FEASIBILITY STUDY

ENABLING MEDIA MARKETS TO WORK FOR DEMOCRACY

AN INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA

FOREWORD

By His Excellency John A Kufuor
President of Ghana (2001–2009)

Liberalising Ghana's media system and transforming our reputation for media freedom are among the most significant achievements we made during my eight-year presidency (2001–2009). We did this in the teeth of opposition from many government colleagues, who could not understand why we would invite unnecessary scrutiny and opposition. I insisted – a free media is not only the bedrock of a functioning democracy and a free society; it is also an essential pillar for an aspiring nation and an ambitious continent.

That pillar is in danger of crumbling around the world. In some countries, this is principally because of political pressure. But in nearly all countries, and especially in resource-poor countries like ours, it is because, increasingly, there is no business model to support vibrant, independent reporting. As a result, shaping our future on our own terms will be much more difficult to achieve.

This is an issue of democracy. Good leadership is rooted in accountability. A strong, professional public interest media system is essential to act as a watchdog on power. Too few governments, including on our continent, are sufficiently committed to freedom of thought, speech and media. Being in government is to have power – over law and order, over the military, over economic policy, over decisions of who gets help in society and who does not. Such power can only be wielded well if it is subject to scrutiny. We need professional newsgatherers and analytical editorials – a fourth estate – to play that role and to investigate corruption.

We need our own independent media more than ever. Our information and communication spaces are shifting at great speed and in ways that are ever more complex to track. They are shaped by social media and other forces over which we have little influence. Consequently, the success of our emerging democracies must be built on the basis of an informed society, not a misinformed or manipulated one.

This is an issue of economics. My country has become a beacon of free trade, with President Akufo-Addo making Accra the home of the Africa Free Trade Agreement. Free market economics works best when citizens and businesses alike know what is true and what is not, when people have the freedom to – and live in a climate where they can – voice their own views and unleash their creative and entrepreneurial potential. A free media is essential to creating such an environment. The President's leadership commitments to reforming our state broadcaster, Ghana Broadcasting Corporation, and other related state media enterprises, are similarly visionary in this context.

But, perhaps most of all, this is an issue of self-determination and our capacity to forge our individual and shared identities. For the last 500 years, African history has been an unhappy one. The slave trade took the youth of our continent and we lost so much culture, so much history. After abolition came colonialism which, among its many other terrible effects, blinkered and confined our vision in ways that made it impossible for us to see ourselves as part of a global world. We were forced

WE NEED GOOD JOURNALISTS TO FILTER FACT FROM FICTION, AND TO REPORT ACCURATELY, FAIRLY AND FREELY SO PEOPLE CAN MAKE INFORMED DEMOCRATIC DECISIONS

to share our narratives through the lens of those who colonised us. Since decolonisation, which started here in Ghana, our stories have been told for us but not by us.

The linguistic and cultural imprints of colonisation persist so that we do not know each other. Few Ghanaian citizens know what is happening in our neighbouring country, Côte d'Ivoire, even when there is conflict and political instability. Our news organisations cannot afford to have correspondents there. It is the international news media, including the BBC's African journalists, who continue to play a vital role in reporting our continent to us and from us; but this cannot be a substitute for our ability to have our own media capability to tell our stories for ourselves.

Today, we face fresh opportunities as literacy grows among our young people, even in our remotest villages, and as they gain access to mobile and digital technologies. But we also face new and immense challenges.

Authoritarianism is, once again, stalking our continent and elsewhere. It is aided and abetted by international companies who have mastered the art of manipulating people through their control of data and their ability to wreck our electoral politics. We need good journalists to filter fact from fiction, and to report accurately, fairly and freely so people can make informed democratic decisions.

While we remain determined to change our politics, we do not have the capability to change the economics underpinning media freedom. The collapse in the business model capable of supporting independent media is a global phenomenon challenging even the wealthiest, most established news organisations in the world's richest countries. For resource-poor nations, and for our citizens, these problems are far more severe. Our advertising markets are smaller. Media outlets that were once independent are falling into the hands of those who can most afford to pay for them. The capacity for media organisations to generate revenue online is far more limited than in richer countries because international social media platforms pay so much less for clicks in smaller economies.

The consequences are grim. Independent public interest journalism across Africa, and elsewhere in the Global South, is in grave danger of dying. With it will go an essential engine for shaping a successful democratic future. Our capacity to tell our own stories, including through entertainment within and beyond our own nations, requires a strong creative economy and proper investment.

For the sake of democracy, for our future prosperity and for our citizens' ability to forge their own destinies, we urgently need a fresh strategy and institutions to protect and advance a free media. Existing efforts, including those of UNESCO, international NGOs and those in the international community committed to media freedom, are vital in this respect. But securing a free media will take more resources, including a more specifically Africa focused strategy. For these reasons, I am, through the John A Kufuor Foundation, personally backing two new initiatives – and I appeal to our international partners and those committed to supporting democracy in Africa and elsewhere to do so too.

The first is an International Fund for Public Interest Media (IFPIM) designed to draw on international development and other philanthropic resources to support independent media, both here in Africa and more broadly as media organisations adjust from a dying business model to one that has yet to be born. The second is a new African Public Interest Media Initiative,[i][1] which is developing a scalable, digital business model and an ecosystem that incentivises African-generated public interest entertainment content. Working in partnership with a dynamic network of mainstream media entities, it also makes that content widely accessible to citizens across Africa.

My intent is to organise credible backing for both initiatives from Africa's political leadership, with the goal of securing commitments and support from the political leadership of the G7 and OECD nations, and from their aligned bilateral and multilateral development agencies. I would also urge those high-net-worth individuals, foundations and multinational corporations with economic and/or philanthropic interests in low-income states, and who care about the future of effective democratic governance on our continent and beyond it, to support this agenda.

Accra, February 2020

i [1] More information on the African Public Interest Media Initiative can be found on p58. The initiative complements, and has potential synergies with, the IFPIM proposition but is not formally part of it.

EXECUTIVE SUMMARY

This study outlines the case for, and the practical feasibility of establishing, a new International Fund for Public Interest Media (IFPIM). Such a Fund would focus mainly on resource-poor settings across the world where the economic and political challenges confronting independent media have become overwhelming. The study is principally addressed to international development agencies, technology companies, philanthropic entities and others with an interest in supporting democracy and development in such settings. It argues that an IFPIM would provide an effective, legitimate and efficient way of increasing institutional support to independent media, which today constitutes just over 0.2% of official development assistance.

Public interest media is defined here as media that is free and independent, that exists to inform people on the issues that shape their lives, in ways which serve the public's rather than any political, commercial or factional interest, to enable public debate and dialogue across society, and to hold those in power to account on behalf of the public interest. This implies a focus on ethical and credible media working in the interests of all people across a society, not just those who have the power or money to pay for – or influence – media. The scope of such a Fund would encompass the full range of media institutions supporting an informed and engaged society, including commercial, community, public service and citizen media.

This study summarises the economic and political crisis confronting independent public interest media in these societies. While the specifics of the challenge vary from context to context, from Iraq to Namibia, Myanmar to Tunisia, Colombia to Nepal, similar challenges exist. As advertising migrates online, as political and other factional actors increasingly invest in their own media, and the (human and financial) costs of carrying out independent journalism escalate, the business models available to public interest media are disappearing.

This document outlines the consequences of this decline for the prospects of democracy, development and good governance. It argues that corruption, conflict, violent extremism, human-driven disasters like famines and epidemics, and declines in social cohesion are more likely as public interest media atrophies. It concludes that the prospects for achieving the Sustainable Development Goals (SDGs) without informed and engaged societies are remote, and that public interest media are vital to realising such societies.

This study provides arguments that independent public interest media systems will be vital for nations to shape and imagine their own futures, and that this is an issue that is central to democratic self-determination. A powerful foreword by former President of Ghana, John A Kufuor, sets out this case. It examines the current volumes and systems that exist to support independent public interest media, especially from the international development assistance community. It argues that, as many agencies acknowledge, these are insufficient, fragmented and poorly organised, and that there are few signs that the international development system currently feels it has the expertise, legitimacy, capability or confidence to respond meaningfully to the currently unfolding media crisis. It examines whether there are credible alternative strategies available to the international community to increase international media support and concludes that the most cost-effective and impactful option would be to establish a new IFPIM.

These pages summarise the results of a major consultation process. Rooted in the feedback from that process, they set out the mission, principles, governance, structure, impact measurement and other arrangements necessary to establish an IFPIM. The mission of such a Fund would be to support the development, sustainability and independence of public interest media, especially in resource-poor and fragile settings.

The problems this Fund would solve:

- Dramatically expanding the resources available to support independent public interest media, especially in resource-poor settings
- Significantly lowering the transaction costs of development agencies and other donors in supporting independent public interest media
- Increasing the legitimacy of financial support provided to independent public interest media
- Radically improving the coherence, coordination and strategic consistency of support to independent public interest media
- Improving the impact, impact assessment and learning around what works and does not work in supporting independent public interest media.

AN IFPIM WOULD PROVIDE AN EFFECTIVE, LEGITIMATE AND EFFICIENT WAY OF INCREASING SUPPORT TO INDEPENDENT MEDIA

Establishing an IFPIM is only worth considering if it would involve a substantial increase in the resources available to public interest media. On no account should establishing such a Fund simply reorganise or centralise existing resources. This study argues that an annual budget of $100 million (equivalent to around 0.07% of total international official development assistance[1]) would make establishing an IFPIM worthwhile. The Center for International Media Assistance at the US National Endowment for Democracy (CIMA) has proposed that a target of 1% of development assistance be devoted to international media assistance, which would amount to approximately $1.4 billion. If a substantial increase in development and other assistance to independent media were forthcoming, a large proportion of that could usefully be managed by such a Fund. An ambitious, long-term target for an IFPIM would be to manage $1 billion per year. With support of less than $100 million a year, and certainly below $60 million per year, it is questionable whether such a Fund should be established as it would be unlikely to be cost effective.

The study summarises the main design principles an IFPIM should be based on, informed by a study commissioned from PwC (see Appendix 1). It then makes clear and concrete recommendations for how such a Fund should be governed, structured, managed and evaluated to give maximum value for money.

This document, produced by the BBC's international development charity BBC Media Action in cooperation and with the support of Luminate, is designed to form the basis of a major process of stakeholder engagement, advocacy and business development. Luminate now plans to work with other interested donors to establish an interim Secretariat, appoint an interim Executive Director and take other measures to advance the IFPIM proposition. During this time, feedback is welcomed on how to further refine and advance this proposition. Please note that this document should not be taken to represent the views of the BBC itself.

This document is structured in nine parts.

Part 1 highlights the seriousness of the new economic and political crisis confronting independent media, especially in resource-poor settings, and the diminishing possibilities of making public interest media financially sustainable in the current context.

Part 2 summarises the costs and consequences for democracy, governance and international development of this media crisis, and provides a rationale for why bilateral and multilateral development agencies (and others with the resources and commitment to achieving the Sustainable Development Goals (SDGs) prioritises support to an IFPIM.

Part 3 outlines what international actors (especially international development agencies) are already doing to support independent media, and the financial and organisational limitations that characterise this support. It then makes the case for establishing a new IFPIM and proposes recommendations for its mission, governance, resourcing, scope and scale.

Part 4 makes recommendations for the structure, priorities and operational model for an IFPIM, and describes the Fund's four proposed pillars. Pillar 1 would be focused on national and local level media support from a series of regional centres. Pillar 2 would be an investigative journalism fund and could potentially support other media support funds. Pillar 3 would take the form of international and regional support focused where legal or other restrictions make national support strategies impracticable. The fourth and final pillar would be a research and learning mechanism (a 'What Works Unit').

Part 5 outlines how the proposed IFPIM would be evaluated and the content of its learning strategy.

Part 6 provides several exit strategy options for an IFPIM, suggesting that – while it would need resources for several years – support to it need not be open-ended.

Part 7 outlines a series of potential alternative approaches to scaling up funding if an IFPIM is not established but concludes that establishing such a Fund would provide the most cost-effective and impactful way of meaningfully increasing support to independent public interest media.

Part 8 provides a risk matrix around establishing an IFPIM and lists the measures necessary to mitigate those risks.

Part 9 sets out the suggested next steps for developing an IFPIM.

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A television news cameraman wearing a facemask and gloves works at a street during a government-imposed nationwide lockdown as a preventive measure against the spread of the COVID-19 coronavirus in New Delhi on April 14, 2020. PRAKASH SINGH/AFP via Getty Images.

AN INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA (IFPIM) AND COVID-19

This study was prepared before the severity of the effects of COVID-19 were felt. Part 2 of the report summarises the development impact of the loss of trustworthy independent media including their role in epidemics – but the report does not cover the implications of the pandemic.

All resources, and perhaps especially international development resources, will come under intense additional pressure. Any proposition of this scale needs to articulate why it justifies serious attention in such a dramatically changed context.

There are three main reasons.

- The pandemic further accentuates the critical need for widespread public access to trustworthy information especially in times of crisis. The Director General of the World Health Organisation has called the crisis an "Infodemic", where misinformation is fuelling both the spread of the virus and complicating the response[2]. Publics around the world are, increasing evidence suggests, seeking out news and information sources they know they can trust.[3]
- The capacity to generate trustworthy news and information is being further undermined by the pandemic. Public interest media capable of providing that information is facing an "extinction event" as advertising and other income collapses in the wake of the COVID 19 crisis[4]. The existing chronic crisis of deteriorating business models for public interest media is documented in Part 1 of this study. This chronic crisis has in a matter of weeks transmuted into an acute one with the Reuters Institute for the Study of Journalism estimating something like a $20 billion fall in income available to media worldwide[5].
- COVID 19 may provide the greatest challenges for resource poor countries where this International Fund is mainly focused. These countries may face the worst effects of COVID 19.[6] They also face some of the greatest practical challenges in adapting to the social distancing or other societal and behavioural measures necessary to reduce its spread which will also necessitate people to trust the information they have access to.

If an International Fund for Public Interest Media (IFPIM) as outlined in this Feasibility Study already existed it would be ideally placed to both resource and coordinate a response to these media and informational elements of the current crisis. Until it is properly established, the team taking it forward plan the following:

Emergency Response Coordination: Luminate and the IFPIM secretariat are working to create and support an effective mechanism for coordination as well as lesson learning between the proliferating emergency responses currently being developed. This will take place through existing mechanisms and institutions with the goal of helping ensure funding is directed where it is most needed.

Rebuilding public interest media: While an emergency response is required now, a long term strategy to rebuild as well as sustain public interest media that survives the current crisis needs to be planned now. IFPIM provides a clear framework for that process.

> INFORMATION IS FACING AN "EXTINCTION EVENT" AS ADVERTISING AND OTHER INCOME COLLAPSES IN THE WAKE OF THE COVID 19 CRISIS

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Front cover: Young Somali refugee women look at a smartphone as they stand together at Dadaab refugee complex in the north-east of Kenya. This study argues that the International Fund for Public Interest Media should include a focus on media capable of engaging all sections in society and not only those in the best position to pay for it.
YASUYOSHI CHIBA/AFP via Getty Images

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INTRODUCTION

In Ethiopia, a nation of 100 million people, a new democracy is struggling to be born. A reformist Prime Minister has opened up the country's politics, and also its media system. The country jumped 40 points on the World Press Freedom Index in a year.[7] The hope is that a free, independent public interest media will emerge in Ethiopia. In turn, this could improve government accountability, deter corruption and foster greater social cohesion. Beyond these aims, the expectation is that media freedom may provide a foundation for an inclusive public debate to fire the collective national imagination for a fresh and dynamic phase in the country's development. Journalist entrepreneurs have moved quickly to take advantage of their new freedoms, with dozens of new newspapers, online operations, radio and TV stations being established.

But the challenges of media reform in Ethiopia are formidable. Many media institutions are close to political parties and depend on political funding. Some have been accused of inflaming ethnic tensions. Social media provides a climate of both new liberation, and also political polarisation and division. Reforming the state broadcaster is a mountain climb ahead. Underpinning all of this, experts in the country suggest the advertising income base available to the nation's media is as little as US$5 million a year in this otherwise fast-growing economy (see Box 1). Hopes are high that, as the economy grows and mobile telephony spreads ever further and even faster than it has to date, digital revenues will provide a better media business model than currently exists. As outlined in this study, experience elsewhere suggests that those hopes will not be realised for many years to come.

A similar story is playing out in country after country around the world and it is playing out most starkly, and with the greatest human and democratic consequences, in the most economically and politically fragile nations. In Iraq, for example, a country with a population of almost 40 million, even the most agile independent media institutions with huge online audiences are finding that digital revenues are pitifully small (see Box 2). The consultation process for this study has had similar feedback from, or examined, many diverse contexts. In very different political, economic and social contexts, a common challenge exists of how, in the mid 21st century, public interest media is going to make its way in the countries where its role in society matters most.

It seems increasingly apparent that there may not be an available business model to support public interest media, at least for the next decade or two. In an age where public trust is an ever scarcer and democratically more vital commodity, where media freedom is under sustained, organised and sophisticated attack, and where access to information that citizens can rely on is diminishing each day, the business model capable of supporting independent public interest media is collapsing.

This feasibility study examines the case for whether a new IFPIM may provide an effective strategic international response to this crisis. It is focused on finding a fresh, ambitious, co-ordinated and well-resourced response that will support the institutions and other mechanisms necessary to enable public interest media to exist and flourish in resource-poor societies.

This report has been principally prepared for donors in the international development system and so focuses mostly on resource-poor and fragile contexts where development assistance is most targeted. However, the market failures facing independent public interest media, as well as broader challenges to media freedom, reach well beyond these settings. It is possible, depending on further consultation and the availability of appropriate resources, that such a Fund may have a broader geographic remit.[8] This document is also aimed at large international technology and philanthropic entities that have an interest in supporting independent public interest media in places where it is least resourced and most threatened.

IN VERY DIFFERENT POLITICAL, ECONOMIC AND SOCIAL CONTEXTS, A COMMON CHALLENGE EXISTS OF HOW PUBLIC INTEREST MEDIA IS GOING TO MAKE ITS WAY IN THE COUNTRIES WHERE ITS ROLE MATTERS MOST

PART 1

THE DECLINE OF THE FOURTH ESTATE

Independent media, acknowledged for generations as a fundamental pillar for the functioning of democratic societies, is under unprecedented and, in some settings, existential threat. While ever greater ingenuity and innovation is being deployed by organisations all over the world to adapt to these fast-changing conditions, in the most resource-poor settings there is increasing evidence that there may not an available business model to which organisations can adapt.

The principal focus of this study is on how to resource the people and institutions necessary to generate public interest journalism, and how to facilitate the broader roles that media plays in enabling democratic participation and discourse. While increasingly this means people and institutions operating online, the main challenge is not simply a digital one – it is a human one. This study's emphasis is on ensuring the human and institutional capacities necessary to underpin an informed and engaged society and to enable an independent fourth estate to exist, which it argues will be most effectively achieved by establishing an IFPIM.[ii] The scope of such a Fund would encompass the full range of media institutions supporting an informed and engaged society, including commercial, community, public service and citizen media. Any such Fund would also be likely to be platform neutral and, depending on the specific context, be likely to have a remit that includes online, radio, TV, print and other platforms.

A boy runs with a toy walkie-talkie and a comic book at the Comuna 13 shanty town in Medellin, Colombia. In the countries focused on by the IFPIM, access to trustworthy information is in danger of disappearing as business models for news become impossible to sustain. The implications for the future of democracy, society and development are likely to be profound. DAVID GANNON/AFP via Getty Images

This study argues that the proposed IFPIM should have a focus on media capable of engaging all sections in society, not just those in the best position to pay for it. The people who feel most left out of society, both economically and politically, are those who often have least access to trusted, and trustworthy, information and platforms for democratic expression. The rise of authoritarianism and populism has often exploited and captured media spaces best positioned to fill these gaps. Media organisations that seek to engage people beyond the growing middle class face especially formidable challenges in finding a business model capable of sustaining them.

Has the business model for independent public interest media disappeared?

Many countries that form the focus of this analysis are among the most creative, entrepreneurial, resilient and forward-looking of any on the planet. In these countries, people aged 24 and under often make up over half of the population, new technologies are creating huge new economic, democratic and development opportunities and the entertainment-based media is often booming.

But there is one vital area of public life in these countries – essential to democratic discourse and intrinsic to social and economic development – where the evidence suggests the market is failing. This is the public interest news media and other media necessary to enable an informed and engaged society.

The political and social roles that news media fulfil in democracies have nearly always struggled to turn a profit. Despite this, the principal model of news provision has been seen as running on a primarily commercial model.

One reason why international development actors have rarely prioritised support for independent media is because they assume, unlike their support for civil society organisations (CSOs), or even education or health services, that a business model exists. They do not want to distort a principally commercial space underpinning a marketplace for ideas. They have often been right to avoid this. For good reason, they have seen the market as eventually, with the right support strategies, solving issues of media weakness. Economic growth in many resource-poor or fragile countries has often been dramatic in recent years. Until around a decade ago, media expanded quickly on the back of a growing and dynamic advertising market. The number of newspapers, radio, TV and – increasingly – online institutions exploded in what was often a favourable market.[9]

ii The English statesman and philosopher, Edmund Burke, is credited with saying in 1787, that there were "three estates in Parliament, but in the Reporter's Gallery yonder, there sat a Fourth Estate more important than they all."

Many resource-poor countries are among the most creative, entrepreneurial, resilient and forward-looking on the planet. They have young populations, new technologies are creating huge opportunities, and the entertainment-based media is often booming Public interest news and other media necessary to enable an informed and engaged society is, however, in crisis.

That situation no longer holds. The media crisis is a global one, which is documented in most detail in the richest countries on the planet. News media globally are on course to lose around $23.8 billion in annual advertising revenue between 2017 and 2021.[10] It is estimated that more than 10% of these losses, around $3 billion, will be sustained by local news media, which were once the main providers of public interest information for communities worldwide. In 2000, total print advertising revenue for commercial newspapers in the US, the world's largest market, was $67 billion, according to a study from the Shorenstein Center and Northeastern University.[11] Fourteen years later, it had declined to $20 billion. The hope and expectation was that new digital start-ups would provide fresh models for news journalism – but even some of the most agile digital media enterprises in the world, like BuzzFeed, HuffPost (formerly The Huffington Post) and Vice, have struggled to find a sustainable commercial model.[12]

The challenge is ubiquitous. According to a 2019 report from the Reuters Institute for the Study of Journalism (RISJ), "Media users all over the world continue to flock to digital websites and platforms, and engage with many kinds of journalism online and offline. But we are still some way from finding sustainable business models for most publishers."[13]

THE PRINCIPAL FOCUS OF THIS STUDY IS ON HOW TO RESOURCE THE PEOPLE AND INSTITUTIONS NECESSARY TO GENERATE PUBLIC INTEREST JOURNALISM

Nor is the economic crisis confronting independent public interest media rooted in a lack of demand from the public. The 2019 Edelman Trust Barometer covered 27 markets and reported a massive rise in news engagement, falling trust in social media information sources and an increasing search among citizens for information they can trust. It reports that almost three-quarters of people surveyed were worried about false information or fake news being used as a weapon.[14] Public demand for trustworthy information may be strong, but the business model capable of meeting that demand is fading.

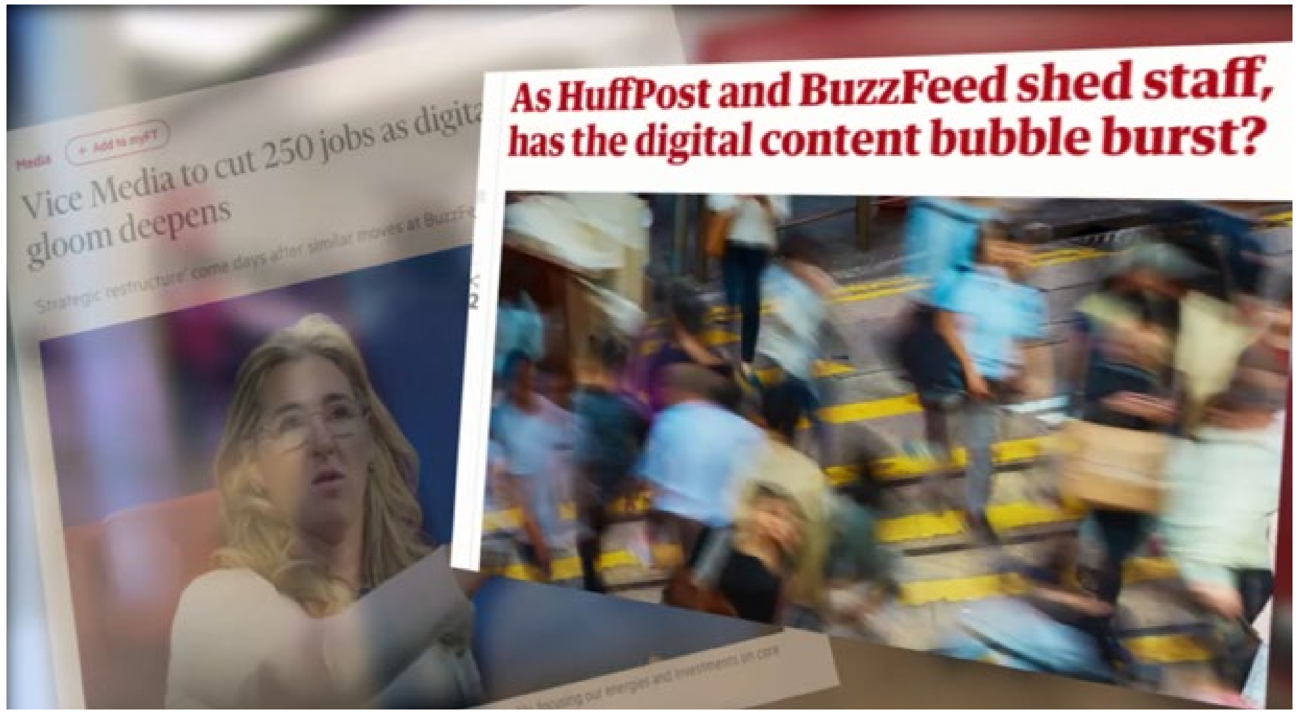
There were hopes too that pivoting to working with social media platforms and seeking increasing advertising revenue online would prove fruitful for media organisations but these strategies are increasingly claimed to have failed. According to a November 2019 Tow Center for Digital Journalism report tracking the relationship between large-scale technology companies and journalism, "the most discernible difference between past findings and those of our most recent interviews is that any hope that scale-based platform products might deliver meaningful or consistent revenue for publishers has disappeared. This does not mean, however, that publishers will no longer work with platforms – an impossible scenario, as the latter are the gatekeepers of the online information ecosystem – but rather that any optimism about the ability of ad-based products to sustain journalism seems all but gone."[15]

Another recent report from RISJ set out the challenges that European policy-makers need to confront for independent, professional journalism to survive.[16] The next section of this study details how the challenges in resource-poor countries are much greater than those in Europe, but the RISJ analysis holds true for these countries too.

