ukhozi FM and Radio 2000 while all SABC sister stations promoted different build-up phases which culminated into the award gala ceremony held on Saturday, the 1st of March 2014;
- RSG, in a first-ever for Radio, the station conducted a special arts festival where listeners could attend a national arts festival free of charge. Over a period of four days, the festival offered a variety of plays, musical theatre productions, debates, story-telling features, comedy slots, satire, poetry readings and even food stalls. Top Afrikaans artists participated in the festival and RSG even had two live shows, broadcast from the M1 Studios in Auckland Park;
- Ukhozi FM’s annual birthday bash at the Royal Showgrounds in Pietermaritzburg continues to be a hot favourite with the station’s listeners. Attendance at the event exceeded the 50 000 mark;
- Ukhozi FM and Umhlobo Wenene FM held the Vuth’umililo Maskandi Music Festival in Kokstad.
- SABC Radio ensured that the crowds were entertained at the annual J&B Met and Vodacom Durban July horse races;
- Ukhozi FM and UMhlobo Wenene FM have also established an annual Gospel Music Festival that they hold at Kokstad on the border between the Eastern Cape and KwaZulu Natal. This event has now become the house-hold event in the region;
- Thobela FM held a successful Gospel Music Festival in Polokwane;
- SABC Radio was there when local and international Jazz musicians and music lovers descended on CTIJF;
- Munghana Lonene FM rekindled their annual xiTsonga Music Awards and held a very successful awards evening. This event was back by popular demand as it assists in the development of xiTsonga music. The musicians have now become prolific as the station can now boast a playlist that comprises of 20% to 30% xiTsonga music;
- Phalaphala FM also held the Tshivenda Music Awards and it was a resounding success;
- UMhlobo Wenene FM continued with the Buyel’eaKhaya Music Festival in East London;
- Motsweding FM celebrated their 50th birthday celebration in style with an all-South Africa gospel and choir line-up;
- Motsweding FM set the tone by being the first SABC Radio station to launch a contemporary reality radio concept programme. Ten bridegrooms and their brides competed for a coveted winner-takes-all lobola prize of R50 000 as part of the station’s celebration of 50 years;
- Motsweding FM did a successful launch of the station’s CI. The two-day launch with internal and external stakeholders in the North West was a resounding success. The station held a music festival that notched attendance of paying patronage of about 5 000; and
- RSG, as the second oldest radio station in the country celebrated 75 years with a series of events across the country; SABC Radio continued to support local music by sponsoring and promoting the following:
  - Moshiito Annual Music Conference;
  - South African Traditional Music Awards;
  - Crown Gospel Awards; and
  - Spring Explosion Music Festival.
Complaints against SABC services are referred by a number of bodies, some statutory and others self-regulatory. These include the Broadcasting Complaints Commission of South Africa (BCCSA), the Advertising Standards Authority of South Africa (ASASA), the Wireless Application Service Providers Association (WASPA), and the National Consumer Commission (NCC).

During the 2013/14 financial year, the largest number of complaints was received via the BCCSA, which adjudicates content-related complaints. There were also seven from the NCC, but none from any of the other bodies listed.

**Broadcasting Complaints Commission of South Africa**

During the period under review, 149 complaints against SABC services were finalised by the BCCSA. Of these complaints, 143 were dismissed, and six were upheld. Of those upheld, fines were issued for two matters. Details of the upheld cases appear below:

### Upheld Cases

**July 2013**

The soapie All My Children on SABC3 failed to provide audience advisories of PG13. No fine was imposed.

**August 2013**

In two instances on Radio News bulletins on SAfm, there was unfair identification in alleged terror acts of the perpetrators being Islamic. Fine of R10 000 for each instance was imposed.

**September 2013**

A drama serial on Lotus FM unfairly criticised the state of Israel with no adequate balance. No fine was imposed.

Financial indicators on various TV News bulletins were wrongly reflected. No fine was imposed.

Special Assignment imputed that the Universal Church of the Kingdom of God was involved with pastors who engage in drug-dealing. A corrective programme resulted in no fine being imposed.

**March 2014**

Expresso on SABC3 did not correctly broadcast conditions relating to an SMS competition, resulting in viewers who were not Nedbank clients being excluded while they incurred the expense of responding. A fine of R10 000 was paid by the production house concerned.

### National Consumer Commission

For the period under review, all the complaints that were referred to the SABC via the NCC were around issues related to TV licence fee collections. All the matters referred were satisfactorily resolved. In almost all cases, these related to licencees not being correctly informed about the requirements related to owning and disposing of a TV set.

### BCCSA Complaints by Month 2013/14

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<th>Month</th>
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### BCCSA Complaints Comparative by Year

- **2011/12**: 128
- **2012/13**: 120
- **2013/14**: 149
For the period under review, the SABC continued with stakeholder engagement. This was evident with numerous interactions held with, among others, people with disabilities, community organisations, state organs as well as international stakeholders.

PEOPLE
The SABC as the Public Service Broadcaster, has a responsibility to serve the public. It fulfils this responsibility by participating in socio economic projects and programmes in communities, to help further the development of its citizens and promote nation building.

To achieve this, the focus was on the following themes:
- Education;
- Health;
- Arts and culture;
- Moral regeneration;
- Human rights;
- Community development;
- Heritage;
- Fighting crime; and
- Job creation.

During the year under review, the SABC identified and participated in a number of projects in assisting indigent rural communities and schools.

This was done with the support of both external stakeholders and SABC platforms. For example SABC in partnership with Mphohadi Business Ventures (MBV Group) handed over computers and uniforms in two schools in the Free State, namely Metsimatso and Thabo Bosiu in Qwa Qwa.

The SABC also partnered with JAJOY Foundation, one of the external stakeholders in their initiative of building classrooms as well as houses for destitute families. The partnership culminated in the building of 20 classrooms in Madwaleni Primary and Mqanduli schools in the Eastern Cape.

PEOPLE WITH DISABILITIES
Following the establishment of a working and advisory committee comprising of representatives from Disabled People of South Africa (DPSA) and the SABC in the previous financial year, the committee drafted the terms of reference, including finalising the plan of action for the Disability Month. Other issues covered by the committee included promos developed by DPSA highlighting issues affecting disabled people, procurement opportunities and frequency of committee meetings.

The annual ‘Zwakala Be Heard Awards’ which promote the use of South African Sign Language, was held during the year under review. The awards ceremony was well attended and as a media partner the SABC provided coverage of the awards.

COMMUNITY ORGANISATIONS
During the period under review, the Stakeholder Relations and Provinces Division was instrumental in signing several Memorandum of Understanding (MoU)’s between the SABC and external organisations these included the following MoU’s:
- JAJOY Foundation - partnership to build 1 000 classrooms and houses;
- Rotary Foundation - creating of awareness on health issues;
Children join in digging the foundation for the Nelson Mandela Children’s Hospital.

- South African Literacy Awards (SALA) - promotion of African literacy;
- Nelson Mandela Children’s Hospital Trust (NMCHT) - to assist in raising funds for children’s hospital; and
- African Musicians Against HIV and Aids (AMAHA) - partnership to build houses for destitute families.

**Government Relations**

In pursuit of strengthening relationships between the SABC and Government in general, the SABC engaged with various Provincial Government structures on SABC editorial processes, during the period under review.

The SABC continued to engage with Government Communication and Information System (GCIS) on access to their events, interaction with media outlets and the diversified content needs of the SABC.

The Division facilitated the drafting of an MoU to partner with Gauteng Enterprise Propeller (GEP) with the view to assist the SABC with its mandate of assisting SMME’s.

**Interaction with Stakeholders in Provinces**

During the period under review, SABC’s Executives undertook a road-show and visited all nine Provinces. In the sessions that were held with the involvement of external stakeholders, some of the issues that were highlighted included inter alia:

- Minority languages issues;
- Establishment of independent producers outside of major cities;
- News coverage of events of importance in the Provinces;
- SABC’s brand visibility across all Provinces;
- Involvement of provincial sports bodies in development matters;
- Religious matters; and
- Youth development matters.

**International Relations**

During the period under review, the relationship with international bodies and institutions were cordial and the SABC was able to send a representative to international conferences in Tanzania and Ivory Coast to represent the SABC.