The RISJ report argued, "independent professional journalism needs freedom, funding, and a future. To enable this, media policy needs (a) to protect journalists and media from threats to their independence and to freedom of expression, (b) to provide a level playing field and support for a sustainable business of news, and (c) to be oriented towards the digital, mobile, and platform dominated future that people are demonstrably embracing – not towards defending the broadcast and print-dominated past." While the last of these may be more true in Europe than in less connected and more fragmented societies, the first two conclusions are universal in their application.

The RISJ report argues that, without funding, independent professional journalism will wither away. "Given the rapid decline of legacy businesses, this funding will have to come from a combination of a new, digital, business of news and various forms of public support, including for independent public-service media and non-profit media… without a future for independent professional journalism, we risk leaving European democracy worse than we inherited it."

While Europe can look to its own resources to fund the journalism necessary to underpin a democratic future, other countries will be much less able to do so, at least in the medium term.



Even some of the most agile digital media enterprises in the world, like BuzzFeed, the HuffPost and Vice, have struggled to find a sustainable commercial model.

BOX 1 ETHIOPIA: MORE FREEDOM, LESS VIABILITY

Behailu Mihirete and Maha Taki

THE CHANGING MEDIA LANDSCAPE

Ethiopia's media environment has changed dramatically since Abiy Ahmed became Prime Minister in April 2018, starting with his liberal reforms following decades of authoritarian rule. He immediately released journalists from prison, lifted restrictions on over 260 pro-opposition websites,[17] and launched consultations on media reform.[18] A committee comprising journalists, lawyers, government representatives and scholars is working with the Federal Attorney General's Office to amend media laws.[19] Ethiopia jumped 40 places on the World Press Freedom Index from 2018 to 2019, the highest in any country that year.[20] Despite these positive steps forward, Ethiopia still faces substantial developmental and security challenges including unemployment, internal displacement and increasing ethnic tensions,[21] and analysts have doubts around how quickly the reform process will happen.

The liberalisation and increased freedom of the media landscape have been welcomed, by both people close to Ethiopia and those further afield. While government-owned media still dominate the market, over the 18 months to July 2019, approximately 10 newspapers and 16 TV channels entered the market according to media expert Elshadai Negash.[22]

But the economic and political environment in which this newly burgeoning media is operating remains challenging. It is illegal for political parties to own media institutions in Ethiopia, yet many of the new entrants are co-opted by political factions – increasing pre-existing ethnic tensions. Other entrants have been largely entertainment-focused,[23] competing for a slice of a shrinking advertising pie. Alongside this, the Ethiopian economy has experienced a slowdown. In 2017, the government devalued the Birr by 15%, negatively affecting the media advertising market. The change in exchange rates has also meant that production equipment and printing costs, all imported from abroad, are prohibitive for new entrants.

MEDIA ADVERTISING TRENDS

Tamrat Gebregiorgis, owner of the English-language weekly newspaper Fortune, based in Addis Ababa[24] explained how in the 20 years since the newspaper was set up, it has had 2,000 adverts in total, roughly two ads for each issue published. Meanwhile, he explained that more than 90,000 PLCs are registered with the advertising trade bureau. Comparing market prices to neighbouring Kenya and Nigeria, he said, "A full-colour page advert in our paper may cost about $500. If you go to Kenya or Nigeria, it is $10,000. The market in Ethiopia is such that demand supersedes supply, and many large companies do not need to advertise."

Most of Ethiopia's media advertising has concentrated around construction, alcohol manufacturers and imported goods. In an already small advertising market that has come under increasing pressure, a recent government prohibition on alcohol advertisements[25] – which make up 40% of revenue for the sector – has threatened the viability of broadcast media. Woldu Yemessel Baraki, who runs the privately-owned radio and TV station Fana Broadcasting Corporate,[26] explained its business model: "in the past decade, Fana radio generated 60–70% of its revenue from advertising, and the remainder from producing content for government

Men read local newspapers in Addis Ababa on October 12, 2019, with the news of Ethiopian Prime Minister Abiy Ahmed's award of the Nobel Peace Prize the previous day. Ethiopian media is at a crossroads, with unprecedented opportunities to strengthen its political freedom while simultaneously facing economic challenges which could undermine its very independence. MICHAEL TEWELDE/AFP via Getty Images ministries and the UN." With the new prohibition, he explained that Fana's revenue will be slashed by 20%, ultimately rendering it unsustainable. He said, "…the economy of the country is not liberalised and the little advertising there is, Fana and some other private media just about survive on it. Now you have… more competition for advertising but without a change in laws and policies to aid that, we will not survive." The government also recently issued a directive to restrict public service announcements to state media only.[27]

According to Henok Fente, head of the media policy think tank Mersa Media Institute,[28] "total advertising revenue for the media sector has gone down from approximately $8 million in 2016 to $5 million today." Addis Maleda, a relatively successful publication that has been in print for just over six months, has only three advertisers, which barely covers printing costs – let alone staff pay.

Nor is there optimism that fresh opportunities will be generated online. Tsedale Lemma, founder and editor of the Addis Standard, argues that online advertising revenues are "negligible" in sustaining the finances of the mainstream media. "The proliferation of online-based news aggregation media houses, which do not invest a penny to sustain a team of journalists, has led to a slump in the prices for online advertising," he explained. Even if such profits were available, media organisations' strategy to migrate and develop a stronger presence online has been "literally destroyed" by the frequent Internet shutdowns during two recent states of emergency. At its height in 2015, the Addis Standard employed 23 staff and occupied an entire office floor. Today, it has just four core employees in a single office space.

Befekadu Hailu, a journalist and one of the founder members of the renowned Zone 9 bloggers, shares this pessimism. He said that the media sector is fragile, is "not profitable as a business and, as a profession, is not rewarding." He pointed to a history of state control and interference, and how media independence is undermined by the monopolisation of advertising. "Private advertisers usually go to the media outlets that are state-run, state-affiliated or proponents of the ruling party to avoid the risk of being targeted for supporting 'critical voices'", he explained.

THE WAY FORWARD

The Ethiopian media is at a crossroads, presented with unprecedented opportunities to strengthen its political freedom while simultaneously facing intense economic challenges. If the media landscape is to improve, a number of measures need to be taken, according to Fente of Mersa Media Institute, including tax relief, investment and e-commerce legislation, as well as capacity building for media organisations to set up digitally-integrated newsrooms with diversified advertising revenue streams. He believes that capitalising on online advertising for Ethiopia's 5 million (and growing) Facebook subscribers is key. Unfortunately, the experience in many countries shows that generating sufficient revenue from online advertising is difficult – especially in resource-poor or politically fragile states. Moreover, public interest media in a pluralistic and diverse but economically weak market is more prone to co-option and capture by different political and commercial interests.

Direct foreign funding for media organisations remains illegal in Ethiopia, but the government has indicated its willingness to change the media laws.

Developing country media facing impossible odds

The severity of the challenge becomes clear when examining media in resource-poor markets where advertising is far more scarce, and where governments are using their economic and political muscle to close down independent public interest media.

The challenges of media sustainability are multifaceted[29] but have been elegantly distilled by Mohamed Nanabhay, deputy CEO of the Media Development Investment Fund. He argues that there are, in essence, four ways for a news organisation to generate revenue, with the best chances of success lying in using a combination of methods:

- Sell its audience (principally to advertisers)
- Sell to an audience (through sales, membership and/or subscriptions)
- Sell resources or services (such as data, consulting or convening events)
- Sell content or influence to those who are prepared to pay for it.

All but the last of these are becoming diminishing options in the current economic context.

Selling an audience

Selling an audience to advertisers is a brutal challenge for public interest media everywhere, as advertising increasingly migrates online. Media organisations in resource-poor markets now confront impossible advertising odds. A central assumption underpinning strategies to adapt to the new digital and economic landscape is that if news and other independent media organisations can maximise their online reach, they can recoup much of the advertising revenue they have lost in recent years. But markets in resource-poor countries are generally assigned a low advertising tariff by technology platforms, meaning that – even if they are able to build online audiences – these do not generate revenue in the same way as in the West. And, of course, the advertising that forms the backbone of social media business models is less available in the first place. Even a large market like Indonesia only commands 62% of the US average revenue generated through online advertising. In Tanzania, that drops to 88% less.[30]

This is highlighted by a particularly stark example of

the sustainability challenge confronting even agile and innovative media organisations, especially those operating in fragile contexts. Box 2 outlines how this plays out in one example provided by a BBC Media Action partner Radio Al Mirbad in Iraq, which has managed to build a trusted brand and strong relationship with a large radio, and increasing online, audience. It has almost 6 million YouTube subscribers (as well as 2 million Facebook followers) but, despite diversifying its revenue streams and generating huge online social media traffic by producing satirical videos – cumulatively totalling more than 1 billion views on YouTube– its total annual income from online traffic amounts to less than $40,000.

"There is no freedom of the media if there is no economic freedom," says Evans Banda, Vice President of the Media Owners Association of Zambia

The specifics of the financial viability challenge may vary from country to country and region to region, but the net result is similar. The most successful 'digital native' media businesses in Latin America surveyed by SembraMedia in 2017 (which it termed "stars and standouts" and which constituted 12% of those surveyed) were securing monthly median traffic of 3.75 million and generating an average of just over $500,000 per year in revenue (mostly from online advertising).[31] In Zambia, building a business on the little advertising that is available brings additional challenges. Evans Banda, Vice President of the Media Owners Association of Zambia, complains that even when there are advertisers they do not pay on time. And as he put it: "There is no freedom of the media if there is no economic freedom."

A report from Balancing Act, which provides an authoritative analysis of media and digital trends in Africa, concludes, "as elsewhere, the biggest challenge for print media is the lower value of online advertising. Most of the key African newspaper markets have attracted large online readerships but the revenues from online (sometimes but not always via Google) have been tiny compared with print advertising revenues."[32] The same report highlights flourishing growth in entertainment and other parts of the media economy in Africa. But when it comes to news, it argues that, "for all the excitement of a growth in African media and an online extension of its reach, there remain underlying problems with the business model."

The challenging reality that, no matter the public demand or how big the audience, revenue does not follow is further exacerbated by the fact that so much media in resource-poor markets is politically (as opposed to publicly) subsidised. In these contexts, there exists what is termed 'media capture'[33] consisting of "collusion between the private sector and governments" and media that serves, consolidates and maintains a small and powerful elite.[34]

As Marius Dragomir, the Director of the Center for Media, Data and Society points out, media capture is not a new phenomenon but has greatly intensified over the last decade. "The profound crisis in the media sector, a result of both the economic downturn after 2007 coupled with the rapid technological advancement that disrupted old business models, has accentuated the instrumentalization of the media to unprecedented levels," he argues. He contends that four sets of intentions lie behind this growing political investment in media – to suppress dissent, to conceal corruption, to win elections and/or to improve public relations.[35]

Governments can, and do, increasingly withdraw their own advertising to financially damage independent media, and raise tariffs and taxes targeting independent media. Bloggers in Tanzania, for example, have been forced to register with the government, pay a fee of $900 and disclose any financial sponsors.[36]

THE CHALLENGING REALITY IS THAT, NO MATTER THE PUBLIC DEMAND OR HOW BIG THE AUDIENCE, REVENUE OFTEN DOES NOT FOLLOW

Overlaying all of this are increased killings, imprisonment and harassment of journalists, the costs that journalists increasingly need to take to protect themselves while simply doing their job and the growing impunity for those who carry out these attacks.[37] The costs and risks of carrying out investigative journalism are especially high.

The challenge becomes even more complex for countries that want to liberalise and open up their media systems in the expectation that will create a more pluralistic media market underpinning informed and vibrant democratic politics. In the 1990s, media markets did largely support democracy. Commercial opportunities, provided by political and economic liberalisation, which encouraged high-quality public interest journalism were substantial, even in some of the poorest countries. Uganda, for example, created outstanding print and broadcast outlets following its liberalisation in the 1990s (since reversed) because of a mutually beneficial relationship between growing economic opportunities (and increased advertising) and political ones (a then-democratising government), backed up by some outstanding media entrepreneurs and editors. No such opportunities exist in liberalising countries now, as a more liberalised market effectively means more media actors chasing a shrinking advertising pie. Box 1 provides insight from Ethiopia to illustrate this challenge.

The Balancing Act report reinforces this challenge in the context of sub-Saharan Africa. "The most difficult obstacle is to find advertisers that want mass low-income audiences. The advertising-supported platform needs at least 0.5–1 million users to get significant exposure for major brands and move beyond being an interesting experimental 'side bet' for media buyers to being a part of their core budget. Only South Africa and Nigeria are potentially large enough to achieve this in a single market," it concludes.

The litany of challenges highlighted here are offset in many industrialised markets by the continuing presence of public service media. Public service media organisations like the BBC retain relatively high levels of trust and reach in

Where they exist, public service media organisation retain relatively high levels of trust. Research suggests that citizens are increasingly turning to these organisations for news as misinformation accelerates

industrialised societies and research suggests that, as online misinformation and disinformation accelerates, citizens in those societies are increasingly turning to them for their news.[38]

The prospects for public service broadcasting playing this trusted role more widely have diminished in recent years. This period has been characterised by a reassertion of control of state broadcasters in many countries, especially in authoritarian and populist regimes. The news outputs of international sources such as the BBC World Service, Deutsche Welle, France 2 and others is playing an increasingly important role in providing trustworthy information. The BBC World Service, for example, has expanded substantially – offering new language services in resource-poor markets due to increased funding from the UK government. Reaching some 319 million people worldwide, it is helping to fill the gap as domestic news provision becomes weaker.[39] But this kind of expansion, together with online news provision from other international media, does not, in and of itself, strengthen the financial viability of domestic public interest media institutions and does not seek to cover local or community level news.

THIS PERIOD HAS BEEN CHARACTERISED BY A REASSERTION OF CONTROL OF STATE BROADCASTERS IN MANY COUNTRIES, ESPECIALLY IN AUTHORITARIAN AND POPULIST REGIMES

In industrialised markets, media market failure is increasingly acknowledged and philanthropy is playing a growing and vital role in underpinning independent news provision.[40] The US has a long tradition of non-profit media (some 350 non-profit TV stations and more than 900 radio stations reach 185 million Americans), but the period since 2000 has witnessed rapid growth in non-profit digital news media. During this time, a substantial increase in philanthropy in the US has sustained hundreds of start-ups. Another report revealed that over the five years to 2015, over 34,000 journalism and media related grants totalling $1.8 billion were distributed by more than 6,500 foundations.[41]

No such response has been available for resource-poor and fragile states. Money alone will not address this crisis, but the crisis will not be addressed without more money. A substantial increase in financial resources is necessary to confront an increasingly urgent crisis in independent public interest media. Other necessary strategies include some that are already being deployed, including support for legal and regulatory reform, training and capacity building (particularly that focused on business mentoring), and especially defending the safety and rights of journalists. Building the capacity of independent media is not enough if it cannot translate this into improving their balance sheets to the extent that they can sustain themselves.

BOX 2: WHEN INCREASING ONLINE TRAFFIC IS NOT A PATH TO PROFIT IN RESOURCE POOR SETTINGS

Radio Al Mirbad was set up in 2005 as a public service media outlet for southern Iraq. The enterprise was initiated by BBC Media Action, as a part of the post-war reconstruction effort. It is now an independent, multimedia, public interest institution that supports constructive dialogue between citizens and their government in an otherwise partisan media landscape.

Al Mirbad's content has a strong reach in Basra: 48% of adults follow its news and information content at least once a week on radio and/or online. More than 80% of these regular users think the station provides a public service and monitors the government and its failings. Since 2016, Al Mirbad has also developed a series of satirical skits that has made it a household name across Iraq. Its YouTube comedy channel has more than 5.8 million subscribers and the videos have been watched more than a billion times on that platform alone. Research suggests that among those who watch this channel regularly, 89% agree that it addresses issues that Iraqi citizens face wherever they are and 82% agree that its comedy contributes to changing bad practices in society. Al Mirbad also has more than 2 million Facebook followers.

Al Mirbad is an impartial and trusted outlet, popular with local and national audiences, forms a critical part of Iraqis' news and information diet and is acknowledged as a force to be reckoned with by local and national politicians. But despite all this, and despite efforts to reduce its dependence on donor funding, the station can only generate 20% of its core costs from commercial sources. In the last 14 years, a number of donors have provided it with funding totalling around £17 million, notably the UK Department for International Development (DFID), the US Government, the UN Democracy Fund, the Finnish Government, the European Union and the UK's Foreign and Commonwealth Office.

Abir Awad, BBC Media Action's Country Director for Iraq, who has led the Al Mirbad project since its inception, stresses that sustainability was a key consideration: "From the time that we set up we were already thinking about a handover, and institutional and financial sustainability models. Initially, BBC Media Action owned Al Mirbad as an enterprise, but in 2010 it was locally registered as an NGO and its assets were managed through a corporate entity to allow it to maximise its chances of generating revenue to fund itself. We were able to hand over ownership, sound editorial and managerial control and a good working culture. These gave Al Mirbad a good foundation to stand on its own two feet organisationally, but financial sustainability is unachievable because of the economic realities."

Iraq's advertising market is very weak. Corruption is rife, making external investments in the country difficult. The local advertising sector is both partisan and politicised. Popularity online may yield a high level of advertising revenue in the West but will remain miniscule in countries like Iraq because the country has a very low advertising tariff.

Al Mirbad needs about $1 million annually for its operational costs. It generated just 21% of this in 2018/19 from local radio advertising, content licensing and YouTube advertising. Of that, YouTube adverts generated only $36,000 for 18/19, which is approximately 3% of the cost whilst the number of monetised views during that same year was over 500 million.

"YouTube has a very complex formula for generating revenue, dependent on the numbers of users engaging with the adverts within content. In an advanced advertising market, YouTubers can make in the region of $5,000 per million views," says Awad. "Al Mirbad, by comparison, is generating at best $72 per million views. This is not because [it] lacks the production or marketing skills… The notion that advertising can generate sufficient income to cover the costs of public interest, responsible and impartial media is difficult enough in well-developed markets, let alone in the fragile countries that need it most."

If advertising will not provide revenue, what are the options?

Nanabhay's first option available to media – selling its audience – appears decreasingly viable in many countries as a sustainability strategy, however large the audience recruited.

The second option – selling to an audience, has limited viability where, the kinds of membership (thecorrespondent.com) or subscription (theguardian.com) models that have been successfully pioneered in developed markets are not available in much poorer ones.[42] Evidence from the West suggests that news organisations in resource-poor settings stand an extremely low chance of breaking even by erecting paywalls for their online offering.

Even if such models were to materialise, there is increasing evidence to suggest this would further entrench information inequality. "Subscription fatigue, and the limits of pay models for news more broadly, will continue to pose a serious challenge for the news business," argues a recent report from the RISJ. "Meanwhile, others are concerned about whether the continued growth of pay models will create an unequal news environment, where those willing to pay for news get good-quality information, and those that are not will make do with news designed to harvest people's attention," it says.[43]

This theme is expanded on by Polly Curtis, former Editor-in-Chief of HuffPost and a Fellow at RISJ, who argues that increasing segments of the population are 'un-newsed'. "The idea of the un-newsed stems from the concept of the 'unbanked', people who are dispossessed of the structures of society that depend on having a bank account," argues Curtis in a recent article in the UK Financial Times. "Not having news does the same for you in a democratic system. It is a global problem. In parts of the developing world the digital divide is defined by the cost of data, often splitting between rural and urban, and in some places male control of mobile phones exacerbates the disenfranchisement of women."[44] The Global Forum for Media Development (GFMD) has warned that the "scarcity of local public affairs reporting is probably the biggest market failure associated with digital content markets [and is creating] 'news deserts' with entire regions going uncovered."[45]

This does not mean that there are no business models available in some settings. Nor does it mean that all public interest media can afford not to take maximum advantage of the new opportunities that the new digital ecosystem offers. Splice, a self-funded start-up in Singapore, argues that it is operating in a "golden age of media… for the first time, we're able to create information and news faster and cheaper, and deliver it into the hands of those who need it." Splice supports and champions a family of media start-ups across Asia, which includes the long-running Malaysiakini, as well as Frontier Myanmar and the Mekong Review.

The Splice model involves keeping operating costs low and maximising online distribution opportunities. However, at least some of these still rely on external funding. This business model is most readily available in countries with relatively high purchasing power parity and audience members who can subscribe or pay for content. There are profits to be made but they require highly disciplined audience segmentation and a strong focus on those who are most able to pay. Such initiatives can nevertheless be vital in supporting public interest journalism, as outlined in Part 6.

New digital opportunities like the growth of mobile banking and the capacity for consumers to provide micropayments[46] might also provide fresh opportunities in the future. A report by SembraMedia reviews the sustainability of new digital native media ventures in Latin America, concluding "we found two paths to growing these businesses: building audiences to drive traffic and advertising, or leveraging the loyalty of the audience to inspire micro-donations."[47] Other models are likely to emerge, such as charging for podcasts.[48]

But the current reality is that financially sustainable models exploiting the new digital environment are extremely scarce, especially if the purpose is to reach across all of

FINANCIALLY SUSTAINABLE MODELS EXPLOITING THE NEW DIGITAL ENVIRONMENT ARE EXTREMELY SCARCE, ESPECIALLY IF THE PURPOSE IS TO REACH ACROSS ALL OF SOCIETY

IFPIM will include a focus on supporting media capable of reaching citizens who are "un-newsed" as newspapers disappear behind paywalls. This picture shows women reading Khabar Lahariya, an Indian newspaper published in print and online in rural dialects in India with reporting provided by rural journalists from marginalised communities. "It is a testament to the fact that in a democracy, a powerful and independent fourth estate is essential as any other service, in every single village or town", according to its website. NISHANT LALWANI

society.[49] There have, historically, been successful models where community media in countries like Nepal have built up sufficient demand and relationships with audiences that even very poor people have been prepared to support them, but experience suggests that these are difficult to sustain in the long term.[50]

The third strategy highlighted by Nanabhay – selling other services such as event management, public relations or publishing services – is both possible and increasingly the norm among many news organisations. Large media groups, such as South Africa's Mail and Guardian, are following this model with some success. But there is little evidence to suggest that such income is meaningful for smaller institutions in poorer economies, and news organisations consistently argue that carrying out public interest journalism is challenging enough without being distracted by non-news activities.

This leaves the final option highlighted by Nanabhay, selling content or influence to those who are prepared to pay for it. And this area is one where business is often booming. Media organisations are, as outlined above, increasingly falling into the hands of political parties, governments and other factional actors. Existing power structures, weak institutions and political instability in many countries have produced a media market that is often controlled by those with wealth and ties to politicians.[51] [52] Governments are reasserting their control over independent media organisations, not only through intimidation but also by controlling, restricting or manipulating the advertising available to them.

In this sense, a political market for information is increasingly overtaking an economic market for one, based on which political actors have the deepest pockets and smartest strategies to occupy media and communication spaces. However successful such strategies may be in securing financial sustainability, they obviously work against independence and the public interest so can be largely discounted as a viable media business model in resource-poor settings.

PART 2

WHY INDEPENDENT MEDIA MATTER TO DEMOCRACY AND DEVELOPMENT

AND THE COSTS OF IT DISAPPEARING

The arguments and evidence supporting the role of independent media in strengthening democracy and development are longstanding, widely acknowledged and largely accepted by the international democratic and development communities.[53] The costs to democracy and development when information and communication spaces are populated by misinformation and disinformation, are fragmented and polarised, and when people lose trust in the information they can access are only beginning to be assessed. While not an exhaustive list, the main arenas of concern are summarised below.

The threat to democracy

The crucial, positive role of media in enabling citizens to make informed democratic choices is increasingly being upturned. The V-Dem Annual Democracy report of 2019 found that almost one-third of the world's population was living in countries going through a process that it called a "third wave of autocratisation." The top three challenges it highlights as driving that process are:

- Government manipulation of the media (as well as of civil society, the rule of law and elections), with "media and the quality of public debate" constituting the weakest link
- The rise of toxic polarisation in the public sphere
- The role of digitalisation enabling the spread of disinformation, including the susceptibility of many countries to outside manipulation, especially around elections.[54]

The report illustrates how those analysing key trends in democracy and governance are increasingly and centrally focused on the challenges confronting access to trustworthy information. This analysis echoes that of many others, including that of the 2017 World Development Report. It concluded that "After decades of progress, civic space is shrinking globally driven by higher government restrictions on media and CSO entry." (see Figure 1).

The void created by weak or absent trustworthy news and information is being filled by untrustworthy information. Evidence is growing that people in resource-poor settings are increasingly turning to private social media networks for their news – sources that have often been implicated in spreading rumour and disinformation. For example, a recent report found that 53% of people in Brazil got their news from WhatsApp, 52% in India and 49% in South Africa.[55] "People in [resource-poor] countries are far more likely to be part of WhatsApp groups with people they do not know than those in the West, which helps to explain why countries like these are so prone to the spread of unchecked misinformation and disinformation," argued Nic Newman at the launch of the Reuters Digital News report in London in June 2019.

The need for widely available trustworthy information in societies that are increasingly accessing information through such platforms has arguably never been greater, but the supply of that information has rarely been more endangered.

The threats to democracy from declining media freedom and capacity are often most apparent around the time of elections. The importance of trustworthy information in elections has long been recognised by development institutions. "Transparency and the provision of timely and relevant information can help improve the quality and effectiveness of elections," according to the World Bank's 2017 World Development Report. "Giving voters accurate and credible information from trustworthy sources such as independent media or oversight institutions can change the prevailing social norms, thereby reducing asymmetries and increasing voters' willingness to punish incumbents for poor performance, and bad practice such as corruption."[56]

Elections are increasingly susceptible to manipulation by those adept at exploiting big data (and those who pay for such manipulation). Hate speech is on the rise and social cohesion, already often weak in fragile states, is increasingly undermined. Misinformation and disinformation has become endemic, and access to trusted and trustworthy information from domestic media has declined.[57]

International development agencies spend approximately $10 billion per year[58] to improve governance in developing countries, the bulk of which either directly supports or is indirectly dependent on the effective functioning of electoral politics. That investment is endangered when democratic politics is subverted.