The following MoU’s were drafted and reviewed by both respective parties and await signatures:

- China Central Television (CTV);
- Zambian Broadcasting Corporation; and
- Radiodiffusion TelevisieVoirinienne (Ivory Coast)

For the period under review, the SABC hosted and held strategic deliberations with the following international bodies and institutions on aspects of broadcasting that chiefly encompassed relationship building, content exchange, training and news exchange:

- Embassy of Germany;
- Embassy of China;
- Embassy of Jamaica;
- Radio Mozambique;
- University of South California (USA);
- China National Radio (CNR);
- CBS 2 News (USA);
- Temple University (USA) – School of Media and Communications;
- VP Records (Jamaica);
- Television Jamaica (TVJ);
- Japan Broadcasting Corporation (NHK);
- Mauritius Broadcasting Corporation;
- Seychelles Broadcasting Corporation;
- Federal Radio Corporation of Nigeria (FRCN);
- Televisao Publica de Angola (TPA);
- Zambian Broadcasting Corporation;
- Central China Television Africa (China);
- Botswana Television;
- Radiodiffussion Television du Burkina;
- Lesotho Ministry of Local Government, Chieftainship and Parliamentary Affairs;
- Lesotho Communication Authority;
- University of Switzerland;
- Media Commission of Kenya;
- Lesotho National Broadcasting Services;
- Liberian Broadcasting Service (LBS);
- Namibian Broadcasting Corporation;
- Embassy of the United States of America;
- Embassy of Serbia;
- Embassy of the Republic of Italy;
- Embassy of the Republic of China;
- Embassy of the Republic of Japan;
- Embassy of the Republic of Liberia;
- Embassy of the Republic of Zambia; and
- Embassy of the Republic of Ivory Coast.

**Local Content Bodies**

During the period under review, the SABC met representatives of the South African Music Rights Organisation (SAMRO) to review the distribution of payment of royalties to the artists.

The SABC has committed itself to be in constant discussion with all role players in the industry to address all challenges raised especially for a sector that is at the centre of SABC’s product development and sustainability.
The SABC continued to build its business on the foundation of excellence, top-drawer on-air talent, high quality productions, well researched topics, entertaining and engaging presentation styles which sought to keep listeners glued to their radio sets. Awards form a valuable tool to gauge our successes in this regard and for the year under review, the SABC continued to rake in accolades from all corners of the media landscape and the world.

SABC RADIO AWARDS
The following list provides a summary of the Radio awards for the period under review: SABC Radio once again triumphed at the 4th MTN Radio Awards by walking away with a more than 30 awards covering a broad spectrum of categories including the following:

- 5FM: Afternoon Drive Show Commercial - The Fresh Drive;
- 5FM: Top 40 - Radio Show Commercial;
- Good Hope FM: On-Air-Packaging Commercial;
- Ikwekwa FM: Radio Documentary - Ubikhazi/ Cattle Dowry;
- Lesedi FM: Afternoon Drive Presenter PBS - Ba2cada;
- Lesedi FM: Best Sports Commentator - Thabo Khofa;
- Ligwalagwala FM: Community Project PBS - Special mention Sports Commentator Sabelo Zulu;
- Lotus FM: Breakfast Presenter BPS - Zaid Bhoola, News and Actuality Show PBS - Mangaung (Newsbreak);
- METRO FM: News and Actuality Show Commercial - METRO FM Talk: Sports Show, 083 Sports @ 6;
- Motswedeng FM: Content Producer PBS - Keabetswe Essence Mounakwe, KeNako Afternoon Drive;
- Munghana Lonene FM: Drama Programme PBS - Mina ha Mina, On-Air-Packaging PBS - Summer Cup Campaign;
- Radio 2000: Night Time Show PBS - One Night with the King;
- RSG: News and Actuality Producer PBS - Mia Malan and Darren Taylor;
- SAFm: News and Actuality Presenter PBS - Ashraf Garda; Weekend Radio Show PBS - Intune SAFm Economic Freedom;
- Thobela FM: Promotion Stunt/Event PBS - Special mention
- Ukhozi FM: scooped the coveted PBS Station of the Year Award for the second time in a row; the Best Breakfast show PBS - Vuka Mzansi; the Music Show PBS - Sigiya Ngengoma; the Afternoon Drive Show PBS - Sibonakaliso, News Bulletin Reader PBS - Nokwazi Mbhele, Programme Innovation, Ukhozi meets Community Radio; and
- Umhlobo Wenene FM: managed to scoop the coveted My Station Award for the first time, traditional music presenter also won the Best Traditional Music Presenter, Daytime show PBS - SJL Radio.
Other Radio Awards