Corruption set to rise

The evidence that a free media acts as an effective check on corruption is longstanding.[59] This is perhaps best understood by those intent on corruption and helps explain why so much political investment is often made in constraining and co-opting independent media.[60] Substantial evidence suggests that corrupt or authoritarian actors are prepared to pay more to neutralise independent media than any other democratic institution.[61] Fear of journalistic scrutiny also helps to explain the tragic escalation in killings and attacks on journalists documented by media freedom monitors in recent years.[62]

A review of the evidence commissioned by DFID in 2015 concluded that, "direct anti-corruption interventions, which were especially prominent during the 1990s and 2000s, including efforts such as anti-corruption authorities, national anti-corruption strategies, and national anti-corruption legislation… were found to be ineffective in combating corruption."[63] In contrast, the DFID-commissioned review found that a free media has a clear effect in reducing

People watch live broadcast of the announcement of the re-election's result at a local electrical shop in Kisumu, Kenya on October 30, 2017. Elections are increasingly susceptible to manipulation by those adept at exploiting big data. Kenya's was one of dozens identified by a UK Parliamentary enquiry as being influenced by international data analytics firms. YASUYOSHI CHIBA/AFP via Getty Images

corruption, noting that the available evidence "consistently indicates [that] freedom of the press can reduce corruption and that the media plays a role in the effectiveness of other social accountability mechanisms." The DFID paper concluded that when media freedom is curtailed, corruption tends to rise, citing evidence of "restrictions to press freedom leading to higher levels of corruption in a sample of 51 developed and developing countries."[64]

Other reviews reinforce the media's positive impact on reducing corruption. In 2015, Alina Mungiu-Pippidi published an analysis of the available data on corruption. This study found, in common with the DFID-commissioned review, that many recent strategies deployed by development actors to combat corruption have had limited effect. The role of a free media, however, had among the greatest impact in limiting corruption (alongside other actors, such as CSOs). It concludes: "We found evidence that a society can constrain those who have better opportunities to spoil public resources if free media, civil society and critical citizens are strong enough."[65]

As a free and independent media declines, incidences of corruption across society can be expected to increase, with concerning knock-on impacts on development. Corruption is, for example, well evidenced as a principal driver of violent extremism and social unrest.[66] If, as seems increasingly likely, societies are losing a principal check on corruption, the broader governance consequences are deeply concerning.

Added to this evidence is the increasingly important role of investigative journalism in exposing corruption, particularly in the wake of the publication of the 'Panama Papers, 'Paradise Papers and others like them.

At a national level, the Ghanaian investigative journalist Anas Aremeyaw Anas has an astonishing record in exposing corruption and wrongdoing, perhaps most famously exposing bribe-taking by 12 high court judges, 22 lower court justices and 140 other court officials in his country.[67] Many of those he has exposed have been suspended, fired or jailed, and Ghana's 2012 Mental Health Act was largely

a response to his investigation into living conditions in a mental asylum. The 2019 killing of one of Anas' colleagues, who was investigating corruption in Africa football leagues, provides a grim reminder of how threatening journalistic endeavour can be to corrupt interests, and how much courage is required to pursue it. The recent downfall of the Maltese Government as a result of the investigations by, and assassination of, journalist Daphne Caruana Galizia is further testament to the courage and extraordinary contribution to defending democracy and good governance that investigative journalism is making, at a time when democratic norms are otherwise eroding quickly.

Leading investigative journalism organisations have argued for some years that investment in this area would provide one of the best rates of return in the recovery of stolen or illicit assets to the public purse.[68] For example, the Organized Crime and Corruption Reporting Project says that fines or assets equivalent to $6.3 billion have been secured by governments since 2006 as a result of its reporting.[69]

The institutions capable of supporting independent journalism are, as the rest of this study demonstrates, facing profound challenges. That is the prospect societies now face; media freedom is increasingly restricted and the financial foundations of the most effective check on corruption are crumbling. If this trend continues unabated, the costs to development and democracy are likely to be substantial.

Social cohesion and conflict

Misinformation and disinformation are one source of social tension and conflict. A broader issue is the increasing fragmentation and fracturing of the media landscape, and the decline in independent media capable of engaging people across societal fracture lines. The specific dynamics of how online discourse is creating 'echo chambers' and 'filter bubbles', and how much this drives political polarisation and hate speech, varies by context. Evidence on these effects is mixed, especially where other sources of public interest information are available.[70] The evidence does suggest that sources of public interest information are vital to prevent this echo chamber effect. There is

The role of independent public interest media goes beyond the challenges articulated in the SDGs. Media also provides a critical function necessary for nations and societies to imagine their own communities and identities

strong evidence that suspicion, and blaming or stigmatising of the 'other' in society, have grown as a consequence of both digital and traditional media fragmentation – leading to increasingly polarised viewpoints.[71] The capacity for societies to negotiate difference has been undermined as channels for public debate, shared public spaces and trusted reference points for national public conversation have declined markedly in recent years.

Perhaps the area where current media economic and market incentives are weakest is in providing platforms capable of enabling debate and dialogue across the fracture lines in society. On the contrary, market, technology and political dynamics are all tending, and often combining, to exacerbate an increasingly fractured – and often fractious – public discourse.[72] Sustaining media that can enable public debate and dialogue across divides in society may prove

THE FINANCIAL FOUNDATIONS OF THE MOST EFFECTIVE CHECK ON CORRUPTION ARE CRUMBLING to be the most intractable challenge that an IFPIM would address.

Self-determination and cultural sovereignty

While many factors have influenced the shaping of the proposed governance arrangements for an IFPIM, this factor has been particularly important.

The role of independent public interest media goes beyond the challenges articulated in the SDGs. Media also provides a critical function necessary for nations and societies to forge their own communities and identities. As the former President of Ghana, John A Kufuor, argues in the Foreword, this is an issue not only of democracy and governance, it is one of self- determination.

As the business model for independent public interest media erodes, it will not simply leave a vacuum. That role will be filled by those with the power and money to advance their own visions and interests of how societies should develop. Even some of the world's wealthiest countries with some of the most developed media systems worry about their loss of cultural sovereignty as large international platforms increasingly shape the media content that people consume.[73] These issues are far more acute in resource-poor nations where media economics are weak, political interest in owning and shaping the media is strong and powerful, and where international forces, many of them undemocratic, are increasingly exerting their influence by heavily investing in media.[74] Power abhors a vacuum. If the public sphere is vacated by public interest media that cannot find a means to pay their way, it will be filled by those with money but that perhaps do not have the public interest at heart. The democratic capacity of societies to shape their future in their own interests is likely to suffer as a consequence.

The Sustainable Development Goals

The importance of independent journalism and access to trustworthy information are explicitly recognised in the SDGs. The indicators for Goal 16 most directly cite this issue, specifically 16.10.1: "[the] number of verified cases of killing, kidnapping, enforced disappearance, arbitrary detention and torture of journalists, associated media personnel, trade unionists and human rights advocates in the previous 12 months," and 16.10.2: "the number of countries that adopt and implement constitutional, statutory and/or policy guarantees for public access to information." The latter has recently been upgraded by the UN as a Tier 1 indicator, providing strong encouragement to countries to monitor its implementation.[75]

Beyond these specific targets, the importance of access to trustworthy information is also implicit across the whole SDG agenda. The achievement of the SDGs rests on many factors, but it is very difficult to conceive of success being accomplished across almost the entire agenda without the participation of informed and engaged societies. This study does not contend that an independent public interest media system will address all of these issues. But its absence makes it far more difficult to do so, and its presence makes people far more resilient and capable of taking action to advance their own health and prosperity.

Strengthening the resilience and adaptive capacity of small-scale and family farmers, one of the key strategies necessary for achieving Goal 2's aim of ending hunger, depends on those people having access to sufficient and

Achieving the Sustainable Development Goals rests on many factors, but it is difficult to conceive of success across almost the entire agenda without the participation of informed and engaged societies. This picture shows students of Unified Educational Centers (CEU) in Sao Paulo, Brazil attending a lesson on 'Fake News: access, security and veracity of information in 2018. MIGUEL SCHINCARIOL/AFP via Getty Images


A Filipino child suffering from measles is treated at a government-run hospital on May 4, 2019 in Manila, Philippines. The Philippines is one of several epidemics of easily preventable diseases where health officials have blamed social media fuelled misinformation. Ezra Acayan/Getty Images

accurate information to make informed choices about how to make those changes. Issues around access to information, and – perhaps just as importantly – resilience to misinformation, are woven throughout Goal 3's aim of ensuring healthy lives and improving well-being. As detailed below, misinformation around vaccines and disease outbreaks poses serious threats to achieving many of Goal 3 targets, including in the context of epidemics and disease outbreaks like Ebola and coronavirus.

Goal 4, ensuring inclusive and equitable education and life-long learning, requires shifting social norms that prevent girls going to school – media has played an important role in encouraging greater and more equitable access to education in some of the most challenging environments, like South Sudan.[76] Similar issues surround the role of an independent media in helping to achieve Goal 6 (access to water and sanitation), Goal 7 (affordable and clean energy), and especially Goal 13 on action to tackle climate change. Goal 5's focus on gender equality and the empowerment of women and girls cannot meaningfully succeed if the public sphere is dominated by discriminatory and sexualised content, and if women continue to be marginalised in public conversations – issues that public interest media seeks to correct, with substantial evidence of success in multiple contexts.

While the role of independent public interest media runs across the whole SDG agenda, there are specific issues where a lack of public access to trustworthy information is likely to have a particularly intense effect. These are outlined below.

Epidemics and disease

Vaccination boycotts and attacks on health outreach workers prompted by misinformation campaigns are becoming increasingly common. They are proving to be a major obstacle to the elimination of polio and a central factor in the resurgence of formerly manageable diseases such as measles. Recent epidemics in the Philippines[77] and Samoa provide particularly stark examples of this phenomenon. Polio, which was close to being eradicated as a result of immense effort and resources, has just re-emerged in Malaysia, with low vaccine uptake being suspected as the reason.[78]

The Director of the World Health Organization (WHO)'s Immunisation Department is quoted as saying that misinformation has "had a very remarkable impact on the immunisation programme" [in Samoa] and is "now being measured in the lives of the children who have died in the course of this outbreak."[79] Recent attacks on health workers trying to contain the Ebola outbreak in the Democratic Republic of Congo as a consequence of rumour and misinformation provide another deeply worrying example. Misinformation[80] and insufficient access to trustworthy information is also complicating the response to the coronavirus outbreak in China and beyond.[81]

Misinformation around such events is not necessarily new – sensational media coverage and false rumours were a real obstacle to tackling HIV/AIDS in the 1980s and 1990s – but the capacity to combat such rumours and establish trusted sources of information across societies are degrading. As antimicrobial resistance rises and climate, economic and other changes fuel the rise in epidemics, societies have an unprecedented need for access to information they can trust and be resilient to information that they can't has never been greater. At the same time, as argued throughout this study, the independent and public interest institutions capable of generating widespread access to trustworthy information are weakening and diminishing.

Famine and government responsiveness

The year 2020 marks the 21st anniversary of the publication of the classic work, Development as Freedom, by Nobel Prize winning economist, Amartya Sen. "No famine has ever taken place in the history of the world in a functioning democracy," he wrote, arguing elsewhere that the question of food and starvation could not be divorced from "the issue of liberties, of newspapers and ultimately of democracy."[82]

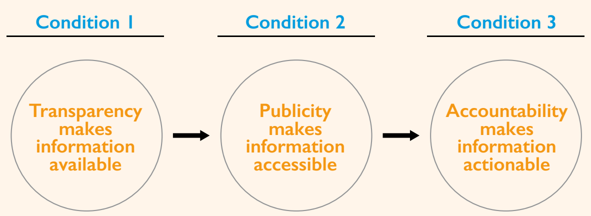
This analysis that has held remarkably true but it is one that depends on media being able to expose wrongdoing, mismanagement or emerging crises and to have sufficient public legitimacy that governments feel impelled to respond to media reporting of their failings. Those assumptions do not necessarily still hold. As media institutions become increasingly co-opted by those in – or close to – power, there is growing evidence that publics are losing trust and confidence in their news. As governments, especially authoritarian governments, become more adept at controlling, co-opting and manipulating the information and communication space, they too pay little attention to independent media voices. Many countries are losing the essential safety valve that Sen highlighted.

While famine may be the most extreme of consequences made more likely by media's declining capacity to prompt government responsiveness, the literature suggests its role extends to more everyday effects. "Access to media makes government more responsive to citizen's needs," concludes the World Bank's World Development Report of 2017. It particularly cites a landmark 2002 study comparing Indian states from 1958 to 1992 and which "found that government spending was more responsive to local needs in areas in which newspaper circulation was higher."[83] Widespread public access to accurate information can have more precise effects too. Research on the availability and accuracy of long run weather forecasts in India found a strong impact on incomes. "We find that in areas where the forecast is accurate (has "skill") that investment, migration and rural wages respond to forecasts…… if such skill were pervasive across India, the total value of an accurate forecast for farmers and wage workers is in the tens of billions of rupees."[84]

Major efforts have been made in recent years to improve government performance by increasing government openness and transparency, especially by encouraging greater access to information. However, there is increasing acknowledgement that such efforts are limited if that information is not made available to citizens in forms they can understand and act upon. "Although transparency laws are a necessary first condition, they are far from sufficient for effectively promoting accountability," says the 2017 World Development Report. "Publicity, the second condition for [government] effectiveness, requires that the available information be made public and reach the intended actors… Even when laws… support transparency, citizens may lack the incentives to pursue publication of information if doing so increases the risk of reprisal or the perception that there will be no consequences once the information is publicly available. The media are a key actor in this regard because their de facto power originates from the decisions they make on what information is made public."[85]

Broader debates on the linkages between economic outcomes and the existence of democracy, and of the role of free and independent media within that relationship, are centuries old. The debate is also increasingly contested, particularly in the light of recent economic performance of authoritarian regimes such as China in lifting millions out of poverty. It would take a separate study to do justice to these arguments. However, some specific recent developments are worth highlighting here. The field of economics is increasingly recognising the limits of conventional models and there is a growing body of literature highlighting the role of media, social media and communication ecoystems more broadly in shaping economic outcomes. Most recently, for example, Nobel Prize winning economist Robert J Schiller argues in his recent book, Narrative Economics, that "spread through the public in the form of popular stories, ideas can go viral and move markets." Likening the communication of such viral narratives to disease epidemics, he argues that "whether true of false, stories like these – transmitted by word of mouth, by the news media and increasingly by social media – drive the economy by driving our decisions about how and where to invest."[86] The precise and shifting relationships between greater or lesser public access to trustworthy information and economic outcomes are likely to form the basis of more attention in the future, but evidence is growing that such relationships are increasingly important.

FIGURE 2 THREE CONDITIONS FOR THE EFFECTIVENESS OF INFORMATION INITIATIVES



Access to media makes government more responsive to citizen's needs," concludes the World Bank's World Development Report of 2017. The report highlighted how many transparency and accountability initiatives were unlikely to succeed if trustworthy information was not only available but also widely accessible. Adapted from: World Bank (2017) Governance and the Law: World Development Report 2017, p248

BOX 3: FEEDBACK ON AN IFPIM CONSULTATION

A consultation document outlining the rationale and proposals for how an IFPIM might be governed, structured, resourced, evaluated and advanced was produced in July 2019. It formed the basis of multiple consultations, including:

- GFMD, the international network of media development organisations, was commissioned to carry out an extensive survey and consultation exercise through its membership (see Appendix 2)
- Analysis commissioned from PwC to draw on its own experience of designing and administering global funds to make recommendations on design principles for the proposed IFPIM (see Appendix 1)
- Dozens of additional meetings and consultations conducted with media and media development organisations, investigative journalist networks, donors, multilateral agencies, individual journalists, academic and research institutions, a former head of an African state and others.

This box provides an overview of that feedback. The following sections are structured to reflect and incorporate measures to respond to that feedback.

Areas of agreement

There were three areas of widespread agreement with the IFPIM proposition set out in the consultation document (and expanded on in this study). These focused on the kernel of the IFPIM proposition:

The central problem of systemic, structural and existential market failure confronting independent public interest media in resource-poor settings was not significantly challenged. Suggestions have been incorporated for additional strategies to generate revenue, which were not captured in the original consultation document and which are reflected in the feasibility study. However, such feedback has not challenged the central argument articulating the severity of the challenge confronting independent public interest media.

The consequences of that market failure for democracy and development were similarly acknowledged, including by governance specialists who do not specialise in media development or analysis.

The lack of capacity and confidence of the international development system to scale up support to independent public interest media through existing systems was widely (although not universally) acknowledged. Alternative strategies capable of enabling an ambitious scale-up of resources and strategic prioritisation are not obviously apparent.

Areas where more information was requested

The areas of concern where more information was requested are outlined below.

POSSIBLE ALTERNATIVES TO CREATING A NEW IFPIM

Several donors asked for a more serious examination of what alternative strategies are available to scaling up support in this area. Part 7 of this feasibility study provides an analysis on this.

LEGITIMACY

Concerns over legitimacy clustered in three areas:

- Donors concerned about the implications of funding specific public interest media institutions and whether this exposed the proposed IFPIM or its supporters to accusations of political interference in the domestic affairs of recipient countries
- Media and media support organisations concerned about whether the Fund's proposed governance structure was sufficient to guard against editorial or other forms of undue interference
- Governments and representatives of the multilateral system concerned that governments of even reform-minded recipient countries were excluded from the IFPIM's proposed governance system.

Steps to address these concerns are set out in the rest of this feasibility study, especially in the recommendations around governance.

COST

Concerns were expressed over the potential cost of establishing and maintaining a new bureaucracy for the proposed IFPIM. Calculations of these costs are set out later in this section. Research suggests that it would not be worthwhile establishing such a Fund unless there is high confidence that at least $60–100 million per year can be secured and that administrative costs should not exceed 7.5% of the total funds dispersed.

IS THERE AN EXIT STRATEGY?

The proposed IFPIM is designed to

support independent public interest media during a time when the existing business models available to support such media are failing and when credible new business models have yet to emerge. The fundamental nature of this challenge was widely acknowledged, but some donors asked for more clarity on what an IFPIM's long-term exit strategy would look like. This is so that donors can have confidence that their support will have an end point, even if that is in the medium or long term. Part 6 of this feasibility study provides details of how an exit strategy might work and argues that the existence of an IFPIM could provide a vital coordination hub that is likely to accelerate the end of required donor support.

What is the scope of the Fund?

Some discussions highlighted the hope that an IFPIM would expand its remit beyond countries prioritised by development agencies. Media market failure is confronting many countries beyond resource poor and other countries that normally qualify for development or other assistance, including in parts of Europe. Discussions – especially with leaders in Africa – also highlighted the potential for an IFPIM to extend beyond the in-country journalistic focus inferred from the consultation document to encompass both entertainment and transnational networks. Part 4 of this feasibility study analyses the advantages and disadvantages of expanding the Fund's scope but recommends a relatively narrow focus at its inception, at least geographically concentrated on resource-poor settings.

The definition of 'public interest media'

Feedback on the definition of public interest media used in the consultation document largely recognised that no definition was likely to be perfect. Feedback also recognised that it is vital for journalists and those trusted to guard the principles of editorial independence to make judgements on what constituted public interest media. The governance arrangements set out below are designed to reflect this.

More specifically, there was a concern that even avowedly partisan media could self-define as public interest media and suggested including an ethical dimension in the definition of the term. In response, the words "ethical, credible and non-partisan" have been added to the definition. The final definition will be determined by the IFPIM Board.

Which public interest media qualify for support?

One concern that particularly arose in the GFMD consultation was that the scope (and indeed the name) of the proposed IFPIM implied a focus on public service media and that the Fund might focus on supporting legacy public service broadcasters. This is not its principal focus. While support for state broadcast reform would fall within the Fund's remit, its principal focus is (as the titles of this feasibility study and the consultation document stressed) to enable "media markets to work for democracy." The IFPIM is designed to be a forward-looking, platform-neutral mechanism capable of funding online, commercial, community, citizen or public service media, with decisions taken on the basis of which medium is in the best position to serve the public interest and deliver value for money.

Maintaining market discipline

There were concerns that an IFPIM could disincentivise the kind of innovation, market discipline and entrepreneurialism necessary for public interest media to adapt to the challenges that exist. This concern focused in particular on the need for media institutions to understand and develop a strong relationship with their audiences. This was well summarised in helpful comments from the consultancy Newsgain, "there is a risk, well-identified, about media becoming dependent and thus complacent. If the supported organisations are not held accountable for creating strong audiences, they will never have a path forward. Countries can shift, governments can change, and if those welcome events were to occur, these organisations need to be poised to exploit emerging opportunities. Without a deep audience base, they might never be competitive, and actually face failure just at the point when their countries are in profound transition and need independent content the most."

It will be important for IFPIM's strategies and bridging funding incentivise innovation and ensure a focus on building relationships with audience members. This is a key focus on the Fund's proposed measurement protocols.

The overwhelmingly positive response from a broad range of stakeholders to the consultation document indicated that an IFPIM will be vital to the future survival of public interest media in resource-poor settings, that it should be ambitious in its size and scope, and that the consultation's principal analysis and recommendations were justified. That leads this feasibility study to recommend that a clear and structured process should be initiated to establish an IFPIM.

> THE IFPIM IS DESIGNED TO BE A FORWARD-LOOKING, PLATFORM-NEUTRAL MECHANISM CAPABLE OF FUNDING ONLINE, COMMERCIAL, COMMUNITY, CITIZEN OR PUBLIC SERVICE MEDIA

PART 3

AN INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA

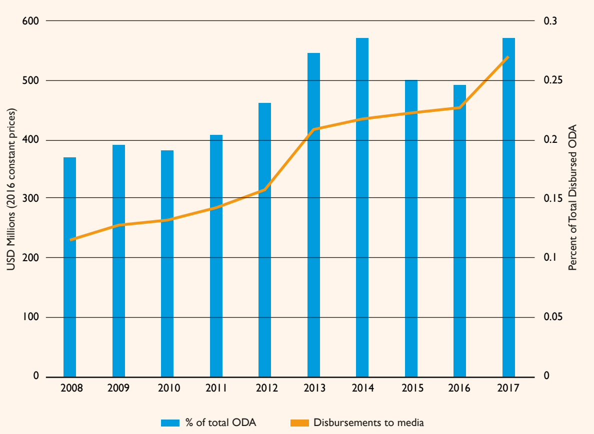
The crisis confronting independent media in resource-poor settings is too large for the development assistance and philanthropic communities to confront on their own and many other measures are necessary to address it effectively. However, their contribution could be one vital pillar of those efforts, both helping to provide medium-term relief and the conditions capable of addressing those concerns in the longer term.

The case for improving development assistance in the form of a new IFPIM rests on three arguments:

- The contribution to good governance and development that such media make, and the costs to both if they are further degraded.
- The increasingly grave economic and political threats confronting independent media, and the lack of market solutions available to sustain public interest media.
- The current arrangements, systems and structures of international development support to independent media do not allow for a strategic, sustained and impactful response to the crisis outlined in this study. An IFPIM would address the capacity and political constraints that currently inhibit an improved response.

It is key that any IFPIM would encourage and release additional resources for international media support rather than divert or reorganise existing resources.

FIGURE 3 OVERSEAS DEVELOPMENT SUPPORT FOR MEDIA AND INFORMATION, 2007–18



Source: OECD Development Assistance Committee

How is current funding support to international media organised?

The international development assistance community already acknowledges the critical role of independent media and provides some support to it. This support is widely recognised as being insufficient and insufficiently well-organised.

International funding for journalism and media development totals approximately $600 million per year according to the CIMA.[87] This includes both philanthropic and official development assistance. According to the OECD Development Assistance Committee, institutional support to independent media constitutes just 0.2% of official development assistance (excluding support to international public service broadcasters like the BBC World Service and Deutsche Welle). Of the $8.9 billion of development assistance allocated to improving governance, democracy and human rights in 2017, just over 2% was allocated to institutional media support. Just five OECD donors – the European Union, Sweden, UK, US and Germany – were responsible for 85% of total funding to international media and the free flow of information.

Much of this international support for media is currently channelled through an effective group of media assistance organisations, most of which are members of GFMD (including the organisation producing this feasibility study). These organisations work at international, regional and national levels. This feasibility study recommends that such assistance should continue and indicates that significantly increased funding for independent media could effectively be channelled through these organisations.

However, the proposal for an IFPIM is designed to solve a set of problems that the current support system cannot easily address in its current form.

The first is that bilateral development agencies, and potentially many other philanthropic agencies, apparently do not feel able to provide more support because they do not feel they have the staff, expertise, legitimacy and/or systems to do so. Supporting independent media is political, is organisationally challenging for development agencies and, some agencies feel, risks complicating their relationships with government partners. Very few staff within the development system are expert or experienced in media support, and consequently few organisations have high levels of confidence that their current media support strategies are likely to demonstrate sufficient impact. A 2020 survey of bilateral donors by CIMA concluded that "very few [of those interviewed] having even one specialist working on media [support] issues full time."[88] While some of this can be offset by supporting intermediary organisations, many agencies appear to feel uncomfortable to attempt, or lack the capacity, to scale up their support to

FIGURE 4 COUNTRIES RECEIVING THE MOST INTERNATIONAL SUPPORT FOR MEDIA AND INFORMATION

	2008	Amount Disbursed (USD Millions)	2012	Amount Disbursed (USD Millions)	2017	Amount Disbursed (USD Millions)
1	Sudan	9.66	Afghanistan	15.73	Ukraine	14.43
2	Afghanistan	6.02	Ukraine	12.88	Belarus	12.3
3	Serbia	5.99	Pakistan	7.71	Turkey	7.52
4	Iraq	5.79	Democratic Republic of the Congo	7.01	Afghanistan	6.51
5	China (People's Republic of)	5.35	China (People's Republic of)	6.44	Iraq	6.41
6	Belarus	4.81	Tanzania	5.87	South Sudan	5.6
7	Indonesia	4.29	Serbia	5.48	Syrian Arab Republic	5.23
8	Ukraine	4.07	Georgia	5.26	Myanmar	5.04
9	Democratic Republic of the Congo	3.93	South Sudan	5.13	China (People's Republic of)	4.79
10	Albania	2.98	Zimbabwe	4.7	Nigeria	4.64

Source: OECD Development Assistance Committee

the dramatic extent that the current crisis demands.

According to research carried out by the CIMA for a 2019 donor meeting on media assistance, "Donors are already exploring opportunities to provide more effective and long-term support to the media sector. The research highlighted the obstacles most frequently encountered in these efforts, particularly those related to limited human resources and weaknesses in the cooperative structures of aid, but also strategies for overcoming them."[89]

The second challenge is that most existing media support strategies are focused on building the capacities of media institutions (including professional, business and other forms of training), improving the enabling environment for public interest media (by supporting regulatory or legislative reform or defending media freedom) or working with partner institutions to better engage and relate to their audiences. A more limited component is directly focused on addressing market failure and making more financial resources available to independent media. Unless a step change is achieved in actually resourcing independent public interest media, the fundamental underlying issue will remain unaddressed.

A third challenge is that most media support strategies demand or expect partner institutions to have some form of sustainability strategy. Over recent years, many media institutions (both international and national) have benefitted from start-up funding and investments with the expectation that a successful business model will emerge over time. With very few exceptions, such business models are not available (as detailed above), so many highly effective in-country or international public interest media institutions struggle to survive and increasingly face closure. This is compounded by the fact that strategic funding supporting the institutional capacities of media support agencies is scarce and is principally focused on specific projects. This makes long-term strategic planning and impact assessment difficult.

Fourth, donors to independent media organisations are repeatedly and increasingly accused of interfering in the internal political affairs of the countries in which they are providing support. Governments and others often accuse media institutions that receive funding from international sources of acting in the interests of their donors or other external agents rather than in the interests of their country or citizens, making them vulnerable to political and legal attacks. The proposed IFPIM governance arrangements are designed to address this concern.

The priorities that inform the allocation of existing funding to international media appear to mirror the foreign policy priorities of those providing the funding, with countries such as Afghanistan, Iraq, Syria and Ukraine featuring in the top 10 recipients of such support. The media support needs of these countries are urgent, but so are those of many other settings. Such prioritisation suggests that decisions are not necessarily being made based on needs analysis or where funding is in the best position to achieve the greatest long-term impact. An IFPIM would augment the existing system of media support by focusing on these factors.

Finally, the overall media funding environment is highly fragmented, with poorly developed systems of coordination, lesson learning, impact assessment, strategic clarity or coherence.[90] Repeated attempts have been made over more than a decade to better organise and structure media assistance at the international level. Examples of this include attempts at integrating media support into the development effectiveness agenda or electoral assistance strategies, and at the national level ensuring better systems of coordination and information sharing among donors and media assistance and recipient organisations. These efforts have borne very little fruit.[91]

The CIMA has argued that the international community should establish a target of $1 billion per year of official development assistance devoted to international media support. That would involve a near-doubling of current levels of media support. This funding would have to be organised and targeted in ways that focused on the greatest areas of need and where impact is most likely. This feasibility study concludes that establishing an IFPIM would be the most cost-effective and impactful way of doing that, even if the expansion of funding is not as ambitious as $1 billion per year.

In summary, the problems an IFPIM would solve are:

- Dramatically expanding the resources available to support independent public interest media
- Significantly lowering the transaction costs of development agencies and other donors in supporting independent public interest media
- Increasing the legitimacy of financial support being provided to independent public interest media
- Radically improving the coherence, coordination and strategic consistency of support to independent public interest media
- Improving the impact, impact assessment and learning of what works and does not work in this highly complex arena.

The following sections explain how the proposed IFPIM would be structured and organised to achieve these goals.

The mission of an IFPIM

The mission of an IFPIM would be to support the development, sustainability and independence of public interest media, especially in resource-poor and fragile settings. Public interest media is defined here as media that exists to inform people on the issues that shape their lives, in ways which serve the public's rather than any political, commercial or factional interest, to enable public debate and dialogue across society, and hold those in power to account on behalf of the public interest. This implies a focus on ethical, credible and non-partisan media working in the interests of all people across all of society, not just those who have the power or money to pay for – or influence – media[iii].

In practice, objectively identifying what is and is not public interest media is not simple. The IFPIM's definition of public interest media will ultimately be determined by its board. As a provisional proposition, this determination might be accomplished in one of more of the following ways:

- Measuring public trust in different media institutions and assess whether publics consider the media to be covering the issues of most importance to them (see Part 5 for further details of this approach).

THE MISSION OF AN IFPIM WOULD BE TO SUPPORT THE DEVELOPMENT, SUSTAINABILITY AND INDEPENDENCE OF PUBLIC INTEREST MEDIA, ESPECIALLY IN RESOURCE POOR SETTINGS

[iii] It is recognised that the board and executive may want to allow funding to some partisan media (some community media may fall within this category for example), and so the wording of the definition is designed to allow for interpretation on this.

- Drawing on existing or new measures currently being developed such as the Journalism Trust Initiative (a project of Reporters without Borders) or the Media Sustainability Barometer (a project of the GFMD) to give just two examples, or adapting and updating UNESCO's Media Development Indicators[92]
- Building on approaches 1 and 2 with content reviews and analysis measured against public interest criteria.

The IFPIM would not restrict itself to supporting any one particular model of public interest media and may support non-profit, commercial, public service or community media. It would focus on supporting media best placed to serve a public interest, whether that is online, radio, TV or print.

The roles the IFPIM would play

A major Fund with resources, legitimacy, status and expertise could, therefore, **deploy financial capital** in its command of substantial resources. It could **use political capital** as a credible interlocutor with different stakeholders to maximise the potential for enabling media markets to be created in ways that serve democracy. And it could **leverage knowledge capital** in understanding and shaping the most effective strategies to sustain public interest media at scale.

The proposed main roles of the IFPIM are as follows:

- **Funder and sustainer** of proven institutions and models of public interest media that have successfully established themselves as trustworthy sources of information but that cannot sustain themselves through market models alone. This would include media institutions that have been funded as start-ups by foundations or others, have established strong public credibility but are not in a position to sustain themselves after start-up funding has finished. The Fund would very rarely, if ever, provide full funding to any one institution and would demand that a strategy is in place that maximises all available options for revenue generation. Its role would be to provide all or part of the gap between what a media institution can recover from the market or other sources and what is needed for it to serve the public interest. The Fund would, wherever possible, focus on providing institutional support to enable institutions to be strategic and plan for the long term (rather than project funding). It would also support investigative journalism organisations, international or regional forms of journalism, and citizen journalism specifically relevant to the settings that form its focus, as well as international or regional media development institutions in contexts where restrictive legal or political environments make funding of such institutions challenging.
- **Catalyser and market enabler** of new approaches to improve sustainability, supporting for example media and creative hubs capable of kick-starting and creating fresh markets for public interest media (see Part 6 for further analysis of this).
- **Incentiviser**, by providing normative as well as financial support to media to serve the public interest and help provide a more robust and focused system to encourage governments and international institutions to create a more enabling environment for public interest media.
- **Incubator of fresh approaches** to support public interest media, focused particularly on supporting new macro level approaches to improving market conditions, strategies to make the market work more effectively, and developing and establishing new approaches to public subsidy. The Fund would be careful not to duplicate or complicate the work of existing media support efforts focused on incubating and experimenting with new journalism and media business models, but would work to build on and help sustain those which prove most promising.

Further details of the IFPIM's proposed funding strategy and priorities are set out in Part 4.

IFPIM governance: Ensuring legitimacy and fiduciary integrity

This section outlines the proposed principles and arrangements for how an IFPIM should be governed and structured. Box 4 summarises the feedback on a set of options presented in a July 2019 consultation document. The remainder of this section summarises the recommendations for the Fund in the light of this feedback.

A MAJOR FUND WITH RESOURCES, STATUS AND EXPERTISE WOULD DEPLOY FINANCIAL, POLITICAL AND KNOWLEDGE CAPITAL

BOX 4: SUMMARY OF FEEDBACK ON IFPIM GOVERNANCE ARRANGEMENTS

The governance arrangements set out in this feasibility study reflect extensive consultations carried out through the GFMD, based on an earlier consultation document. They are also informed by the conclusions of a study commissioned from PwC and from other consultations with international donors and other agencies that support independent media. The GFMD and PwC documents are attached as Appendices 1 and 2, respectively.

GFMD FEEDBACK

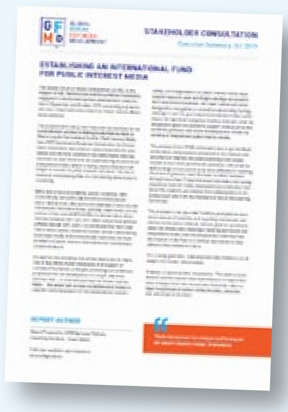
The GFMD report summarised feedback from more than 21 key informant interviews, together with survey responses from 87 media development practitioners from the GFMD network (especially from the Global South and the GFMD steering committee). The GFMD consultation concluded that: "the proposal to set up a new Fund has prompted an enormous amount of attention and is galvanizing momentum and interest in the sector. Overall, there is a general agreement about the threats and challenges faced by journalism and independent media, and this enquiry has confirmed that the creation of the Fund or a similar mechanism to help address these issues is critical – 'It's a really good idea. It would potentially mobilize a lot of support for media' (interviewee). However, to quote another respondent, 'the devil is in the details.'"

Feedback focused particularly on the need for more detail about how the Fund's governance and structure would work but it clearly pointed to having a small Corporate Board with an Advisory Council.

Feedback on the IFPIM governance structure was in response to initial recommendations in the consultation document, which suggested three different options:

- **Option 1:** A representative 21-person Board made up of people from, or credible to, the international media and journalistic communities, donors, the UN, private sector, regional representatives of the media development community and experts in fund/financial management.
- **Option 2:** A small, nine-person Corporate Board principally made up of people from, or credible to, the international media and journalistic communities, together will key donor representation and people with financial/fund management expertise.
- **Option 3:** A hybrid with a small Corporate Board and a larger Advisory Council, with the chair of the Advisory Council sitting on the Board.

The GFMD consultation feedback significantly favoured option 3, with almost 44% of survey respondents choosing option (compared to 32% for option 2 and 27% for option 1. Option 3 was also favoured in many other discussions and consultations carried out by James Deane at BBC Media Action to inform this feasibility study. This option forms the basis of the governance model outlined later in this section.



RECOMMENDATIONS FROM PWC

The PwC report did not recommend any one governance model but made it clear that any governance structure should be underpinned by key principles such as independence from organisations that might benefit from the Fund, fiduciary competence and resilience to corruption. This suggests that having a Corporate Board makes most sense. The PwC report also highlighted the role and value of an Advisory Council.

FEEDBACK FROM AGENCIES

Informal feedback from some multilateral and bilateral development agencies, and former senior officials at these agencies, voiced serious reservations that the original consultation document excluded the governments of countries designed to be IFPIM beneficiaries from the recommended governance structure. They argued that the Fund would find it very difficult to command credibility and legitimacy if reform-minded governments in particular did not have a stake in its success, and if they were entirely excluded from its policy-making.

These agencies considered the multi-stakeholder partnerships strategies outlined in the consultation document to involve these governments useful but insufficient. This concern was amplified by the original suggested governance structure including provision for donor governments to be represented on an IFPIM Advisory Council. It was felt that this would almost guarantee that the Fund would become a political target, that it could be accused of a neo-colonial agenda and would lack legitimacy among even reform-minded governments. While it was acknowledged that the Fund's governance needed to be immune to editorial interference (especially from governments), agencies involved in consultations made strong arguments to address this in a recommended governance structure.

The revised governance proposition set out below seeks to address these concerns.

Principles of the IFPIM governance structure

The proposed IFPIM governance structure is guided by a set of clear principles:

Diversity: Gender diversity will be essential, with an equal number of women and men on the IFPIM Board (or as close to that as possible as the total number of Board members is an odd number). A similar proportion of Board members should be from countries typical of those the Fund is designed to benefit. A majority of Board members should be drawn from, or be clearly relevant and credible to, the media and journalistic community and be in an expert position to safeguard editorial independence.

Independence: Spending priorities will be principally determined by the Board, not by donors. As well as representing good practice, this principle has the additional advantage that those who financially support the IFPIM could not be accused of using their funding to interfere in the internal affairs of countries where funding is focused. The Global Fund for AIDS, TB and Malaria assures this principle by insisting that those contributing to the fund cannot direct their funding to specific projects or areas, and that it is the organisation's responsibility to allocate resources appropriately based on the needs of beneficiaries. Some consideration could be given to whether donors can suggest allocation of all or part of their funds to one of the four support baskets (international support, national support, investigative journalism or learning). Donors would need to have the option of restricting their funding geographically, given their own commitments to where their funding will and will not be spent. Governments, representatives of political parties, interests or similar affiliations, should not be represented on the Board.

Expertise: Board membership should comprise those people best qualified and in the best position to govern a Fund of this kind. People will be appointed based on their expertise and credibility, not on their organisational affiliation.

Avoiding conflicts of interest: No Board member could normally represent an organisation that would financially benefit from the IFPIM although, if sufficient recusal and other arrangements were put in place, there may be exceptions to this to ensure that the Board consists of people who are sufficiently knowledgeable about the challenges and opportunities around media assistance.

Recommendations for the IFPIM Board structure

It is recommended that there should be a corporate, nine-person Executive Board that will meet every six months, and a 16-person Advisory Council that will meet annually. The Chair of the Advisory Council will sit on the Executive Board. The Board will set policy, strategy, and will hire and hold the IFPIM Executive Director to account. The Advisory Council will represent a range of stakeholders and inform the Board's policy and strategy, but will not have any direct role in decision-making.

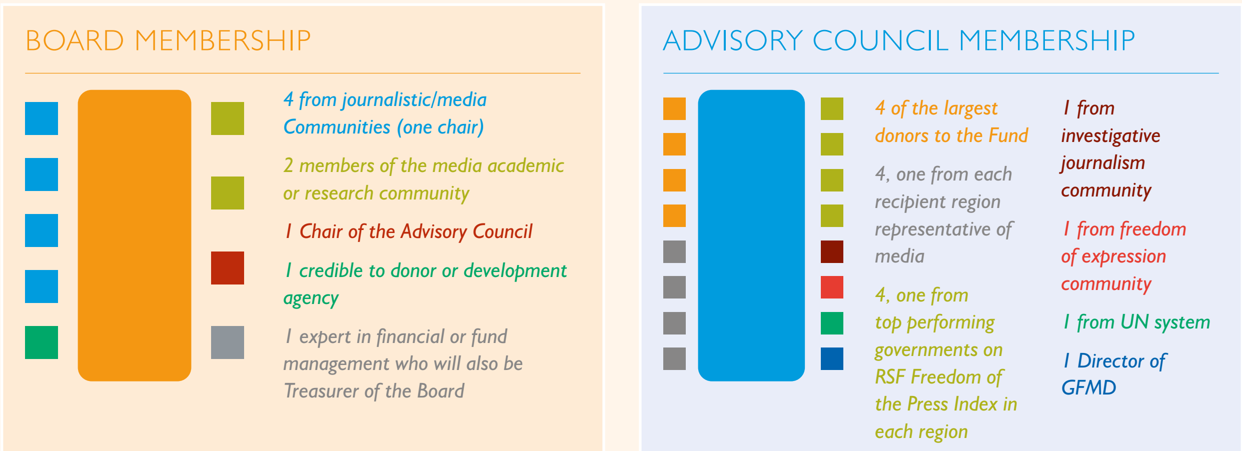
Board membership

It is proposed that the IFPIM Board will, informed by the principles set out above, be made up of the following people:

- Four professionals or former professionals who can bring a diversity of skillsets drawn from the media, media development or media funding communities – with at least two of these from countries of the kind prioritised by the Fund. They will need to command the trust and respect of a wide range of media professionals and have management or other similar experience relevant to overseeing the running of such a Fund. They will act in their personal capacity (not representing any one organisation). One of these professional members will be the Chair of the Board.
- Two members of the media academic or research community, with at least one of these from countries that reflect the kind prioritised by the Fund.
- One highly respected figure credible to donor or development agencies, such as a former head of a development or donor organisation, philanthropic

BOARD MEMBERSHIP SHOULD COMPRISE THOSE PEOPLE BEST QUALIFIED TO GOVERN A FUND OF THIS KIND

FIGURE 5 IFPIM BOARD AND ADVISORY COUNCIL MEMBERSHIP



foundation or a similar entity, or a former diplomat but not someone currently serving in such a capacity. This person may be Deputy Chair of the Board.

- The Chair of the IFPIM Advisory Council.
- An expert in financial or fund management who will also be Treasurer of the Board.

Major decisions on IFPIM strategy will normally be expected to be unanimous but, in the event of a majority vote, would need to be decided by a majority of at least 7 to 2. This is to prevent any one voting bloc having undue power on the Board.

Two Board committees will be established. One will focus on finance and audit issues. The other will focus on donor liaison, ensuring that proper dialogue and engagement is maintained with key Fund donors .

IFPIM Advisory Council

The proposed IFPIM Advisory Council structure is designed to reflect the interests and perspectives of different stakeholders of the work supported by the Fund. It should consist of:

- One person from each region focused on by the Fund who is considered representative of, or credible to, the media and media support communities in that region (totalling four people, one from each of Latin America and the Caribbean, sub-Saharan Africa, the Middle East and North Africa, and Asia and the Pacific with precise regional delineation to be determined by the Board)
- The Director of the GFMD
- One person from the investigative journalism community
- One person from the freedom of expression community, or from the Information and Democracy Forum
- One representative from each of the Fund's four largest donors, of which at least one should be from a non-governmental foundation or private sector donor
- A joint representative from the UN system on behalf of UNESCO and UNDP
- Representatives from the governments of the top performing country from each region of the Reporters without Borders Freedom of the Press Index (comprising a total of four countries/council members overall).[iv]

Government representatives from each region would have a two-year term but can be renewed if the government

[iv] If this were to happen in 2020, these countries would be Namibia, Jamaica, Samoa and Tunisia. An alternative index might also be considered or a composite of existing indices drawn, for example, for any suitable combination of Freedom House, Open Government, Right to Information and Press Freedom indices. This may result in larger countries being more likely to be represented (who may be disadvantaged in existing indices). A further alternative would be to have some election or selection system from the top two or three countries in each region.

continues to occupy first place on the Reporters Without Borders Freedom of the Press Index. Other terms will normally be three years, although a system will need to be introduced to ensure that, over time, membership terms are staggered to ensure proper continuity (so that the whole Advisory Council membership does not expire at the same time).

The Advisory Council Chair will be elected by the Advisory Council and will also serve on the IFPIM Board, as noted above. The Advisory Chair cannot be a government representative (representing either a government donor or a Fund recipient government).

Structure of the IFPIM

The proposed IFPIM structure will comprise four pillars which are summarised here but described in more detail in Part 4.

PILLAR 1: Supporting independent media at a national level through a series of regional centres.

PILLAR 2: An international funding stream focused on:

- Supporting independent media at a national level where working at a national level is constrained by political, legal or other restrictions (see Box 5). This would be channelled through existing regional or international media support organisations
- Support to transnational media entities contributing to the Fund's mission (for example international journalism, citizen journalism or other media networks)

PILLAR 3: An Investigative Journalism Fund

PILLAR 4: A What Works Unit

This will be established as an agile learning entity capable of ensuring that IFPIM decisions are informed by the best possible research and analysis of which strategies are likely to be most effective.

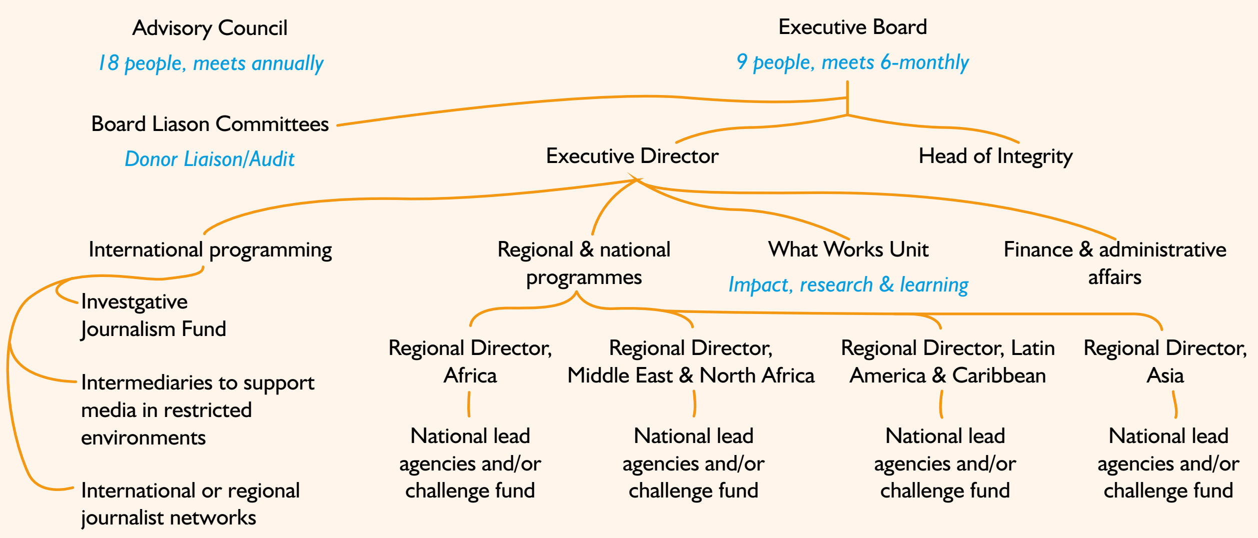
Responses to a July 2019 consultation document suggested widespread support for the first three of these pillars. The fourth pillar has been added following donor feedback that the Fund's original proposed learning component was insufficiently well prioritised.

For managerial efficiency, it is suggested that all international operations (the Investigative Journalism Fund, support to international media development organisations, and transnational media networks) are operated from a single International Division.

Finally, IFPIM will need to be as resilient as possible to corruption. Among other measures, it is suggested that it should appoint a Head of Integrity would have the power to investigate any potential wrongdoing, carry out inspection visits and monitor and assure systems to protect against corruption. S/he would report directly to the Board.

An outline structure based on this model is provided below (see Figure 6).

FIGURE 6 PROPOSED IFPIM ORGANISATIONAL STRUCTURE



IFPIM establishment, registration and/or hosting

The research and consultations preceding this feasibility study examined whether the IFPIM should be established as a new, standalone entity or whether it could be hosted within an existing organisation. This feasibility study concludes that it should be established as a standalone entity but, for transparency, the following text sets out how other options were reviewed and discounted.

There are cost-effectiveness arguments for the IFPIM to be hosted by an existing organisation that could provide financial, operational and other functions that would otherwise have to be developed afresh.

The criteria for any host would include:

- guarantees of independence from government
- strong financial, fiduciary and administrative capacities capable of handling large financial volumes and ideally of managing similar international funds
- experience of working in fragile and resource-poor contexts
- having a mission consistent with the aims of the Fund
- the capacity to command credibility with both the donors and the media development and journalistic communities, especially among beneficiaries of the Fund.

Based on these principles, potential hosting arrangements were explored. These include: the World Bank, which hosts many trust funds, global partnerships and global facilities; the UN, including UNESCO – which has recently established a new Global Media Defence Fund with support from the UK Foreign and Commonwealth Office; existing media development and media investment institutions; and private sector organisations or consultancies.

The IFPIM feasibility study also examined how other similar funds were established and managed, but in the great majority of cases these were established within a governmental framework. For example, decisions on proposals for funding through the Global Fund for AIDS, TB and Malaria are mostly made at a national level (subject to review by expert technical review panels) through a process managed by governments.

There are numerous other examples of trust funds, financial intermediary funds and other funding mechanisms being hosted by the World Bank or other multilateral development banks, as well as some situated within bilateral development agencies (such as the Millennium Challenge Corporation set up within USAID). There are some attractions to considering the World Bank trust fund or financial intermediary fund model, which is designed to provide support for global public goods, focused on resource-poor and fragile contexts and has a strong focus on knowledge and innovation. There is also some flexibility in governance arrangements of these funds. However, as a World Bank review acknowledged, most trust funds are small with 10% of such funds constituting three-quarters of the Bank's total trust fund portfolio.[93] More importantly, any fund using this model would need to come under an intergovernmental or governmental mandate that, in the context of a fund to support independent media, would be difficult to immunise from perceptions of governmental interference.

Informal discussions with a range of multilateral development agencies suggest there would be little appetite for hosting a fund involved in what is perceived as a complex and potentially politically sensitive area. As discussed above, the IFPIM governance will need to be independent of any existing organisation and have clear credibility among both recipients and donors. No existing organisation appears to have the governance arrangements and capacities that would be required.

The proposed IFPIM is distinct from almost all existing media support interventions in that it would disburse funds directly to specific media institutions. It is also designed to operate at substantial scale, where the need for clear accountability and reporting lines will be crucial. It will be operating in a politically sensitive and potentially contentious sphere and, most vital of all, it will need to be as immune as possible to accusations that governments, donors or other interests have a role in shaping who should, and who should not, benefit from its funding.

None of the options explored were found capable of meeting these conditions without complicating the proposed governance structure outlined above, leading this feasibility study to conclude that the IFPIM should be set up as a new, independent entity.

This analysis was largely confirmed by the independent analysis carried out by PwC, drawing on the experience of other funds set up within the development system (see Appendix 1 for the full PwC report). It concluded: "Independence in governance, ongoing management decisions, editorial powers and in perception of Fund activities is essential for the Fund to establish legitimacy and to command credibility. It should also safeguard against possible accusations of the Fund acting as an agent of any international interest or agency. Housing the Fund in a multilateral system is unlikely to enable the Fund to reach full independence given the need for diplomatic consensus and freedom from vested interests. As such this is an unlikely option for the Fund's structure."[94]

The IFPIM feasibility process also gave consideration to the possibility of appointing a fiduciary sponsor from an existing media support organisation as a way of avoiding the expense of creating an entirely new financial management system . This sponsor could potentially have provided the technical management of the Fund's finances, grant-making and reporting, thereby saving costs in the Fund's establishment phase. This sponsor would not be involved in decision-making on who receives funds and nor would it play a role in the Fund's strategic priorities or management beyond processing and accounting for payments. In practice, this is likely to prove complex. It is vital that IFPIM has clear accountability structures. Being established or technically managed within another organisation would potentially create dual accountability structures to the IFPIM Board and that of the host organisation. Such a large initiative could also unduly distort the strategic priorities of any host organisation. Although this option has not been entirely discounted, and expressions of interest will be explored in the Fund's establishment phase, the principal working assumption is that the IFPIM would need to be established as a standalone entity.