- 5FM: nominated for awards in five categories at the World Radio Summit which took place in Los Angeles in May 2013;
- 5FM won awards in four categories at the annual Best of Joburg Awards ceremony; and
- S.A. Hip Hop Awards - 5FM’s ‘The Stir Up’ presented by Ms Cosmo was voted as the Best Hip Hop Radio Show and received an award in recognition of this achievement.
- METRO FM was chosen as winner in the category ‘Coolest Radio Station of the Year’ in the Annual Sunday Times Generation Next Survey. 5FM moved to second position after occupying the number 1 spot for 7 consecutive years;

SABC TV AWARDS

SAFTAS

SABC TV’s programmes received 24 nominations and 22 awards at the annual SAFTA. The following provides a summary of the TV awards for the period under review:

Drama:

- Best Supporting Actor in a TV Drama - Akhumzi Jezile as “Ngulube” Tempy Pushas;
- Best Writing team TV Drama – Athos Kyriakides and Thuso Sibisi, Room 9;
- Best Director TV Drama – Libby Dougherty and Tebogo Malope - Tempy Pushas;
- Best Editor of a TV Drama – Jack Esterhuizen and Lindi Goosen, Room 9;
- Best Make-up and hair of a TV Drama – Jenny Sprawson, High Rollers; and
- Best Costume Design of a TV Drama – Martha Sibanyoni, High Rollers.

Soapies:

- Best TV Soap (public vote) - 7de Laan.

Comedy:

- Best Actor in a TV Comedy – Obed Baloyi as “Tsutsuman” Ga Re Dumele;
- Best Actress in a TV Comedy – Tsholo Monedi as “Tiny” Skwizas Season 2; and
Best Art Direction of a TV Comedy – Amanda Scholtz, Those Who Can’t.

Education:
• Best TV Drama - InterSEXions Season 2 produced Quizzical Pictures;
• Best DOP / Cinematographer of a TV Drama - Intersexions Season 2 Tom Marais;
• Best Actor in a TV Drama - Siyabonga Thwala as Musa in InterSEXions Season 2;
• Best Actress in a TV Drama - Tina Jaxa as Nokuthula in InterSEXions Season 2;
• Best Supporting Actress in a TV Drama - Harriet Manamela as Meike Maputla in Skeem Saam; and
• Best Sound Designer of a Feature Film - Nothing for Mahala - Jim Petrak.

Entertainment:
• Best Variety Programme: Bitten;
• Best Music Show: Jam Sandwich;
• Best Talk Show: Life with Thami; and
• Best Factual/Educational Programme: Centrum Guardian Project 2012.

Religion:
• Best Youth and Children’s programme: Big Up.
• Special mention - Certificate: I’m Woman.

Royalty Soapie Awards
Hosted in early 2014 where two of SABC’s soaps received a number of awards:

Isidingo:
• Outstanding Couple - Tema Sebopedi and Mophatso Mafatshe; and
• Outstanding Male Villain - Robert Whitehead.

7de Laan:
• Outstanding Supporting Actor - Hennie Jacobs;
• Outstanding Supporting Actress - Annelize van der Ryst; and
• Outstanding Newcomer - Simoné Nortmann.

Screen Excellence Awards
InterSEXions:
• Best TV Drama Series
• Best TV Series

Other Awards:
• The “Old Mutual Two Oceans” SABC Sport team received an accolade in the form of a certificate “A Gift of a Star”;
• The SABC won a silver award at MediaTech for innovation; and
• Three Promax/BDA Africa Awards for work submitted by the SABC TV channels.