Luminate has already agreed to work with other donors to support the establishment of an initial, small-scale Secretariat for the IFPIM, with the aim of mobilising resources and political support, and establishing the Fund as an operational entity (for more details, see Part 9). The formal status and location of this Secretariat will be an interim arrangement, pending further consultation and decisions on the Fund's final location and legal registration.

IFPIM's scale, cost base and where funding would come from

The proposed ambition of the IFPIM is to reach an annual target of $1 billion. Feedback and analysis suggests that is not unrealistic in the medium term. However, establishing the Fund would still be worthwhile if the resources raised were initially substantially smaller than this.

An indicative budget for the IFPIM's initial operating costs in terms of salary, travel, office and administration costs is approximately $4 million per year, based on the governance structure set out above and assuming all four pillars were pursued. The Global Fund for AIDS, TB and Malaria spends approximately 7.5% of its overall budget on operating costs. The IFPIM would not exceed this spending threshold and would aim to fall significantly below it. That would suggest that, unless the Fund was confident of attracting at least $60 million per year, establishing it would not be worthwhile. A minimum of $100 million per year is an initial budget expectation although, as set out below, a realistic budget could be well over four times that amount. A much larger target would in reality be expected with the larger the contributions the lower the operating expenses in percentage terms so a larger than minimum budget is both more desirable and more cost-effective.

The principal sources of funding for the IFPIM are expected to be bilateral development agencies and technology companies. The former are most likely to provide funding on an annualised basis in three-, four- or five-year commitments. The latter may either provide annual contributions or large upfront endowments, which will reap a more sustained rate of annual return.

> THE IFPIM GOVERNANCE WILL NEED TO BE INDEPENDENT OF ANY EXISTING ORGANISATION AND HAVE CLEAR CREDIBILITY AMONG BOTH RECIPIENTS AND DONORS

> A MINIMUM OF $100 MILLION PER YEAR IS AN INITIAL BUDGET ASSUMPTION – A MUCH LARGER BUDGET WOULD IN REALITY BE EXPECTED

As outlined above, just 0.2% of official development assistance is currently allocated to institutional media support, and a key factor constraining more funding is a lack of capacities and systems within the development system to be confident of spending additional funding effectively. The existence of an IFPIM would address that challenge. Doubling the level of current development funding for independent media would raise an additional $550 million – in addition to any support provided by technology companies and others.

This feasibility study is substantially addressed to international development agencies, particularly bilateral development agencies that are in a position to recognise the gravity of the governance and development challenge presented by the current media market in resource-poor and fragile settings but that do not have sufficient structures or capacities to substantially increase their funding. To ensure the legitimacy and credibility of IFPIM, only bilateral development agencies (or similar entities) of governments in the top 70 of the Reporters without Borders Press Freedom Index would be eligible to provide funding

It is also addressed to large technology companies that want to demonstrate their commitment to supporting public interest media in resource-poor and fragile settings. Large-scale support through the IFPIM would strongly enhance their reputation and commitment to supporting public interest media and help immunise any perception that their support was tied to advancing their own agendas or technologies. It is important that such support does not preclude these companies adopting other measures within their own remit and ambit designed to boost independent media (such as increasing advertising rates for resource-poor countries where possible).

Individual philanthropists and high-net-worth Individuals and foundations who want to support public interest media around the world, or indeed in their own countries, but who do not want to create their own foundation may also find the IFPIM an effective mechanism through which to channel their funding.

It is also worth highlighting some financial principles the Fund should adopt to make it as attractive as possible to international development and other potential supporters. Keeping operating costs to a minimum from the outset will be key, including benchmarking salary and other costs at a reasonable level. The proposed IFPIM is designed to address a challenge of market failure. It is not designed to be a financial investment fund, or to be equivalent to a government vehicle, non-governmental agency or a private sector organisation. It is designed to support public interest media, and salaries and other costs, such as travel, should be benchmarked against how similar organisations drawing on public support operate. Public service broadcasters such as the BBC may provide a useful model for such benchmarking, where salaries are significantly below the commercial market rate and expectations are that travel and similar expenses use economy class rates. While establishing the Fund as a standalone entity for the reasons outlined above will create additional establishment costs, being a standalone entity should lead to significant savings in ongoing running and management costs.

Other arguments have been advanced to increase resources for public interest media, including support from technology companies. In 2017, Professor Emily Bell, Director of the Tow Center for Digital Journalism, argued that the four or five leading technology companies could each donate $1 billion "for a new type of engine for independent journalism."[95] Free Press, a US non-profit advocating for a more just and equitable media system, argues for a new US tax to be levied on technology companies that derive most of their revenue from advertising. It suggests a tax "against targeted advertising to fund the kinds of diverse, local, independent and non-commercial journalism that's gone missing, and to support new news-distribution models, especially those that do not rely on data harvesting for revenue." It argues for a Public Interest Media Endowment to handle such revenue. It also points to other countries considering levying taxes on technology companies, including Australia, Austria, Belgium, France, Italy, Malaysia, South Korea, Spain and the UK.[96]

The IFPIM proposition is focused explicitly on resource-poor contexts and does not take a view on whether revenue from technology companies could come in the form of levies or from philanthropy. If these ideas progress, it is possible that the IFPIM could constitute an effective vehicle for resources to be distributed to media in resource-poor settings. It is also possible that if international development actors took a lead in creating an IFPIM, it could liberate far greater volumes of funding from the technology and other sectors, and even potentially provide a model for how such a funding mechanism could exist beyond resource-poor contexts.

> JUST 0.2% OF ODA IS CURRENTLY ALLOCATED TO INSTITUTIONAL MEDIA SUPPORT

PART 4

THE INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA STRUCTURE, PRIORITIES AND OPERATIONAL MODEL

This section provides more detail on how an IFPIM would be structured, what its strategic priorities should be and how it would operate. Underpinning this proposition are a set of criteria rooted in a determination to make the Fund:

- As cost-effective as possible
- Credible to its recipients and stakeholders
- Clear about its priorities and its capacity to generate impact
- Capable of getting financial resources to support the balance sheets of struggling media organisations (not just skills and capacity building)
- Able to learn what works and what does not.

It is proposed that the Fund has three funding streams:

1. A series of regional centres to fund local or national public interest media institutions

2. A fund to support investigative journalism

3. The channelling of support for independent public interest media through existing international and regional media development organisations.

All of this work would be underpinned by a What Works Unit focused on lesson learning and research.

Four regional offices for the Fund, covering sub-Saharan Africa, Asia, the Middle East and North Africa, and Latin America and the Caribbean, would be established. The location of these offices would be chosen based on the relevant region's governmental commitments to media freedom, appropriate regulatory and legislative environments, and other enabling factors.

An international headquarters would focus on grant administration to international bodies, including to international investigative journalism, administration, external communication, governance and learning, and impact assessment. No assumption is made on the geographical location of the headquarters.

The Fund's investment in public interest media organisations is likely to focus on four particular areas where existing support does not tend to maximise impact, as outlined below.

Long-term support: The challenges these organisations confront are the inability to plan over the long term, to invest in proper lesson learning and audience research, and to invest in long-term partnerships. The IFPIM would explicitly focus on a long-term time horizon. This would include providing medium- or long-term funding to national or international organisations that have received start-up funding from foundations or others and developed a clear and proven track record of impact, but which are unable in current market conditions to develop a fully sustainable model.

Addressing market failure: An IFPIM could explore additional ways in which partner media institutions can be supported to improve their balance sheets and financial sustainability.

A public interest imperative: A consistent challenge is that media support and other international media NGOs tend to have to report against multiple donor requirements and metrics, which can have the effect of distorting their incentives towards prioritising the issues or impact indicators requested by donors. This can shift their focus attention away from a focus on partners or citizenries. A key focus of any IFPIM support would be to address this challenge.

Impact and lesson learning: The challenges of achieving greater sustainability among public interest media organisations are, as detailed above, considerable. Many organisations are experimenting with different approaches and models, but systems for capturing and sharing learning of what works and does not work in ways that can best influence future practice are extremely poorly developed. The IFPIM would invest both in its own systems for doing this with its partners and in the capacities of media support

FOUR REGIONAL OFFICES FOR THE FUND COVERING SUB-SAHARAN AFRICA, ASIA, THE MIDDLE EAST AND NORTH AFRICA, AND LATIN AMERICA AND THE CARIBBEAN WOULD BE ESTABLISHED

organisations to better capture such learning.

The division of funds between different funding streams will be decided by the IFPIM Board. The following section examines each of these in turn.

i. National and local level media support

The central challenge the IFPIM would need to confront is the lack of money available to national and local level media. The first, and most complex, strand of the Fund's work would focus on addressing this challenge.

Any strategy that involves resourcing public interest media institutions needs to address clear challenges. These include the need to:

- Avoid any undue distortion of the media market and act in a way that creates incentives for further financial investment (both public and private) in media
- Minimise potential accusations of political interference by focusing on support to media that is genuinely independent of political parties and other partisan actors, and that focuses on the broad public interest
- Encourage innovation, entrepreneurialism and revenue maximisation and avoid breeding a culture of dependency
- Be rooted in the media development paradigms and agency of the different priority regions or nations[97]
- Avoid falling foul of national legislation and regulatory restrictions, which sometimes prohibit international investment or support to domestic media
- Ensure that funds are not used to unduly prop up the profits of private owners or provide an excuse for them not to invest in public interest journalism and capacities.

The IFPIM's national funding strategies would be administered from a regional base. The purpose of any national media funding strategy would be to provide resources to enable media institutions to serve a public interest independent of political influence. Their strategic focus would be designed to complement and, where appropriate, financially contribute to existing capacity-building strategies by national and international media support actors, but their central purpose would be to increase the financial or human resources available to independent public interest media.

A key concern for donors that want to ensure that greater financial support is provided to independent media institutions is how to do that without interfering in the political preferences of citizens or distorting a media market that should be shaped from within a society, not determined by outside funding. While support for training, capacity building and other institution strengthening strategies is considered acceptable, many donors find the idea of funding specific institutions problematic. However, as shown above, financial support is what is ultimately required if market failures are to be addressed and media markets are to work. While the structure and governance of the IFPIM are designed to make the navigation of these tensions easier, regional offices will need to build their knowledge, legitimacy and in-country relationships, and tailor their strategies carefully to the complex and distinct realities of the countries in which they are working.

The task of this feasibility study is to assess the feasibility of such an IFPIM, not direct its strategy (which will be the task of its Board), so this document is necessarily tentative in mapping out specific funding and financing approaches. However, likely strategic principles include:

- Having a context-specific design phase rooted in a clear understanding of market dynamics and a high degree of flexibility around whether to work in liaison with governments and/or work with or through a media industry body. In all cases, the IFPIM would have to pay a great deal of attention to building and maintaining legitimacy especially with local or national stakeholders.
- Having a clear strategic view of how support over time will lead to the conditions that maximise the potential of a successful long-term exit strategy. This means

REGIONAL OFFICES WILL NEED TO BUILD THEIR KNOWLEDGE, LEGITIMACY AND IN-COUNTRY RELATIONSHIPS having both a proactive and reactive strategy, focused on finding solutions to a set of market challenges that are currently largely insoluble.

- Understanding strategic dilemmas and being prepared to adopt different approaches in different contexts. For example, being open to (and creating the conditions that encourage) new, non-traditional actors and approaches – often with a lower cost base – rather than necessarily sticking with established institutions or actors, while at the same time recognising that new entrants may struggle with market failure as much as, or even more than, existing ones with established brands and audiences.

- Developing a set of principles guiding which institutions are eligible for investment and which are not, including taking into account issues of media ownership.

- A focus on long-term institutional support, but with a clear view that the purpose of that support is to ensure greater generation of public interest media content that is capable of engaging people across society.

- Any support would need to be provided in a context that rewards existing efforts to maximise revenue and diversify income, and which commands public engagement and trust.

An IFPIM is likely to deploy three sets of strategies or a mix of strategies to support national and local level media.

The first is to explore funding through appointing a lead agent within the beneficiary country, where this is relevant, capacity exists and fiduciary safeguards can be assured. This could be a media association, an existing media support NGO or another entity. This is closest to a model recommended by PwC in a report commissioned for this feasibility study (included as Appendix 1). PwC argued: "The country governance model adopted by the Fund should allow for flexibility in specifics across different geographies. Adopting a Lead Agent model similar to that used by the Start Network[v] will enable the Fund to create a local/regional presence without the operational cost of establishing new offices and allow for coherence and efficiency in activities. The Lead Agent should be a player that operates to serve the media market system, not a media player in its own right."

The second potential approach is to adopt a national or challenge fund approach managed from the regional centre, setting clear criteria for support. This would have the advantage of being open to new and diverse participants. A call for proposals directly from the regional centre would be issued and it would process those directly.

The third possible approach is to take a more traditional donor approach, based on a design and consultation phase and clear relationships with particular organisations based on the specific context and strategy.

The long-term strategy informing decisions on the IFPIM's precise funding modalities will be shaped by the measures outlined in the Fund's potential exit strategy (outlined in Part 6).

It is also proposed that the Fund would support, either directly or through intermediary organisations, processes of multi-stakeholder partnerships in key partner countries, which would also guide its strategy. Several media development organisations already support or convene neutral spaces for debate and dialogue between different stakeholders, focused on improving legal and regulatory environments or finding ways to improve the quality and sustainability of independent media. A multi-stakeholder approach supported by the IFPIM would form part of a demand-driven process. According to Mark Nelson of CIMA, this process requires, "analyzing the enabling conditions, examining shortcomings, and prioritising solutions. It entails deep understanding of local institutions, behaviours, customs and governance practices [and] can seek solutions from within countries."[98]

IFPIM WOULD SUPPORT PROCESSES OF MULTI-STAKEHOLDER PARTNERSHIPS IN KEY FOCUS COUNTRIES

[v] The Start Network originally founded in 2010, brings together humanitarian agencies to improve collaboration to deliver humanitarian aid more effectively.

The IFPIM's second key funding stream would focus on supporting collaborative investigative journalism

While restrictive or authoritarian policies in some countries would mean that government engagement in such processes may not be appropriate, that would not always be the case. The Open Government Partnership has a strong record of bringing together companies, CSOs and governments to improve strategies focused on improving public access to information and increasing government transparency, including the development of national action plans, which could also provide a model for such multi-stakeholder processes. These processes could provide a model for developing a clear strategic framework that would inform the IFPIM's priorities for spending within any one country.

This would have the further advantage of providing a broader funding priority agenda that, if the IFPIM did not have the resources to support all requests, could inform other domestically available donor funding. Such multi-stakeholder processes could be accompanied by support to organisations or people specialising in broader community engagement.

ii. An Investigative Journalism Fund

The second key funding stream would focus explicitly on supporting collaborative investigative journalism. This would be channelled through well-established international or regional investigative journalism organisations, many of which already accept funds from a wide variety of donors, including development agencies. This fund would form part of an IFPIM International/Global Division operated from its headquarters. Whether funding through IFPIM would support investigative journalism at a national level, and to the extent that it did whether it would do so through the regional centres or from headquarters, would be determined by the IFPIM Executive Director and Board.

An existing proposition has already been developed for a Global Fund for Investigative Journalism by the Organised Crime and Corruption Reporting Project. A scoping document designed to flesh out that idea argued that it would create an international basket of pooled public and private funding streams.[99] While that fund is a separate initiative focused on generating revenue, especially from non-traditional sources (such as potential levies on World Cup ticket sales), feasibility work done for that project is useful in guiding how IFPIM funding to investigative journalism might work. Its principles include:

- The goal is for sustainable, multiple streams of income that add to the overall pool of money for investigative journalism around the world, rather than seeking one-off donations that compete with funding currently available to existing individual investigative journalism organisations

- Journalism supported has to be independent of any directives from funders

- Funders cannot approach journalists for information about new or ongoing unpublished investigations

- Funders are not exempt from media coverage by journalists in receipt of funding

- Grantees are expected to undergo standard vetting to ensure they have appropriate capacity to manage the funding.

In addition, the International Fund could support other country, regional or global media support funds or funding streams that fell within its mission.

iii. International and regional media support

Four types of organisation could be funded through this stream.

The first is support to international media development organisations with the capacity to work in settings where legal or other restrictions do not easily allow the IFPIM regional centres to work. There are many settings where the legal environment does not permit such funding (see Box 5), although there are also more recent signs of governments, such as Ethiopia and Sudan, taking a newly open approach. As part of the IFPIM's potential long-term exit strategy, Part 6 highlights how this funding stream might help to flip some of the political and economic incentives that are shaping increasingly restrictive media environments. Support to media in more restrictive environments through intermediary organisations could, while operating within legal restrictions, particularly assist the development of capabilities to better enable media organisations to meet the challenge of market failure.

Second, the IFPIM could provide other support to existing international and regional media support organisations to maximise capacities to address market failure. These organisations focus principally on building the capacity of partner media institutions. This tends to involve a particular emphasis on developing media institutions: professional, editorial and production skills; business and financial management; understanding of audiences; and other capacities necessary to report the news fairly, serve their audiences and the public at large, prosper financially and maintain their independence. These activities also encompass supporting media programming that underpins democratic debate, fosters dialogue and social cohesion or enables media institutions to hold power-holders to account.

Also within this sector are specialist organisations such as the Media Development Investment Fund, which focuses on providing low-cost loans to public interest media institutions that would otherwise not have access to such capital. Media development organisations exist at the international, regional and national levels. Most are accredited to the GFMD, which represents the media development sector.

Third, organisations likely to be supported under this strand also include international NGOs working to support the content of public interest media, such as citizen journalism networks.

Finally, there may be other regional, continental, transnational or international initiatives that are eligible for support within the Fund's mission and which a large well structured Fund like this may be well placed to help resource. These could include other smaller scale global or regional funding initiatives designed to support and protect independent public interest media, or initiatives designed to meet the kind of challenge set out by President Kufuor in his Foreword to this study about citizens' lack of access to news and information about the issues confronting a neighbouring country.

A TV in Ramechhap in rural Nepal. Television, like much of the rest of Nepal's media industry, is struggling to survive commercially – making it vulnerable to political influence. PRAKASH MATHEMA/AFP via Getty Images

BOX 5: LEGAL CONDITIONS OF FUNDING INDEPENDENT PUBLIC INTEREST MEDIA

Over the last decade or so, more and more countries have either completely banned or limited foreign funding and ownership of local media institutions. The existence of such laws will clearly shape the strategy of the IFPIM. Other sections of this feasibility study, especially Part 6 on the Fund's possible exit strategies, highlight the potential capacity of the Fund to incentivise greater investment in, and permission for, independent media – but the Fund will operate within clear legal constraints.

Ethiopia's 2008 mass media law, for example, limited media ownership rights to Ethiopian nationals, in an attempt to insulate the country's domestic media companies from foreign political interference. That law is being revised and replaced by a more liberal one, but the new draft law still limits foreigners' media ownership rights to less than 25% of total capital, demonstrating that the government still has a strong stance against potential foreign influence of the country's media. The 2009 Ethiopian Charities and Societies Proclamation prohibited 'foreign charities,' defined as "charities that are formed under the laws of foreign countries or which consist of members who are foreign nationals or are controlled by foreign nationals or receive funds [more than 10% of their income] from foreign sources," from working for the advancement of human rights – which encompasses freedom of the press and freedom of expression.

The Ethiopian media landscape is typical of other resource-poor countries, in that the legal situation in this area is often fast-moving in differing directions.

Since 2018 and the election of President Abiy Ahmed, the Ethiopian legal environment has relaxed substantially,[100] as it has in South Sudan. More authoritarian governments are making rapid lurches, not only in closing down media organisations but also in restricting their capacity to survive by forbidding international investment or funding. Pakistan's 2014 Foreign Contributions Act requires organisations to "obtain prior approval to use foreign funds, and give the government broad authority to review an NGO application or inspect the NGO, with strict penalties for noncompliance." Ukraine enacted a mass media law to register "organizations receiving foreign funding," subjecting them to new reporting requirements, mandatory annual audits, and requirements to brand all of their activities and products accordingly. But such regressive moves are often reversed. In Ukraine, that law has since been repealed.

Compiling a definitive and comprehensive list of which countries permit international funding for media and which do not is very difficult in such fast-moving situations. The overall direction of travel, however, is towards a closing of civic space and an IFPIM would need to adapt to – and, where possible, work to mitigate against – these shifts. According to the Carnegie Endowment for International Peace, which has been tracking this trend and its consequences, "while the issue of closing civic space initially appeared to be a discrete challenge, consisting primarily of restrictive NGO laws and a backlash against cross-border civil society funding, it now appears to be just one part of a much broader pattern of global democratic recession and authoritarian resurgence."[101] The organisation also points to Freedom House data showing that, from 2006–2019, associational and organisational rights eroded in 43 countries while they improved in just 16.[102]

UNESCO argues that, within certain limits, international funding for public interest media, at least in terms of support to community media, is important. "Foreign funding – both bilateral and multilateral, including from sources like UNESCO and the World Bank – is a very important source of funding for community broadcasters in many developing countries, and it is obviously important for these broadcasters to have access to this form of funding." It does acknowledge that it may be appropriate to place specific limits or conditions on such funding but argues, "any limits [on media funding] can be justified by reference to a legitimate goal, such as protecting the independence and community nature of these broadcasters, for example against funding with religious strings attached to it."[103]

What the IFPIM would not do

The IFPIM would focus explicitly on addressing the media market failure challenge in resource-poor countries and issues connected to that market failure. It is designed to complement and strengthen, not duplicate, the work of existing efforts to support the development and optimisation of media business models. To take just one example, the Media Development Investment Fund has commercial investment expertise that the IFPIM would not replicate but may want to link up with. In detailed and highly constructive informal feedback to the 2019 IFPIM consultation document, UNESCO asked this feasibility study to clarify that the IFPIM would neither seek to extend its remit beyond its mission, nor duplicate the existing work of other organisations such as UNESCO in this space. Appendix 3 uses the UNESCO Media Development Indicators to provide a comprehensive list of media support strategies, indicating what the IFPIM would be directly engaged in addressing, which it would be indirectly engaged in addressing and which it would not significantly seek to address.

PART 5

EVALUATION AND LEARNING AT THE INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA

It is recognised that the IFPIM would require substantial resources and, in common with some other international funds like The Global Fund for AIDS, TB and Malaria, the prospects for addressing these challenges in the medium term look very difficult. If a medium- to long-term commitment to IFPIM is being requested, robust measures that deliver clear public, governance and development impacts will be expected. At the same time, measures need to reflect and enable the fast-moving and politically sensitive contexts in which IFPIM-supported media institutions will operate.

Key performance indicators and measures

The IFPIM would measure (and support the measurement of) whether independent media it supports have become more sustainable and self-reliant, more editorially independent, and more professional and capable of serving a public interest than they would have been without such support.

Media development organisations have over many years developed multiple approaches to and definitions of media sustainability and viability as well as numerous measurement methodologies, indicators, monitoring systems and progress barometers.[104] Innovation in this field is continuing at a rapid rate as is an increasingly rich literature. These approaches are currently quite fragmented although efforts by the GFMD, newly formed media development consortia and other efforts are seeking to bring greater coherence. IFPIM will draw on and where appropriate synthesise these approaches into clear monitoring and evaluation frameworks for its own performance management. It could also support and work with others to inject greater coherence and develop further innovation to monitoring and evaluation in this field.

The IFPIM would additionally explore ways of measuring public value, contributions to improved governance and contributions to improved development. It would also explore the costs to governance, development and society of not having the capacities and roles that public media institutions are expected to provide so that donors can assess the full value of their investment in the Fund.

An example of a **public measure** might be whether the IFPIM improves the existence, access to and quality of public interest media as measured by the public. This would include survey measures of whether people value, trust and find useful media institutions supported through the Fund, or whether the media it supports covers the issues that are of most concern to them.

Feedback to the 2019 IFPIM consultation, and significant discussion within the Advisory Group established to inform the Fund's development, suggested that a survey-based measure assessing the trustworthiness of the institutions supported through an IFPIM would, in the words of one expert, be an "imperfect but meaningful measure," adding that waiting for the emergence of perfect measures would involve a very long delay to meaningful progress. Survey-based data is becoming increasingly cost-effective as mobile phone and other digital approaches advance. RISJ is already testing such approaches. Respondents are asked if they have heard of a range of media outlets and then to rate them from 'completely untrustworthy' to 'completely trustworthy.' Through this method, it is possible to arrive at an average of 'perceived trustworthiness' among both people who use certain media outlets, and those who only know of them. This safeguards against a potential distortion effect, where people strongly trust the media they agree with even if it is highly partisan. This data can then be disaggregated across gender, politics, class, and so on.

Examples of **governance measures** might include whether the existence of independent public interest media institutions supported or enabled by the IFPIM contribute to specific governance objectives. Such objectives might include: a more informed electorate in the context of elections; movements towards more open, transparent and accountable government; developments towards public debate capable of engaging and reaching across all of society; uncovering corruption; and/or an increase in public access to trustworthy information. IFPIM governance measures would explore whether a value can be placed on these impacts, or a cost placed on their absence (for example, a rigged election or one that leads to conflict). They could also calculate the savings and returns made to the public purpose by investigative journalism efforts at the international and national levels.

Examples of **development measures** of the IFPIM might

ROBUST MEASURES THAT DELIVER CLEAR PUBLIC, GOVERNANCE AND DEVELOPMENT IMPACTS WILL BE EXPECTED be whether public interest media institutions supported through the Fund mitigate against, or build resilience to, misinformation and rumour around issues such as vaccines, sectarian tension or violence, violent extremism, or sexual or other forms of discrimination.

Donors consulted on proposals for an IFPIM have also stressed that formal, statistical metrics will need to be accompanied by **compelling case studies**, narratives and stories of progress to bring the Fund's work to life for donors and decision-makers. The Fund will also need to explain or measure its impact on **helping to achieve the SDGs** (extending beyond SDG 16.10, ensuring public access to information). Such issues will be a key role for the IFPIM Board's proposed Donor Liaison Committee.

Concerns have also been voiced that the Fund would end up having its agility constrained by a set of measurement commitments that are traditional in the international development sector but not necessarily appropriate for the fast-moving digital and political environments that the Fund would need to occupy. However, it is not difficult to envision an evaluation and monitoring framework that matches the impacts that journalists and media organisations want to see with what donors would also want to see. Examples of such metrics of what donors would want to see were often what journalists wanted to deliver: media functioning well in societies and holding authority to account; media covering issues of concern to the public in ways that engaged them; enabling and broadening political participation; improving government responsiveness and accountability; and enabling debate across divides in society.

What would be the learning strategy of an IFPIM?

One of the potentially most useful contributions of an IFPIM would be its ability to crystallise learning of what works and what does not in supporting independent media. Learning systems across the media support community (including both practitioners and donors) are currently very fragmented. Substantial innovation and experimentation is taking place across multiple organisations and multiple sectors – not just in media development organisations but also by major new investments from technology companies – and multiple geographies.

No successful strategy or set of strategies to support independent media can be expected to emerge unless learning is far better organised, shared and acted upon. Recent consideration has been given to establishing a collaborative media development lab to better organise learning of what works and does not across the sector. This, or something similar to it, would be a key function of the IFPIM. The Fund may also consider supporting strategies designed to improve skills within the media development community itself, as well as among donors, including an idea of a media development academy.

This feasibility study proposes creating a What Works Unit as part of the Fund, which could:

- Collaborate with in-country partners, research institutions, international partners and others to more systematically to understand which strategies hold most promise in enabling more sustainable models of media development. These insights would be shared widely among a range of stakeholders and would be designed to inform media support strategies beyond those enabled by the IFPIM.
- Support the evaluation of programme implementation through a range of qualitative and quantitative research methodologies. This would include carrying out media market analysis and nationally representative surveys that would, among other roles, enable the assessment of which media institutions were most trusted and valued by publics.
- Maximise the value of audience data to ensure that it can used by beneficiary media institutions to increase advertising income and provide their audiences with the information they most value.
- Help shape research agendas around media support, and enable collaboration between media support, academic, commercial and other research entities and initiatives.
- Generate and make available, especially to the countries designed to benefit from the IFPIM, timely, accessible research to guide market and policy decisions, potentially including research and working papers, podcasts and other outputs. Depending on resources and demand, the Fund could consider publishing an annual review summarising what works and does not work, and organise an annual conference bringing together media practitioners, researchers, donors and others focused on understanding how best to support independent media.

PART 6

ENABLING MEDIA MARKETS TO WORK FOR DEMOCRACY:

DOES AN EXIT STRATEGY POTENTIALLY EXIST FOR IFPIM?

Journalists from the digital "El Surtidor" website from Paraguay react after winning an innovation award at the 2018 Gabriel Garcia Marquez journalism awards in Medellin, Colombia. The precise form new business models for sustainable independent media are unknowable at this stage but some pathways can be identified. JOAQUIN SARMIENTO/AFP via Getty Images

The proposed IFPIM is designed to support independent public interest media during a period when existing business models are failing but credible new ones have yet to emerge. It is common for global funds to provide support in cases of market failure. Indeed, the largest, the Global Fund for AIDS, TB and Malaria, exists to meet a long-term challenge underpinned by an assumption that funds will be needed for many years to come, and until effective vaccines, cures or prevention finally ends these diseases.

But a new IFPIM could not be expected to gain the kind of large-scale and long-term support it would require unless donors can be reassured that their support will have an end point, and that credible exit strategies would be in place so they could at some stage scale down or halt their support.

Such models are far more likely to emerge if there is a clear, concerted strategy to create the enabling conditions most capable of bringing them about. A clear, strategic locus for forging such conditions is best created through a body such as an IFPIM. Part of the Fund's remit should be to find pathways to new business models in resource-poor settings so that long-term international funding support is no longer necessary. It is difficult to see such a strategy or set of strategies emerging from the fragmented architecture and support systems for international media that currently exist.

The precise forms of a new business model or set of business models for sustainable independent media in resource-poor settings are unknowable at this stage. These are challenges faced by some of the most established media institutions in some of the wealthiest nations on the planet, as well as by some of the best resourced new digital media innovators. A tiny few have found a clear and sustainable business model to date. Finding such solutions in settings focused on by the IFPIM will be far more demanding.

Some potential pathways can, however, be identified. Based on discussions and consultations held to date, seven outline propositions are offered here. Some of these are the subject of substantial current research and experimentation in the news and broader media industries. Others are more speculative. All possible IFPIM exit strategies require substantial additional research and analysis.

Exit strategy 1: Building on current experimentation and innovation in media sustainability

The rationale laid out at the start of this report evidenced the challenge of sustaining independent public interest media in the 21st century. Intensive efforts, substantial experimentation and a great deal of academic and media discourse is focused on finding ways to make public interest media pay.

Documenting all of these approaches in detail would require a report in itself, but in essence they fall into five categories.

1. GETTING AUDIENCES TO PAY FOR NEWS AND INFORMATION

This approach might include membership schemes, subscription models or erecting paywalls for online content, among other options. It also includes creating outputs and developing formats most likely to bring in revenue, including podcasts, video and other products that, in the words of Alan Soon of Splice, "are useful and valuable to… audiences." It often implies taking maximum advantages of the Internet to segment and reach specific, niche communities who want to engage with the content on offer. Some of these options may be relevant to media organisations in resource-poor countries if they can identify a sufficiently meaningful market with the discretionary income to pay for trustworthy news. There are relevant success stories from the industrialised world too. Politiken in Denmark, a comparatively small market in population terms, has reported growing revenue, growth and circulation by adapting rapidly and effectively to new digital realities.[105]

It is questionable whether such models will find a way of building mass audiences among those who cannot afford to pay for news and information in the settings focused on by the IFPIM, but their public and democratic benefits can nevertheless be substantial. If media institutions in these contexts report on issues of public concern, if they investigate and hold power to account, succeed in engaging particular communities, enable journalism capable of sifting fact from fiction and/or empower socially or otherwise marginalised communities, their public interest benefit would be considerable.

However, it is more difficult to envisage such strategies being able to support a media system that enables everyone in a society to access the information that shapes their lives. Nor are these strategies likely to enable platforms capable of generating public debate and dialogue across the divisions in society. Nevertheless, these strategies are likely to be vital components of a functioning public interest media ecosystem.

2. MAXIMISING AUDIENCE REACH

The IFPIM could work to increase revenue from media advertising by maximising audience reach and engagement, and building brands attractive to advertisers.

This feasibility study has already outlined how building online reach does not necessarily translate into increased revenue (see Box 2) but there may be other ways of maximising advertising revenue. The media support organisation Internews – with the World Economic Forum, Vodafone, Bloomberg, Luminate and other partners – established United for News. This is designed to create a global platform for reputable media so that brands that value their reputation know who they can safely advertise with, while at the same time supporting independent media.[106] A converse strategy in the UK is the organisation Stop Funding Hate, which seeks to embarrass companies whose advertising appears next to content generated by websites the organisation considers to be fuelling hatred, with the aim of making such online content unprofitable.

The IFPIM's support to media institutions could also serve as a kite mark of respectability and trustworthiness that might attract large brand advertisers keen to boost the trustworthiness of their own brands, a role the Fund could link to existing efforts such as the United for News Initiative. Such interventions may hold promise in giving trustworthy public interest media a competitive advantage.

3. DIVERSIFIED REVENUE STREAMS

IFPIM-supported media institutions could take advantage of having a trusted or established brand by diversifying their revenue streams, for example by organising events and awards, or diversifying non-news content to build larger income-generating audiences (such as producing comedy or satirical videos on YouTube). Trusted new organisations can also develop specialist monetisable expertise, such as skills in tackling misinformation which commercial and other entities may pay for. As detailed above, these strategies are only succeeding in generating sustainability in a very small number of cases but they will continue to evolve and adapt in the future.

4. LOWER COST JOURNALISM MODELS

As the media business evolves, much more adaptive and lower cost models of journalism are emerging. These can be small in scale, such as media start-ups focused on a

PART OF THE FUND'S REMIT SHOULD BE TO FIND PATHWAYS TO NEW BUSINESS MODELS IN RESOURCE-POOR SETTINGS SO THAT LONG-TERM INTERNATIONAL FUNDING SUPPORT IS NO LONGER NECESSARY specific niche, or much larger like Rappler in the Philippines and Malaysiakini in Malaysia which can have much lower cost bases than legacy media operations.

Such models could potentially extend to public service broadcaster or other media institutions emerging as fresh start-ups unencumbered by the huge staffing, bureaucratic, transmission and other costs of unreformed state media. In a country like Ethiopia, where journalism is used to operating on small margins and where the total advertising pie available to the media is perhaps $5 million per year, even a relatively small contribution from an IFPIM could play a major role in generating long-term sustainability as the overall economy grows – if costs are kept low. However, reviews of the experience of low-cost journalism start-ups in sustaining themselves have not shown encouraging results.[107]

DIASPORIC MEDIA

Finally, there may be some media market characteristics unique to low-cost settings that have so far been relatively poorly analysed internationally. Many resource-poor states have large diasporic populations, for example, who are already sustaining several online media operations and could potentially cross-subsidise domestic focused news and information operations.

None of these approaches currently shows great promise for addressing the central sustainability challenge of how to provide independent public interest news and information across society. But they all have actual and potential roles to play in helping to bring about a functioning information and communication ecosystem.

Exit strategy 2: Supporting common resources/public goods

The IFPIM could assist the provision of common services designed to support a range of public interest media. These could include the services outlined below.

AUDIENCE RESEARCH AND MAXIMISING ADVERTISING REVENUE

One of the most common obstacles to improving revenue is the lack of understanding of a media institution's audience. This not only inhibits improving reach and sales, but also makes selling to advertisers challenging. Public interest media institutions often struggle to find the resources to invest properly in audience research and often lack the skills, or access to skills, to carry out such research. The IFPIM could support a sustained, strategic approach to identifying and understanding audiences capable of benefitting individual or a range of public interest media institutions, and similarly support capabilities to identify and understand advertising markets. It could track audience

The Baraza Media Lab in Nairobi is dedicated to strengthening Kenya's media ecosystem. It is typical of a wave of entrepreneurship focused on addressing the intractable challenges of media sustainability

habits, including trust levels over time, to help public interest media meet those needs.

COMMON RESOURCES FOR PUBLIC INTEREST MEDIA

These might include creating office space for public interest digital or other media to lower costs, or similar strategies around web hosting, printing presses or other shared resources that could be made available to public interest media.

PROVIDING ADVICE

Supporting organisations that have expertise in business development, market insight, marketing strategies and business models to make that advice more widely available and build in-country capacity in these areas.

SUBSIDISED LEGAL SUPPORT

One of the greatest vulnerabilities independent journalists have is not having strong institutions capable of providing legal and other forms of professional support when they are subject to state-sponsored or other forms of interference. The IFPIM could support institutions capable of providing this and encourage a long-term strategy to strengthen such support within countries and to reduce dependence on international support.

Exit strategy 3: Fresh models of public subsidy

Another long-term approach to addressing the financial sustainability challenge for independent media would be to encourage new, or adapt existing, forms of public subsidy.

There are increasing examples around the world of governments acknowledging the scale and democratic consequences of the collapse in media business models, and adjusting public policy accordingly.

One of the most notable has been the Cairncross Review of the future of sustainable journalism in the UK, led by Dame Frances Cairncross. The Cairncross Review's report proposed creating what has now been established in its initial form as a Future News Fund. The UK Government has provided an initial £2 million to this fund to foster new approaches to providing public interest journalism.[108] The government has since committed itself to supporting this fund in the longer term, arguing, "a fund that seeks to invest in new technological prototypes, start-ups and innovative business models to explore new ways to sustainability in a changing landscape will assist the industry in this period of transition."[109] The Cairncross Review also recommends introducing "new tax reliefs aimed at encouraging (i) payments for online news content and (ii) the provision of local and investigative journalism," as well as extending zero-rating of VAT (UK sales tax) to digital newspapers and magazines, including digital-only news publications.

A landmark 2018 European Commission report from the the High Level Expert Group on Fake News and Online Disinformation argued, "public authorities should commit to providing an enabling environment for substantial media pluralism through a combination of de facto and de jure protection of basic rights to free expression and diverse information, including appropriate forms of indirect and potentially direct support for private sector media, and support independent public service media which can help produce quality information [and] counter disinformation."[110]

Other recent examples include an initiative from the Canadian Government to provide CAN$600 million in tax credits and other support, with the funding going to eight Canadian media organisations selected by an independent panel of experts.[111]

Beyond these examples, there is a much longer tradition of public subsidy to independent media – including the provision of free newspaper subscriptions to teenagers in France, government support to provincial newspapers in Sweden, a subsidy to non-dominant newspapers in Austria that provide political, economic and cultural information, and exemption from sales taxes in France, Germany, Ireland, Italy and the UK, among others.[112] [113] Denmark recently and controversially cut funding to its public service broadcaster but increased subsidies to private newspapers to support their capacity to generate public interest content.[114] Milan Živkovic provides numerous further examples in his review of the effects of public subsidy, including from the Netherlands, where local radio outlets receive funds collected via a small tax, French support to community radio outlets that are funded through a special tax on the advertising revenues of commercial media, and the Finnish model of charging a certain percentage of individual income as a public interest media fee.

Živkovic, while arguing that such models could provide the foundation for funding non-profit journalism in southeast Europe, concludes that direct (rather than indirect) forms of subsidy may be more appropriate both to protect media freedom and serve the public interest.[115] He argues that cuts to sales taxes have boosted media profits but not necessarily increased public interest media content. "[Media organisations] get to keep the public funds – to the tune of €525 million a year in Germany, €560 million in Italy, €748 million in the UK, and over €800 million in the US – while they let the market decide on the sort of service they provide in return," he argues.

Conversely, countries that have focused on providing direct subsidies have been most effective at both sustaining independent media and protecting its independence, he argues. Živkovic found that the Swedish, Norwegian, Austrian and French governments had provided direct subsidies to media to the tune of €53 million, €44 million, €11 million and €615 million, respectively. "Hasn't it harmed the competition in the marketplace, not to mention pluralism in the media? Hasn't it turned the media in these countries into mouthpieces of their respective governments? Quite the opposite. During the decade-long newspaper crisis, these countries saw the least shrinkage

THERE ARE INCREASING EXAMPLES OF GOVERNMENTS ACKNOWLEDGING THE SCALE AND CONSEQUENCES OF MEDIA COLLAPSE AND ADJUSTING PUBLIC POLICY ACCORDINGLY

FIGURE 6 DIFFERENT MODELS OF PUBLIC SUBSIDY TO MEDIA IN EURO PER CAPITA PER YEAR

TRADITIONAL MODELS OF PUBLIC FUNDING OF MEDIA AND JOURNALISM

Indirect aid, non-selective (horizontal)

REDUCED VAT-RATES FOR NEWSPAPERS
UK: zero instead of 20% equivalent to 838 million
Sweden: 6 instead of 25% equivalent to 220 million

SUBSIDIZED PRICES OF PUBLIC TRANSPORT AND COMMUNICATION INFRASTRUCTURE
(Post, railways, airways, telephone, internet) and other indirect distribution support
USA: reduced postal rates equivalent to 252.5 million
France: aggregate value of 359.8 million in different distribution subsidies

FAVOURABLE SPECTRUM FEES
Bosnia and Herzegovina: collected fees decreased by 312,600, from 2013 to 2015

SUBSIDIZED PRICES OF PAPER AND PRINT
France: plan "Imprime" for restructuring of printing plants - 25 million

COMMERCIAL TAX BREAKS
France: 200 million

Indirect aid, selective (vertical)

SUBSIDIZED INTEREST RATES AND STATE GUARANTEES FOR LOANS
Italy: 77 million subsidy for 10-year loans

STATE ADVERTISING
UK: 5 million from 11 councils

DIRECT AID FOR PUBLIC NEWS AGENCIES
France: 117.9 million for AFP

REDUCED TRAVEL FARES AND INCOME TAX-BREAKS FOR JOURNALISTS
Belgium: free train and reduced plane tickets, telecom discounts, car lease and purchase
France: 30% income tax break for first 15 thousand earned, terminated in 1996

FUNDING OF TRAINING FOR JOURNALISTS AND MEDIA RESEARCH
Netherlands: 170,000 for research and seminars, 486,000 for employment of young journalists

Direct aid, for private media

SELECTIVE DISTRIBUTION SUBSIDIES
Sweden: 5.9 million for ca 130 newspapers

OPERATING SUBSIDIES FOR THE PRESERVATION OF PLURALISM
Sweden: 49.8 million for ca 90 newspapers

SUBSIDIZED CONTENT OF SPECIAL PUBLIC INTEREST
Ireland: 13.6 million, Serbia: 495,300, Croatia: 3.9 million

SUBSIDIES TO MEDIA WITH LOW AD REVENUES
France: 11.8 million

MODERNISATION SUBSIDIES FOR MODERNISATION AND INNOVATION
France: total of 90.4 million of various modernisation subsidies

Direct aid, for public service

DIRECT BUDGETARY TRANSFERS
Serbia: 61.1 million 2014

HOUSEHOLD LICENSE FEES
Norway: 306.5 per household for 2016; 585 million (113.9)

INDIVIDUAL PUBLIC SERVICE TAX
Finland: 0.68 % (50 – 143 euro per annum) for income range 7,500 - 21,029; 507.9 million

NEW MODELS OF FUNDING FOR NEW MEDIA STRUCTURES – PUBLIC SUBSIDIES FOR NON-PROFIT MEDIA

SUBSIDIES FROM STATE BUDGET
Croatia: 413,800, France: 28.8 million

SUBSIDIES FOR THE PRESERVATION OF PLURALISM
Croatia: 202,800, UK: 492,600

FUNDING OF LOCAL PUBLIC MEDIA
Netherlands: 7.7 million

New sources of funding

LICENSE FEE REFORM
Croatia: a calculation showed that cost and evasion reduction could increase license fee revenue for 123.4 million

ADVERTISING TAX AND PROLONGED WRITE-OFF FOR BRAND CAMPAIGNS
Serbia: 1% advertising tax would create a fund for journalism of 1.58 million

CONSUMER ELECTRONICS TAX
Serbia: 1% of the market is equivalent to 1 million

ISP-REVENUE TAX (CONTENT FLAT-RATE)
Macedonia: 1 euro/internet subscription would create a fund for journalism of 754,000

SPECTRUM USE & AUCTIONS TAX
Croatia: 800-MHz spectrum allocated for 68.7 million

New models of distribution

CITIZENSHIP NEWS VOUCHERS
Croatia: each of 3.5 million citizens above the age of 15 chooses a non-profit medium to receive 13.5 euro from the fund for journalism of 47.6 million

PUBLIC COMMISSIONING
Non-allocated resources from the fund for journalism may be distributed to investigative journalism and new media, via internet voting by all interested parties

TAX DEDUCTIONS FOR CROWDFUNDING
USA: Over 7.2 million raised for more than 800 successful projects through Kickstarter platform, from 2009 to 2016

Source: Živkovic M (2016) Alternative Models for Independent Media Funding: Who Will Pay for Journalism?

in the number of publications. Media systems with no direct media subsidies, such as those in Hungary, Bulgaria, and Croatia, frequently attract criticism for fostering sinister entanglements between media and governments. Meanwhile, countries with a tradition of active media policies, manifested in the direct subsidizing of media, regularly rank highest in media freedom."[116]

Figure 7 provides a useful summary of different models of public subsidy drawn up by Živkovic. A 2014 report from the London School of Economics, which also reviewed different models and experiences of public subsidy, concluded that direct subsidies to specific media "need not compromise media independence if safeguards such as statutory eligibility criteria are in place."[117]

And it is not only governments that are testing fresh forms of public subsidy to existing commercial media. The BBC Local Reporting Initiative in the UK was founded in 2017 in response to the closure of many local newspapers and the sharp decline in reporting on local government issues.[118] The initiative is a partnership between the BBC and the regional news industry, and aims to support public service reporting, sustain local democracy and improve standards of local journalism. The centrepiece of this initiative is the employment of 150 local democracy reporters. The BBC, drawing on £8 million of public (Licence Fee) funding, pays the salaries of these reporters but they are mostly employed by local commercial media institutions, with the specific remit of covering local councils, administrative bodies and public services. The journalism they generate is made available to the BBC and to more than 100 media organisations, representing more than 850 print, online or broadcast outlets, and reaches more than 8 million people a week. The scheme is now being considered by other countries and is being adapted for use in New Zealand.[119]

The IFPIM could, as a key policy interlocutor with the appropriate resources and expertise, be a catalyst for supporting the adaptation or replication of context-relevant approaches to public subsidy – drawing on the best international practice that is likely to continue to evolve in coming years.

Exit strategy 4: Enabling public service media

The process of reforming state broadcasters or national news agencies into public service media capable of adapting to digital and other current demands is extremely challenging. The prospects for such a reform process have diminished in recent years as more governments turn to authoritarianism. Some reform-minded governments, however, are beginning to acknowledge that the alternatives to a public service media system can often command very little public legitimacy (in the case of highly co-opted media systems), a diminishing audience and low levels of trust (in the case of many legacy state broadcasters), or an information environment characterised by growing levels of misinformation, political polarisation and social tension (in the case of entirely unregulated or highly captured media environments). It is possible that some governments may want to explore fresh approaches to public subsidy for independent media, or reform processes to existing state media. This is particularly likely in new political openings in countries such as Ethiopia and South Sudan, and an increasing number of countries (such as Ghana) that are exploring state broadcast reform as part of their response to the misinformation and information trust crisis.

It will be up to the IFPIM Board to determine how the Fund prioritises such high-cost, high-risk but potentially also high-reward strategies. Where governments commit to a media reform process, the Fund could potentially not only part match official funds to galvanise a reform process, it could also provide greater visibility, transparency and disincentives to backtrack on such reform. In this role, the Fund could become a key incubator of new approaches to state media reform in resource-poor markets, supporting the testing of different models in different contexts.

Exit strategy 5: Building creative economies as a pathway to market creation and political self-determination

Throughout much of its history, public interest journalism has been cross-subsidised by non-journalistic sources. This has principally taken the form of classified advertising, which is declining as a source of revenue (as explained above). This feasibility study has already outlined how one path towards pubic interest media sustainability may be found in greater incentives for, and more creative models of, public subsidy but these are highly dependent on political will. However, this political will is in very short supply; most governments remain hostile to, not supportive of, independent public interest media.

One potential, but largely unexplored, source of long-term cross-subsidy to public interest journalism may lie within the commercial media system. Some of the largest media enterprises on the planet cross-subsidise news operations from other forms of income, especially entertainment. While business models for public interest journalism are failing, those for entertainment are often booming. According to the PwC Entertainment and Media Outlook 2018–2022: An African Perspective, entertainment and media revenue is growing rapidly – achieving in 2017 almost $10 billion in South Africa, more than $3.5 billion in Nigeria, more than $1.5 billion in Kenya, and $750 million in Ghana. In all cases, the largest consumer segment was in TV and video.[120] Year-on-year percentage growth in these countries are among the highest in the world (although albeit from a low base). As Internet penetration continues

A woman arrives with the Yennega Stallion trophy of the 2019 Pan-African Film and Television Festival in Ouagadougou, Africa's biggest film festival. While business models for public interest journalism are failing, those for entertainment are often booming. Cross subsidies between entertainment and journalism might form a long term path to sustainability. ISSOUF SANOGO/AFP via Getty Images

to increase, forecasts expect growth to accelerate. Various commercial funds, such as the South Africa focused Africa Media Fund, have been set up to invest in and exploit this growth commercially.[121]

There are both economic and political arguments that might encourage investment, regulatory and donor measures to encourage greater cross-subsidy to public interest journalism. Economically, the sector is in its infancy in most resource-poor countries, and its growth will depend on the economic environments in which it can flourish. Most countries focused on by the IFPIM have young, entrepreneurial, increasingly tech-savvy and often highly creative populations. Boosting the creative industries is increasingly attractive to governments wishing to grow their economies. Creative economies have typically grown where there is a strong enabling fiscal environment, in the form of tax breaks and special enterprise zones. There are also numerous cases where public investment has, in effect, created new markets and new demand. Over several years, the BBC in the UK has built new broadcast hubs in areas characterised by industrial decline, and in doing so has boosted the broader creative and digital economy in these areas.[122]

According to the recent PwC entertainment outlook focused on Africa, there is increasing convergence across the entertainment and media industries. "The boundaries between previously distinct sectors are now blurring in the battle for the attention of the consumer in a world which is rapidly digitising," it argues. The report points to three developments in particular that highlight this global trend: "Firstly, streaming services, TV companies and social networks competing simultaneously over both conventional sports and e-sports rights and TV companies, telcos, tech companies, [streaming] operators and movie studios competing to provide TV content. Secondly, radio stations, podcast companies and streaming services competing to provide radio and podcast content and Google, Clear Channel and ad tech companies competing to provide digital [out of home] services. Thirdly, news publishers are transforming into media companies by hiring [virtual reality] teams and video experts."[123]

There are good economic reasons to consider that a holistic industrial growth approach encouraging both entertainment media and the news sector would be beneficial. The broader economic benefits of public interest journalism are also well-evidenced, with the existence of a free press together with the rule of law and low levels of corruption being key criteria determining the economic attractiveness of nations for inward investment. The UK Cairncross Review also implied a link here, recommending "that government gives priority to exploring the development of a form of tax relief, ideally under the Charities Act but if necessary along the lines of the creative sector reliefs, to support public-interest journalism."[124]

But the arguments for reform-minded governments encouraging greater investment and prioritisation of public interest media across both news and entertainment are political too. These have been most clearly articulated by former President of Ghana John A Kufuor, who has agreed to act as a patron for the IFPIM and for a separate but complementary initiative, the African Public Interest Media Initiative led by the African Broadcast Network.

The Africa Public Interest Media Initiative is designed to be an affiliate network of credible public, state and private sector media and entertainment-focused enterprises across Africa to support the transition from the existing analogue operational infrastructure to a converged digital ecosystem. It is particularly focused on developing a scalable business model and ecosystem capable of investing in Africa-generated public interest entertainment content and, working in partnership with a dynamic network of mainstream media entities such as the Southern Africa Broadcasting Association and others, making that content widely accessible to citizens across Africa.

Kufuor, who oversaw almost a decade of political and economic liberalisation in Ghana during his presidency, argues in the Foreword to this report that a functioning public interest media system is vital for the future development of African nations and of the continent as a whole. He casts the issue not only in economic terms but also in terms of political self-determination, and does not believe the progress of media as news and media as entertainment can be wholly separated. The first enables citizens to hold governments to account, and for Africa to 'know itself.' The second provides the foundation for the continent to tell its own stories (see Box 6).

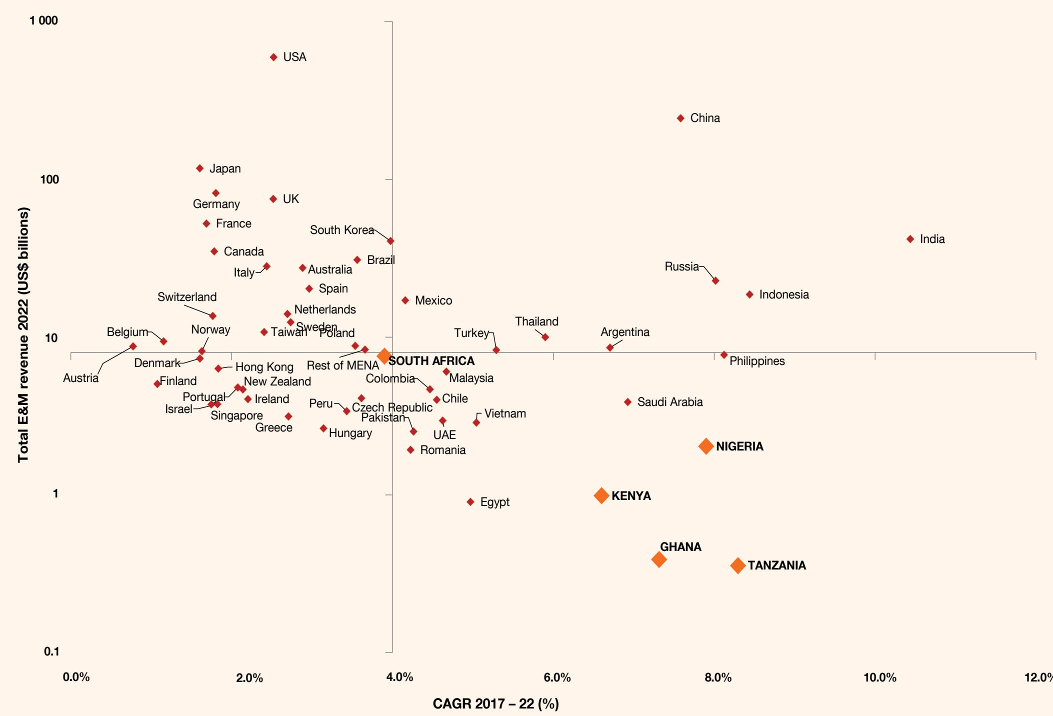
A combination of economic and political benefits could potentially, through an IFPIM with the appropriate status, resources and expertise, encourage even less reformist governments to see the role of an independent news media, as well as a more creative entertainment media, as important engines for economic growth, political development and self-determination. These domestic incentives and factors could be further enabled by international development actors, including global and regional development banks.

Figure 8 shows that while their entertainment and other media revenues remain small in global terms, African and other resource-poor countries are experiencing some of the fastest growth in total entertainment and media markets.

Exit strategy 6: Supporting national policy change – flipping economic and political incentives

Public interest media in almost all resource-poor settings

FIGURE 8 COMPOUND ANNUAL GROWTH IN ENTERTAINMENT AND MEDIA REVENUE FROM 2017 TO 2022



Sources: Entertainment and media outlook: 2018–2022, An African perspective, PwC, Ovum, www.pwc.co.za/outlook exists in a hostile economic environment and a hostile political environment. The two are often intertwined. As laid out in the rationale for the IFPIM, migration of advertising online and the particular economic challenges confronting public interest media in resource-poor settings are near insurmountable on their own. But these challenges are often augmented by government and other political co-option of the media, hostile government behaviour (such as buying government advertising only in favoured media outlets) and intimidation, which are collectively and cumulatively making independent public interest media increasingly unviable.

A set of interventions could be explored that might flip both the economic and political incentives currently creating such a hostile environment. These are exploratory and not offered as firm propositions here, as the IFPIM would need to exist in order to pursue them properly. However, they are presented here as potential entry points to system reform.

While it may be in the short-term interest of those hungry for power to intimidate and co-opt independent media, this has not been shown to be in their long-term interest – either politically or economically. Resource-poor countries need foreign direct investment, a set of conditions that can stimulate entrepreneurship, and business growth and long-term political stability. The association between a free and independent media and an enabling business climate is well established.[125]

Currently, there is no clear policy framework, system or locus that maximises the incentives for governments to take a long-term view and create a set of enabling conditions for public interest media. The current reality is better described as a set of disabling conditions. The preceding section outlined how a set of market and political conditions could be enabled that might better support both news and entertainment media.

If established, the IFPIM could also build institutional and political relationships capable of better incentivising economic and political reform.

The World Bank or regional development banks could offer a promising pathway to enabling such conditions. In recent years the World Bank has, through its World Development Reports, placed a central emphasis on the importance of improving governance in a rapidly changing world.[126] In doing so, it has placed particular emphasis on the implications of digital transformation and citizen engagement. It has highlighted the role of an independent media as a vital pillar of enabling such engagement.

In informal feedback to the 2019 IFPIM consultation document, World Bank staff highlighted multiple ways through which World Bank loans and operations could, provided there was a credible and knowledgeable institutional interlocutor with which to partner or link strategically, possibly operate to create more enabling economic conditions for independent media. The propositions set out below are informed by these discussions but should not be taken to reflect the position of the World Bank. They are designed to be indicative of the potential opportunities that exist with multilateral institutions such as the World Bank but could apply equally to other regional development banks or similar entities.

One role could be to leverage additional financing. IFPIM financial support in the independent media sector, backed up by strategic and operational expertise, could provide greater confidence for, greater strategic clarity around and greater incentives for development banks to build independent media considerations into their lending and policy-making. This could take the form of placing incentives for governments to create a more enabling environment as a condition for other loans. Development bank loans could feasibly complement IFPIM funding, or vice versa (for example, in creative economy hubs). This could also create more enabling conditions for private sector investment. As well as the concrete benefits to media on the ground, such complementarity would reassure donors to an IFPIM (and indeed potentially to development banks) that their funds were leveraging additional resources and maximising their return on investment. The strategic dialogue between the IFPIM and development banks could open up a broader set of institutional shifts, prioritising greater focus on media

THERE IS NO CURRENT POLICY FRAMEWORK THAT MAXIMISES INCENTIVES FOR GOVERNMENTS TO CREATE ENABLING CONDITIONS FOR PUBLIC INTEREST MEDIA

Canada and UK Foreign Ministers, Chrystia Freeland (far right) and Jeremy Hunt, together with Amal Clooney, speaking at a G7 Foreign Ministers Meeting hosted by the French government in Biarritz in April 2019. They were highlighting a major Defend Media Freedom Conference which took place in London in July 2019. International concerns over the challenges confronting independent media have escalated in recent years but substantially increased resources have yet to materialise. DAMIEN MEYER/AFP via Getty Images

support as a matter of policy – with the rationale of such support being necessary for improving accountability, political participation, citizen engagement and government responsiveness.

Another potential role of development banks in working with an IFPIM could be to collaborate through multi-stakeholder approaches to increase resourcing. The international development community makes frequent reference to multi-stakeholder approaches to addressing development challenges. These conventionally mean bringing together government, donors, multilateral agencies, the private sector and civil society. The role of the media in these is rarely explicitly featured in such engagements because there is no mechanism or set of institutions capable of representing or engaging media. As a result, media tends not to be prioritised as a policy or resourcing priority. The CIMA has focused recently on trying to address this.[127] An IFPIM, or a lead agency in a country supported by an IFPIM, could support or even potentially play a similar role.

The International Development Association (IDA) is the World Bank's main instrument for achieving the goals of ending extreme poverty and boosting shared prosperity in the world's poorest countries. Its IDA 19 guidance on supporting "inclusive and sustainable governance" focused on enhancing citizen engagement and social accountability, particularly by developing multi-stakeholder approaches. It argued that "technical solutions alone are not enough," and that such fora "are important to help build cohesion, enrich institutions and enhance citizen trust in government. Multi-stakeholder platforms for engagement entails national, regional, and/or local fora for exchange between government and other stakeholders, such as citizens and beneficiaries, community members, the private sector, parliaments, regulators, the media, and CSOs on policies, reforms, and implementation."[128] It is difficult to see how media sectors can form an effective contributor to such processes without an entity like IFPIM.

Exit strategy 7: The non-profit trust model

Much of the analysis presented in this report is focused on a news media industry which is increasingly unable to sustain itself as a business enterprise. It seems likely that, as philanthropy and other sources of subsidy become increasingly key to a sustainable media enterprise, non-profit models will become more common.

Such media already exist in several forms. One longstanding and highly respected example is The Namibia Media Trust (NMT), owner of the newspaper, The Namibian. The perspective, structure and principles of the NMT are set out in more detail in a separately authored piece (see Box 6). Other models include community media enterprises, although these have been susceptible to political takeover. A non profit model may provide part of a mix for a sustainable media future.

BOX 6: THE VIEW FROM NAMIBIA: SUSTAINABILITY AND INDEPENDENCE IN SOUTHERN AFRICA

Zoe Titus and Gwen Lister, Namibia Media Trust

INTRODUCTION

At the founding of The Namibian newspaper in 1985, founders Gwen Lister and Dave Smuts decided not to create an ownership structure with private shareholders, but instead to set up a trust, the Namibia Media Trust (NMT), which would aim to further the sustainability of The Namibian newspaper, safeguard its assets, and reflect and promote the values and principles of press freedom, free speech and independent journalism. There were other funded newspaper start-ups in southern Africa in the 1980s which were privately-owned, but Lister and Smuts felt that since taxpayers of other countries had footed the bill for the newspaper's existence, they had an obligation not to allow themselves or other individual shareholders to profit from a donor-funded project. Furthermore, if it was closed down by the South African authorities, a very likely prospect at the time, the income and/or assets would be invested in the broader Namibian community.

The Namibian newspaper was established as a weekly publication in August 1985 with a sell-out 10,000-copy print edition, in a move that saw Lister become the first woman newspaper editor in southern Africa. It became a daily on 1 April 1989, the day when UN Security Council Resolution 435, providing for free and fair elections leading to self-determination and independence, became a reality.

The newspaper quickly entrenched itself in the psyche of Namibian audiences. Much of its fame (and notoriety in certain circles) came about as a result of the fact that The Namibian had the audacity to give itself a name then only associated with the freedom struggle, or 'terrorism', as the South African occupiers of the territory then known as South West Africa labelled the fight to free the colony by the South West African People's Organisation. The proudly independent newspaper, which sided with the oppressed black majority, openly practised advocacy journalism, and stood unashamedly for the self-determination and independence of the country, exposing the atrocities happening under the jackboot of apartheid.

With Namibian independence in 1991 and the withdrawal of donor funding, The Namibian faced the daunting challenge of becoming self-sustainable. It did so successfully through a policy of 'lean and mean.' Even though the newspaper continued to subsidise its selling price in order to make the newspaper as accessible as possible to the public (even in far-flung areas), against the odds it became the biggest-selling daily newspaper in the country. Fast forward to contemporary times, and, like the rest of the print world, The Namibian is not immune from the challenge of sustainability that is threatening the newspaper industry globally as a result of digitisation and the economic downturn.

THE NMT AND ITS OPERATIONS

The NMT was dormant for over 26 years, becoming fully active in October 2011 after Lister handed over the reins to The Namibian's present editor, Tangeni Amupadhi, and put in place both a Board of Directors for the newspaper, as well as a Board of Trustees to guard its ethos of independence and good governance. The NMT, with Lister as Chair, also operates on a 'lean and mean' principle, with a tiny yet effective staff component.

This move put the spotlight on the wider context and workings of the NMT, rather than just The Namibian as had been the case until then. Activities of the NMT today include advocacy and policy interventions to promote media freedom, free expression and access to information in Namibia and beyond. The NMT also provides practical, needs-based workshops, training and mentorship for journalists and non-editorial staff. The NMT has since widened its commercial activities and presently fully owns The Namibian newspaper, WordPress Printers (Pty) Ltd, and a range of properties from which it receives rental income and annual dividends to support its media development work. Its weakness is that it is still a primarily print-centred initiative, and in years to come will have to diversify in order to mitigate against the diminishing lifespan of the newspaper industry and possibly subsidisation of The Namibian as a last resort.

The trust model allows for the sourcing of donor and development funds to support media freedom, free expression and access to information, for example. With the assistance of the Finnish Embassy in Namibia, the NMT currently hosts the secretariat of the Action Coalition, a group of CSOs campaigning for an access to information law in Namibia. The NMT also lends its support to journalism training and professionalism in the country, as well as to the Editors' Forum of Namibia and financed its efforts to rewrite the Journalists' Code of Conduct for print, broadcast and online media. The trust also backs efforts for a self-regulatory media system in Namibia, and thereby the office of the Media Ombudsman, among other projects.

The Namibian, through the NMT, has also recently sourced funding to support the strengthening of its in-house investigative journalism and training unit. In striving to extend its reach beyond the borders of Namibia, the NMT has become the first ever African organisation to contribute to the annual UNESCO Guillermo Cano Press Freedom Award.

In time, The Namibian will become a smaller, more niche publication due to the inexorable decline of print, and its operations will also be subsidised by other NMT income, and not necessarily non-media or external sources of a more philanthropic nature. This, in turn, will allow the newspaper – and whatever digital presence it chooses to occupy in the future – to remain independent editorially, support quality investigative journalism and continue to resist those forces that may seek to interfere or tamper with this hard-won ethos.

The growing digital and mobile consumption of news has been a catalyst for the decrease in the circulation of print media, coupled with a decline in subscription revenues. In addition, the vast audience reach of major online platforms, and their corresponding economies of scale, data-driven business models and potential for personalised, targeted messaging makes these global actors attractive to the advertising industry. Advertising spending has shifted significantly from traditional media companies to platforms, rewarding the distribution of content more than its creation.

THE NMT ON MEDIA SUSTAINABILITY

The NMT commissioned a study into the sustainability of the Namibian media in 2018 and found that there are strong indications that digital media and related challenges are already transforming Namibia's media landscape. Media businesses, particularly those focused on news and public interest issues, traditionally base their business on a 'dual market' system to generate revenue, essentially selling to individuals and – as well as selling advertising space – this adds to the complexity of media houses' operations as they cater for two greatly differing clients. At its core the challenge of digitalisation to media businesses is two-fold. Firstly, the dual market system is crumbling as customers increasingly prefer to access free content online and advertisers shift their money to online platforms such as Facebook and Google. And secondly, while many media houses have invested – and continue to invest – in an online presence, these investments have not resulted in significant new revenue streams.

The NMT holds the view that the lines between business models are fluid. A common idea is to create new revenue streams to reduce the dependence on any single source of funding. We propose a structured approach to unpack the issue of media sustainability, focusing on:

(a) Independence, quality, market structure, processes and sustainability

(b) Media pluralism and impartiality, diversity and relevance

(c) Working conditions and journalistic expertise

(d) Innovativeness and transaction costs.

While new digital technologies enable innovative journalistic approaches, solutions range from consolidation of media operations into larger networks, not-for-profit and foundation-supported forms of organisation to funding models based on reader payment such as donations, subscriptions and membership fees. Notwithstanding these measures, we suggest that continued targeted investments in the media ecosystem are indispensable to restoring and maintaining journalism that combines editorial quality, integrity, independence and a high level of ethics with sustainable technological and economic development.

For this reason, the NMT supports the findings of a recent report by Deutsche Welle Akademie, which argues for a broader view of media viability that looks beyond the money. Its model looks at five dimensions: economics, politics, content, technology, and the community, and three levels: media organisations, networks, and the overall framework. This allows for the development of more effective media viability strategies and projects. Deutsche Welle Akademie argues that media viability does not only mean being profitable, especially in rural areas. It also includes the integration of a media outlet into its community, a sense that the viable newspaper or radio station is a tool that contributes to the well-being of that community. Thus, it argues strongly for the interdependency of media viability and press freedom.

ROLE OF MEDIA DEVELOPMENT ORGANISATIONS IN AFRICA

The absence of a regional media freedom or development network in southern Africa, a role previously occupied by the Media Institute of Southern Africa, has left a gaping hole in the capacity of media development actors and their beneficiaries to co-ordinate campaign efforts and support to media institutions. Southern Africa is presently in need of a revived, multi-stakeholder, broadened regional network that has the capacity to focus on campaigning for and promoting an enabling environment for media freedom and free expression. Important issues for such a network to consider would be:

- The safety of journalists
- Research and monitoring
- Policy advocacy
- Thematic campaigns: access to information, press freedom, enabling broadcasting and ICT policy development, etc
- Media ethics and regulatory frameworks
- Digital literacy
- Promoting linkages between media freedom and development (SDGs, etc)

Such a network should work closely with academic institutions and other training initiatives to ensure synergy between academia, skills training outfits, tech innovation hubs and press freedom or good governance advocacy initiatives.

An annual or twice-yearly regional consultative conference to co-ordinate the three streams (advocacy, skills training and academic training/research) would go some way towards consolidating a common vision for southern Africa. It would create also a platform for press freedom activists, academics, media business leaders, tech innovators, media students and governance campaigners to convene around thematic issues that are considered from local, regional and continental perspectives.

ADVERTISING SPENDING HAS SHIFTED SIGNIFICANTLY TO PLATFORMS, REWARDING THE DISTRIBUTION OF CONTENT MORE THAN ITS CREATION

PART 7

ALTERNATIVES TO ESTABLISHING AN INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA

What would an alternative strategy to creating a new IFPIM look like?

While there has been a strongly positive response to the idea of establishing an IFPIM, it is acknowledged that such a move would be ambitious, and being set up as an entirely new entity, as recommended by this feasibility study, would incur significant start-up costs. Several donors in particular have asked for a more serious examination of possible alternative strategies to scale up international support for independent public interest media.

The problems the IFPIM is designed to solve have been summarised in the preceding section (expanding resources, lowering transaction costs, increasing legitimacy of financial support, improving strategic coherence, and increasing impact and learning of what works). Any alternative set of arrangements would need to address at least most of these.

Four approaches could be considered to try to achieve this.

1. AN INTERNATIONAL CHALLENGE FUND OR SET OF CHALLENGE FUNDS

Interested donors could collaborate to pool a substantial volume of funding and invite agencies to bid to manage that funding. It could either be a single pot of funding or divided into different streams approximating to the strands outlined in the IFPIM proposition (focused on support to restrictive environments, a national fund pillar and an investigative journalism pillar). This might be accompanied by learning and knowledge sharing, either as part of the challenge fund terms of reference or made available separately.

Such funding models have a long history in allocating resources in countries such as the UK and many agencies have adopted this model.[129] The Swedish International Development Cooperation Agency defines a challenge fund as "a financing mechanism to allocate (donor) funds for specific purposes using competition among organisations as the lead principal." Examples of challenge funds include the Girls' Education Challenge Fund, the Financial Education Fund, the UK Civil Society Challenge Fund, Grand Challenge Canada and Making All Voices Count: A Grand Challenge for Development.

Several potential advantages are claimed for such challenge funds, including: a transparent and competitive approach for resource allocation; encouraging local solutions to local problems; building in incentives for capacity building; enabling innovation and risk taking; sharing knowledge and skills; and creating incentives for partnerships with private sector organisations. If such an approach was adopted, a lead donor would probably need to act as the contracting agent to either manage a challenge fund or to contract its management to a professional agent.

Assessments of the performance of challenge funds have been unsurprisingly mixed, given their diversity in size and scope.[130] There is little evidence to suggest that challenge funds are an effective way of distributing funding to sectors as politically sensitive as independent media. One challenge fund that was similar to the IFPIM proposition (but with major differences of scale and scope) was found to have had mixed results.[131] Perhaps more problematically, the challenges of legitimacy that the IFPIM governance arrangements are designed to address would not be easily addressed through a challenge fund model.

2. SCALE UP FUNDING THROUGH EXISTING STRUCTURES AND MECHANISMS

Scaling up support to independent media through existing systems is an approach that could happen at both the international and national levels, with bilateral agencies committing themselves to increase their grants to already established international or regional media support institutions and through their bilateral programming in-country. This approach could be backed up through collective investment in better co-ordination and learning systems. It could build on the existing work where different actors at a national level are convened to develop a clear country-based strategy, such as the multi-stakeholder partnerships carried out by CIMA. If funding for co-ordination and learning was scaled up, another model worth examining might be the Extractive Industries Transparency Initiative, whereby multi-stakeholder groups oversee implementation and ensure their activities are aligned with national priorities (in the IFPIM case, media and media support).

Individual donor agencies are in a much better position to take a view of whether this is a credible way of scaling up support but several issues are worth raising here, as outlined below.

- The kind of support needed is distinct from what has been provided in the past. The challenge is a financial one (media institutions need money to survive), not principally one of a lack of skills, expertise or capacity. Scaling up support in this context would not only involve investments in more donor staff, better intra-institutional learning and organisational systems than those which generally exist at present, but perhaps also require a significantly greater risk appetite given the highly political nature of the media challenge that exists. Although several existing media development NGOs do provide, or fundraise to provide, financial assistance to specific institutions and there is room for expansion of this role, this has not tended to be their main focus (this has been capacity building, regulatory reform, etc).

- Some smaller donor agencies that would like to support independent public interest media but do not have existing capacity or systems to do so are unlikely to scale up support given these challenges, and so scale-up would be carried by a relatively small number of highly committed organisations.

- Experience over many years suggests that the difficulties in creating clear, coherent learning and coordination systems of the kind that are needed are formidable (although there are now more concerted moves towards better learning systems). Arguments have been advanced for more than a decade that media support needs a better and more organised aid architecture, but very little progress has been made on this to date and the challenges of creating that architecture are greater now than ever (given the political nature of the issue).

3. OUTSOURCING FUNDING TO A MANAGEMENT AGENT

Individual donor institutions could explore outsourcing public interest media funding to an external management agent through a standard procurement process. This would enable them to allocate large volumes of funding and outsource (at least to some extent) both the costs and risks inherent in spending money in this area. This could also be accompanied by a separate or linked investment in collective learning, information sharing and co-ordination systems between donors (with one model perhaps drawing on that of the International Aid Transparency Initiative).

However, it is difficult to see the advantages of such a fragmented approach to media support, which would be likely to be challenged in terms of both legitimacy and effectiveness.

4. INTEGRATING OR MAINSTREAMING MEDIA SUPPORT INTO EXISTING DEVELOPMENT STRATEGIES

Media support is a cross-cutting issue. As detailed in Part 2, media support impacts and links to the crucial fields of democracy and human rights, governance, fragility and conflict, economic development, food security, gender and discrimination, health, and much else besides. It may be possible to mainstream media support across the most relevant of these agendas in similar ways to past efforts to mainstream gender. This would have the advantage of maximising the use of existing systems and capabilities, and would enable media support to be integrated into all levels of national and international programming. Achieving this would involve substantial political and institutional leadership, but arguably so too would the establishment of an IFPIM.

However, efforts to mainstream issues into development agendas have had mixed results and the special political sensitivities around, and the lack of existing technical expertise on, media support within the development system suggest that a major investment would be required across the system to make it fit for purpose. Previous efforts to integrate media support into mainstream development processes, such as the Aid Effectiveness and Development Effectiveness Agendas, have not proven successful – mainly because of the political sensitivity of media support.[132]

Feasibility study conclusion

This feasibility study concludes that, while alternative strategies to establishing an IFPIM are available to donors, their disadvantages substantially outweigh their advantages.

The IFPIM proposition suggests a major scaling up of funding to international media from international development agencies (from the current low levels of just 0.2% of development assistance). Very few agencies have significant existing capacity, staffing or systems to enable them to support the media sector effectively. Scaling up such funding through existing systems would involve significant new investments by development agencies in hiring new staff, establishing new learning and evaluation systems and changing organisational architectures. It would also involve creating new co-ordination and learning systems between agencies to ensure that funding was informed by the best evidence and practice of what works and what does not work, which is particularly important in such a fast-moving and dynamic arena. Such systems do not currently exist.

The IFPIM proposition also suggests expanded media support from the technology, foundation and other sectors. Some of these actors have well-established capacities to support independent media, and the IFPIM is not designed to reorganise such existing funding. What the Fund is designed to do is to make it much easier and simpler for those with resources to support media, especially in resource-poor settings where those with resources do not focus as heavily as they could. There is evidence of new foundations and other philanthropic actors wanting to support independent media but not wanting to establish new systems to do so. The Fund would provide a clear mechanism through which such support could be directed.

PART 8
WHAT ARE THE RISKS IN SETTING UP AN INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA?

There are significant risks attached to this proposition, all of which would have to have clear mitigating strategies. The risk matrix below summarises these risks and potential mitigation measures. Once established, the IFPIM Board would need to assign a weight to these risks.

Risk	Nature of risk	Potential risk mitigation
Cost-effectiveness	The largest risk inherent in this proposition is that a new bureaucracy is created that cannot justify itself given the resources that are actually secured.	Every effort needs to be taken to minimise costs, have a lean and efficient management structure and maximise resources that go to the intended beneficiaries. Salaries need to be linked to public service or similar comparators, rather than commercial or UN rates. Economy class travel should be used as standard. Grant application processes need to learn from different models that have been developed by similar funds, for example the Open Technology Fund, to see how technology and other mechanisms can be used to minimise administrative costs. Multiple technical measures can be taken to ensure efficiency but it should be remembered that the IFPIM will be subject to more expert scrutiny than perhaps any other international fund currently in existence – that of the independent media itself.
Becoming a political target	Almost all existing sources of funding to independent media in resource-poor and fragile settings have been prone to being attacked for interfering in the domestic affairs of countries, advancing the specific agendas of those who finance them or acting without proper authorisation.	While the IFPIM could not be immune to such accusations, its governance structure and multi-stakeholder processes will reduce the legitimacy of such concerns. But further measures should also be explored.
Regulatory prohibitions	Several countries prohibit funding from external funding to domestic public interest media institutions.	In such cases, the IFPIM will need to find ways of engaging with governments where a constructive dialogue might produce win-win or productive results or find other ways to enable support (such as supporting intermediary organisations). All strategies will, operated especially from the regional centres, need to be context-specific and rooted in a clear political economy analysis of the countries concerned.
Dependence	A particularly challenging proposition of the IFPIM, requiring courage from its supporters, is that many of its investments will not be made on the condition that all investees become financially self-sufficient. It is clear that is a distant prospect in many countries. That risks breeding dependency and complacency, and a potentially unending set of commitments.	Commitments will, resources allowing, be continued to media institutions that clearly demonstrate their performance in serving a public interest but it will be vital that any organisation supported develops as rigorous, disciplined and agile an approach to maximising revenue as possible. Organisations who show signs of becoming dependent on the Fund without developing those sustainability measures that do exist are unlikely to continue to be supported.
Market distortion	By supporting specific media entities, there is a risk that the IFPIM will unduly undermine market discipline and distort markets to unfairly disadvantage other commercial media players serving the public interest.	While the IFPIM is explicitly designed to "enable media markets to work for democracy," not to undermine or distort them, this risk is a real one and will require the Fund to carry out both proper research into the media markets it supports and closely monitor for evidence of market distortion. It will also need to consistently consult and discuss its support strategies through country-level multi-stakeholder processes, and engage internationally with others who are focused on media investment strategies (like the Media Development Investment Fund).
Political co-option	The long-term strategies designed to improve sustainability of the IFPIM, particularly around encouraging greater public subsidy, may risk encouraging dependence on government, and exposure to government influence and pressure.	This is a significant risk, especially given the histories and political realities of many of the countries designed to benefit from the IFPIM, and will need to be considered in relation to any encouragement of greater public subsidies. However, as outlined in Exit Strategy 3 in Part 6, international experience suggests that such subsidy can improve rather than undermine media independence, while also maximising the potential for media to serve the public interest.

Risk	Nature of risk	Potential risk mitigation
Lack of existing models to follow	The IFPIM will learn from, and borrow components of, how other international funds have been constructed and managed but it will be charting new ground. Almost all existing funds have either strong governmental influence or governance, or are housed within an existing multilateral or donor entity. At the national level, there are also limited successful models to follow in terms of effective and efficient mechanisms of media support.	The lack of existing international development systems and architecture to support independent media is one of the reasons why the creation of an IFPIM makes sense but it should be acknowledged that the Fund will need careful design, monitoring and assessment to ensure its systems are fit for purpose.
Donor/Western or other influence	There is a risk that a large IFPIM could become, or be seen to become, an instrument of influence over the domestic media systems of countries where its support is directed. Issues of media and communication support have provided a terrain for intense disputes between worldviews and different interests for decades, dating back at least to the New World Information and Communication Order debates of the 1980s. There is an added risk that an IFPIM could be seen to be privileging particular actors or positions.[133]	The governance and operational management arrangements set out in this document have been designed to minimise this risk. Other steps will also be required, including developing a strong culture and systems of transparency, and multi-stakeholder engagement necessary to build trust.
Weakening of country ownership	CIMA has warned (alongside their advantages) that the experience of other global funds has shown that they can "exacerbate donor-driven approaches and weaken ownership by the people the funds are trying to help."[134]	The governance and principles of IFPIM have been designed to minimise this risk, improve country ownership (compared to existing systems) and maximise impact. Donors will not be able to determine which projects/initiatives are supported. A decentralised regional structure for the fund together with other arrangements (like in country multi-stakeholder mechanisms) will substantially increase ownership of the strategies being supported.
An overly narrow focus	CIMA has warned that the experience of other global funds has led to a "narrow focus when broader systemic change is needed."	IFPIM is designed both to support individual media institutions and to curate and support strategies that can bring about systemic change necessary for the Fund no longer to exist (as detailed in the Exit Strategy above). With funding, status and expertise, an IFPIM is likely to be more likely to be in a position to catalyse such change than current fragmented approaches.
Funding the wrong institutions	An IFPIM risks attracting what one Ethiopian interviewee described as 'fundchasers' who do not have a genuine commitment to public interest media.	Addressing this challenge will be the principal responsibility of the IFPIM's regional centres, with a strong focus on identifying institutions with a clear commitment to public interest media. Attention will need to be paid to ensuring that commercial interests do not simply use the Fund's support as an excuse not to make their own investments in journalism and public interest content. A strong focus on evaluation and measurement will be necessary to mitigate this risk.
Cannibalising Funding from existing Media Support efforts	The purpose of the International Fund is to mobilise additional resources to support independent media with a specific focus on addressing market failure. There is a risk it could reorganise, centralise or cannibalise existing media support efforts thereby undermining them.	The Fund should make it clear its purpose and not seek to compete for funding from existing media support budgets (an exception to this would be for the low budget inception phase of the Fund which may need the contributions from those who already prioritise media support). It is designed to increase the total funding available to international media support in part so the increasing pressure on those who already prioritise such funding is shared more widely. The Fund is not a mechanism through which donors will easily be able to direct specific funding for specific projects. For this and other reasons donors already prioritising media support are unlikely to abandon their support to existing institutions and mechanisms. The Fund is designed to support media development actors at all levels.
Corruption, financial mismanagement and safeguarding risks	Any Fund of this kind is vulnerable to corruption. Preventing and mitigating such risks will need to be a very high priority. So too will minimising any risk of abuse or exploitation by IFPIM staff or those supported through the Fund (the exact responsibility for the latter will need to be determined by the IFPIM Board).	It is recommended that a Head of Integrity be appointed reporting directly to the IFPIM Board, with the power to formulate and police effective fiduciary and other safeguarding policies. The Fund will also be particularly subject to strong journalistic scrutiny.

PART 9

OUR ASK:

NEXT STEPS IN DEVELOPING AN INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA

This feasibility study is one of three reports examining the proposition for an IFPIM. The second, a report commissioned from PwC entitled International Fund for Public Interest Media: Design Consideration for Global Funds, is attached as Appendix 1. The third is a GFMD stakeholder consultation into establishing an IFPIM, which is attached as Appendix 2.

Both Luminate, which funded this study, and BBC Media Action, which has been responsible for researching and writing it, believe on the basis of these documents that a substantive and compelling case exists for considering the establishment of an IFPIM, and that substantial resources should be allocated to it.

The authors ask those who can to support this effort in the ways outlined below.

Donors: Relevant donors are asked to start considering whether they can provide substantial backing to an IFPIM and to build substantial allocations into their 2021 budgets with a view to the Fund securing at least $100 million.

Luminate is planning to work with donors and other agencies with resources to support a foundational secretariat for the IFPIM. This has a total budget of $1.5 million over two years, which will pay for the steps outlined below. If you or your organisation is interested in supporting this process, please contact **james.deane@uk.bbcmediaaction.org** who will arrange a direct conversation with Luminate.

Media and media support organisations: Please take steps to advance this proposition or make suggestions on how it can be further improved or refined. Comments can be sent to **james.deane@uk.bbcmediaaction.org**.

The next steps in establishing the proposed IFPIM are:

- Hiring an **Interim Executive Director**, along with a small team to fundraise, design, and iron out outstanding questions not covered by this feasibility study. This person will bring in legal and financial capacities to start putting the IFPIM scaffolding in place and create an investible entity.
- Holding a **series of online events** designed to build support for IFPIM in donor countries and build and articulate demand for a Fund in the countries it is designed to benefit.
- Appointing a series of **Ambassadors** from among respected and well-known figures, especially from the Global South, to advance this prospectus. Former President of Ghana John A Kufuor has already agreed to play this role and invite other former African Heads of State to do so.
- The existing **Advisory Group** of key experts and stakeholders is likely to develop further in order to help inform the development of the IFPIM proposition.
- **Communicating demand** for the IFPIM proposition from within the countries it is designed to benefit.
- **Further stakeholder consultation** is planned, especially in the Global South but also in donor countries with key constituencies whose support will be needed. These include journalist unions, which will be vital in encouraging their development agencies to prioritise support in resource-poor countries whilst fully understanding their own memberships will be suffering from market failure. Further discussions will take place with other major complementary initiatives designed to address crises of media and democracy and to seek strategic synergies with them.

PART 10

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The responsibility for this paper, including any errors in it, are those of the authors alone. This paper has been produced by BBC Media Action, the BBC's international development charity, and should not be taken to represent the views of the BBC itself.

Conflict of interest statement

The principal author of this report works as Director of Policy and Research for BBC Media Action, which could potentially benefit from the establishment of an IFPIM. He is also an international steering committee member of GFMD and Chair of the Board of Global Voices, a citizen journalism network the kind of which could benefit from such a Fund. None of these organisations (except GFMD, which may have an Advisory Council role) are expected to play any role in the actual hosting, management, decision-making or governance of such a Fund.

Our Thanks

People or organisations being listed here should not necessarily be taken as endorsing this proposition.

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APPENDICES

APPENDIX I

INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA: DESIGN CONSIDERATIONS FOR GLOBAL FUNDS

International Fund for Public Interest Media: Design Considerations for Global Funds

October 2019

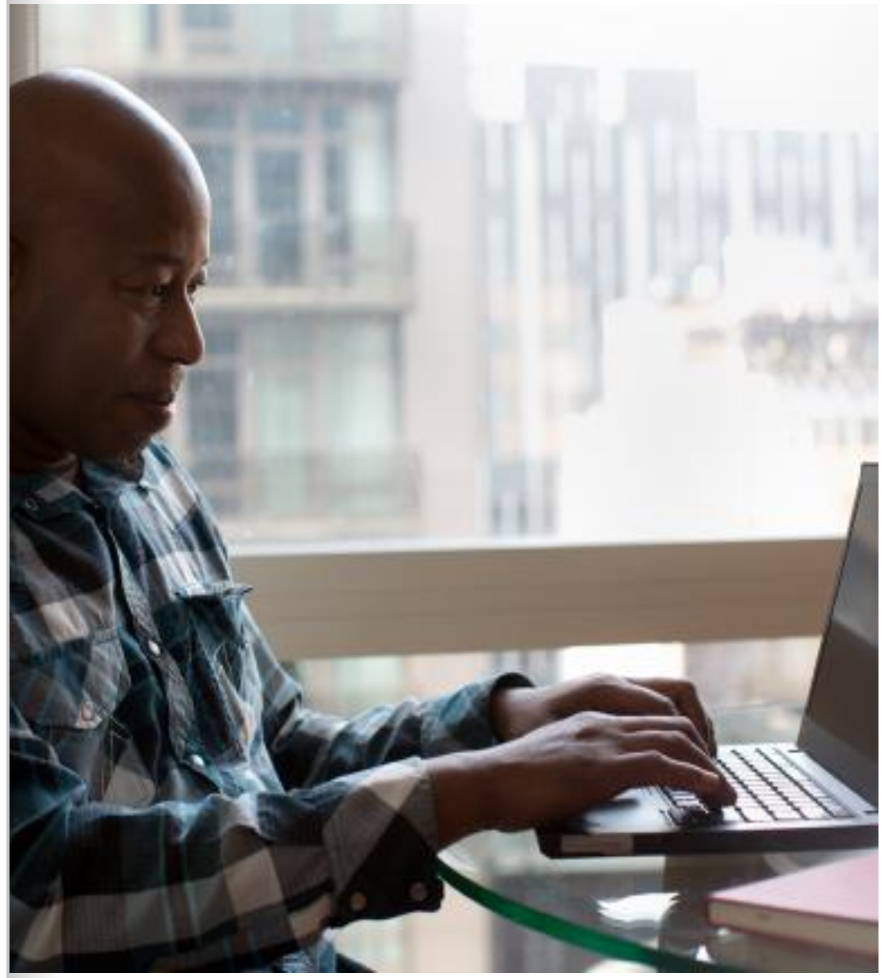
pwc

Contents

Introduction

Background

The Feasibility Study for the International Fund for Public Interest Media, to which this report forms an Annex, sets out the threats facing public interest media today, the implications of these for democracy and development, and the rationale for the creation of such a Fund. The Fund is a response to lack of coordination and limited scale in current development efforts focused on public interest media. This report provides a summary of some general design considerations and key design principles to consider in its establishment, drawing on lessons learned from other such global funds.



Objectives of this paper

The International Fund for Public Interest Media (IFPIM) will be the first International Fund providing grant funding to local media outlets for the advancement of independent and transparent journalism in fragile and resource poor settings.[1] There are however, global funds already established to address other topics of critical global importance: examples include the Global Fund for AIDS, TB and Malaria, the Global Innovation Fund, the Green Climate Fund, and the Start Network. The IFPIM can learn from these in this design phase.

Key design considerations include:

- **Structure:** How are global funds structured to provide an effective organisational and contracting platform, which gives them the legitimacy to operate in a particular context and appropriate flexibility to adapt as it changes?
- **Governance:** How are governance arrangements established that reflect the interests of all stakeholders, while also allowing effective decision-making? How can governance design mitigate real or perceived undue influence, particularly where large donors are involved and where there is a need for clear independence from any single organisation or government?
- **Funding sources and scale of funding:** What considerations should apply in setting a target Fund size and identifying where this funding should come from? What models exist to guide rules of engagement for new donors and strategies for replenishment?
- **Strategy and investment approach:** How should funding be allocated to recipients, and how could recipients be sourced and selected?
- **Operating model:** What structure should the operational model take to meet the ambitions of the Fund? What are the key functions required to operate a cost-effective minimum viable platform for Fund operations?

Based on desk research and existing knowledge of the global funds landscape, this report draws on the experiences of other global funds and facilities to provide initial recommendations for consideration in the design of the IFPIM.

[1] It is noted that the Media Development Investment Fund (MDIF) is an international, multi-donor fund providing finance for local media initiatives. MDIF provides affordable debt, equity and quasi-equity financing and is therefore a separate offering to that proposed under this Fund.

Structure

Structure refers to the legal and contractual mechanisms through which the initiative is established. The structure chosen can have significant implications for the entity's governance and operations, and determine its formal linkages into (or separation from) existing donor and multilateral infrastructure.

Relationship to global development architecture

Global funds can be created formally within the existing mechanisms of global multilateral cooperation, such as the UN and World Bank Group, or created as entirely standalone initiatives, operating effectively as new civil society organisations.

Most commonly, they are created somewhere along the spectrum between these two poles.

The taxonomy below provides a way of illustrating how the legal form, governance and operating arrangements of a new fund may change according to how closely or loosely affiliated they are with the donor and development institutions of the existing global architecture.

Model	Example	Considerations	Implications for the IFPIM
Formal mechanisms of the existing multilateral system	**The Green Climate Fund** is a global fund created to support the efforts of developing countries to respond to the dual challenge of mitigating and adapting to the effects of climate change. It has received pledges of over $10 billion so far. It is established as a financial mechanism under the UN Framework Convention on Climate Change and effectively operates as a multilateral international organisation ('IO') from its headquarters in Songdo, Republic of Korea. 24 Board Members govern the Fund, each of whom formally represents their country and region; all 24 come from UN Member States. The Fund has been managed through a World Bank Trust Fund, a common legal mechanism for international funds.	Typical advantages of establishing formal mechanisms within multilateral system funds include: • Legitimacy arising from their constitution within the global multilateral system • Access to certain established 'back office' management platforms (for example, World Bank Trust Funds) • Clearer access routes to sources of potential additional funding e.g. IDA • Formal alignment with the interests of international governments and diplomatic dialogues Typical disadvantages and risks include: • The need for diplomatic consensus may create delays in the design and legal establishment of the initiative • Once established, the initiative will be bound by the operational and bureaucratic constraints of the wider multilateral institution housing it • Certain multilateral institutions may also be perceived as representing vested interests as opposed to being truly 'global', due to their ownership structure or appointment rules	Independence in governance, ongoing management decisions, editorial powers and in perception of Fund activities is essential for the Fund to establish legitimacy and to command credibility. It should also safeguard against possible accusations of the Fund acting as an agent of any international interest or agency. Housing the Fund in a multilateral system is unlikely to enable the Fund to reach full independence given the need for diplomatic consensus and freedom from vested interests. As such this is an unlikely option for Fund structure.
Independent mechanisms of multilateral co-operation	The Global Fund to Fight HIV/AIDS, TB and Malaria was established in 2002. Since then, it has saved more than 32 million lives and in its most recent replenishment round raised a further $14 billion. The Fund was established with both State and non-State actors on the Board, and was originally hosted by the World Health Organization and financed through a World Bank Trust Fund. Nonetheless, it has from the outset been formally independent of the existing system, having been established as a Swiss Foundation in 2002. Gavi, the Vaccines Alliance, operates in a comparable manner.	As above. While the addition of non-State actors and a formally independent legal identity may provide somewhat more flexibility, in practice such funds remain highly political in nature and therefore subject to some of the same advantages and drawbacks.	As above. This is unlikely to be a suitable model for IFPIM.
Managed platforms	**Managed platforms** are new initiatives created by donors but channeled through existing organisations either through grants or service contracts. The **Climate and Development Knowledge Network** (CDKN) started as an organisation established in 2010 to support decision-makers in designing and delivering climate compatible development. CDKN had its own Chief Executive, brand, website and organisational identity. It operated akin to a new organisation. Anchor-funding was provided by DFID, but more than 10 donors ultimately contributed. The management platform for the first 8 years was provided by PwC as the host organisation. It was overseen by a Management Oversight Committee who had responsibility for setting its strategic direction. Other examples include the Private Infrastructure Development Group and the Construction Sector Transparency Initiative.	Typical advantages of funded programmes include: • Harnessing the operational platform of an existing institution, not-for-profit or delivery partner may enable a more rapid start to implementation. Cost efficiencies may also arise as the initiative is not required to set up its own systems and operations, as it can rely instead on those of its host • The host organisation may bring its own profile and track record which can again support rapid implementation and enhance the initiative's convening power and credibility • The programme can be closed down quickly and efficiently if the intervention required is time-bound, without the need for a permanent addition to the global development architecture Typical disadvantages and risks include: • The initiative may struggle to be, or be perceived to be, truly independent of its host organisation • The interests of the initiative and the host organisation may sometimes diverge, creating conflict between the host's management teams and the initiative's personnel • Where there are multiple governing bodies (e.g. Board of the Fund and that	A managed platform model may be suitable provided that the host itself is seen to be an independent platform for delivery. This model could then latterly transition to a fully independent model, as set out below.

		of the host), multiple lines of accountability may exist • Host organisations' charges for hosting vary widely and personnel may be supplied to funders on a day rate basis which is higher than salary equivalents for an employer	
Independent mechanisms with strong donor representation	This is includes new, autonomous and **legally independent entities** operating in the public interest with donor representation on the **Board of Trustees**. The Global Innovation Fund is a $200m fund investing in "social innovations that aim to improve the lives and opportunities of millions of people in the developing world." It is established as an independent not-for-profit entity and registered as a charity in the UK. An independent Board of Trustees governs the organisation. However, GIF's founding donor agencies, the majority of whom are agencies of OECD country governments, retain certain rights to appointments to the Board. Such rights may also accrue to subsequent major funders.	This arrangement links the Fund to government interests, but largely without the diplomatic and political complexities that accompany formal multilateral initiatives. Advantages include the formal links to donors which ensure early anchor funding and may make subsequent replenishment funding easier to secure. The entity's formal links to governments may also enhance the new initiative's credibility and reputation when engaging with new donors. Sponsoring governments may also be able to provide assistance in engaging with partner country governments in the global south.	This is a relevant model for IFPIM, because of the advantages of funding and access it provides. However, formal linkages to sponsoring governments may also diminish the Fund's ability to act truly independently of vested interests, and to be seen to do so.
Fully independent public interest entities	New, autonomous and **legally independent entities** operating in the public interest with **Boards of Trustees independent** of donors. The Start Network is an independent not-for-profit entity and registered as a charity in the UK. It is a network of 40+ aid organisations across five continents to rapidly deploy humanitarian aid assistance. Start receives funding from major aid agencies, including DFID, but none of the donors have representation on the Board of Trustees. The Board is instead made up of independents and people of note within the sector. The Board of Trustees takes its steer from the Assembly, which is made up of representatives from each of the aid organisations in the network. Clearly, donors retain influence in the form of both 'soft power' and also the contractual terms of any grant agreements with the entity.	Fully independent entities allow for operations to be designed without bias toward particular countries, entities or processes. This independence can safeguard against undue bias or perceptions of bias. It can, however, also introduce uncertainties for donors which are used to influencing the strategic direction of a Fund or initiative. This may result in reluctance to contribute. Donor Liaison Committees can provide a bridging function between donors and the Board. This allows for regular senior level engagement whilst placing controls around the formal influence donors are allowed in the governance structure.	The need for independence and a flexible strategy makes this an attractive option for the Fund, but only if it is to operate at a scale which will warrant the investment in organisational architecture that would be required.

Hosted versus standalone entities

Hosting the IFPIM in the multilateral system would allow for a rapid start, early-stage cost efficiency, and legitimacy in the eyes of donors. This may, however, result in **mission interference** from host organisations or governments. Financial Intermediary Funds (FIFs) in the World Bank Trust Fund portfolio are an example of a policy mechanism specifically established to avoid such issues. FIFs utilise the existing resources of the World Bank for disbursement of funds but specifically require separate governing bodies whereby the Bank only acts on instruction from these.[2]

Setting up a fully functioning self-managed organisation, by contrast, may necessitate multi-layered management, tiered decision-making and new back office teams. The Global Innovation Fund operates as an independent not-for-profit, retaining decision-making powers within the Board of Trustees. As an independent organisation the Fund has appointed its own independent finance and operational teams rather than drawing on existing institutional support mechanisms. Equally organisations which are incubated or hosted may find themselves having to 'play by the rules' of the host organisation. There are trade-offs with both approaches.

Typical advantages of establishing independent entities governed (with or without donor representation) include:
- Independence from governments and private interests[3]
- Ability to set strategy flexibly and freely and subsequently to operate without constraints of wider system rules
- Ability to create fresh 'brand' and profile without reference to existing actors

Typical disadvantages and risks include:
- Establishing a new organisation, including legal constitution, recruitment, strategy development and systems build is time-consuming and challenging
- Creation of new legal vehicles risks further complicating the global development architecture
- Lack of profile, track record and/or links to the global multilateral system may diminish convening power, influence and legitimacy

Hybrid models

The above models may be combined or hybridised in various ways, including:
- by establishing managed platforms or multilateral trust funds where the host organisation is mandated to begin implementation and then create an independent legal entity over time ('spin-off') (Example: Construction Sector Transparency Initiative)
- by establishing independent legal entities which are then operated by management agents who play the same role as a typical host organisation ('skeleton trust') (Example: Private Infrastructure Development Group, 2001 - 2019)
- by creating treaty-based or contractually-based agreements between multiple governments but outside of the formal multilateral system and with some but not all of the features of an International Organisation ('minilaterals') (Example: Private Infrastructure Development Group)

Drawing on **precedent** model structures allows for **legitimacy** within a particular context; 'looking and feeling' like something familiar that a donor can stand behind in an era of enhanced public scrutiny over aid spending may be important.

Location

There are several key factors when determining the optimal location for a new initiative. These factors may sometimes point in conflicting directions. They include:
- Geographical proximity to key funders (or conversely, neutrality/perceived independence from such funders)
- Geographical proximity to the locus of the development issue being addressed
- Intended or unintended consequences of any association with the government in the host country
- Impact of location on recruitment of staff, in particular,
  - on the quality of the staff that can be attracted to work in that location; and
  - on the diversity and/or representativeness of those staff in relation to the issues being addressed

[2] In the Financial Intermediary Funds (FIFs) structure, the World Bank provides financial management services only. The FIF is governed by separate governing bodies as elected by the donors to the FIF. It is the responsibility of the governing bodies to manage and oversee activities of the FIF, including making disbursement decisions. The World Bank then acts on the instruction of the governing bodies.

[3] Note that this may be diminished in practice where bilateral or philanthropic donors are major grant funders, formally act as legal directors or owners of a trust vehicle, or carry significant official influence through representation on decision-making Boards, Assemblies, Councils or equivalent.

- Maturity of the legal and fiscal framework for operating a not-for-profit entity, and freedom to do so without malign influence
- Operational, financial and security risks
- Practical matters (language of operations, time zones and connectivity)

Recommendations for IFPIM

To retain the independence the Fund requires and desires, it is recommended that the Fund is established outside of the influence of a donor, recipient country government and the multilateral system. Given the scale of ambition, independent establishment is likely to be justifiable, whether from day one or via an initial incubation by a host platform. The Fund will need to carefully consider the role of donors within the governance structure, allowing for engagement but avoiding provision of power of influence.

Having a headquarters in geographic proximity to key funders is likely to benefit the Fund in its initial years as it scales, but early establishment of substantive operations in the global South would support the Fund's legitimacy going forward. Country governance models are discussed further below.

Governance

Governance structures define the formal mechanisms of oversight within an organisation. The Board acts as the custodian of the organisation with ultimate responsibility for ensuring the organisation is operating in line with its objectives. The Board is often supported by a number of sub-committees with particular responsibilities.

Board and sub-committee composition

The Board typically comprise two types of members:

- *Ex officio* members who are appointed in their capacity as a designated post-holder of another organisation with constitutional, contractual or other rights to appoint a representative to the Board;
- Independent members who are appointed at the initiative's creation or subsequently through the agreed procedures laid out in the initiative's constitution or founding documents.

Membership of the Board of the Fund should be based on the principles of:

Independence	Given the Fund's stated objectives of being entirely independent, no individual belonging to an organisation that could benefit as a recipient of the Fund, those representing donor or beneficiary countries, or holding a vested interest in the potential economic benefits of the development of the Fund should become appointed to the Board.
Fiduciary competence	The Board is ultimately accountable for the responsible administration of the funding it receives. To deliver this, appropriate skills will be required on the Board. If established as an independent entity, an Audit Committee should be created to oversee the audit process and to report to the Board on findings from the annual financial audit.
Free from corruption	Linked to independence, membership of the Board should come with appropriate background checks on individuals for links to potentially corrupt activities.

The composition of a Board requires careful consideration of the following, among other factors:

- Diversity of perspective (nationality, gender, background, etc.)
- Breadth of skills offered (financial, technical, legal, etc.)
- The impact on the initiative's real and perceived independence from other interests
- Personal conflicts of interest between members and any other institutions which those members also represent or have an interest in
- Accounting, reporting and other implications where membership may inadvertently give rise to another institution exerting significant influence or control over the initiative as a result of its appointments

The Feasibility Study sets out a number of options for the formal governance structures of the Fund, with a preferred option of a small Board together with an Advisory Council. In this structure, any sub-committees would remain accountable to the Board who would retain responsibility for defining the role of each sub-committee and for receiving reports on findings applicable for making decisions of strategic importance.[4]

A new initiative may establish one or more sub-committees to take forward, for example:

- Fiduciary oversight, including financial, investment and audit-related risk
- Recruitment, remuneration and personnel policies and decision-making
- Ethics
- Oversight of technical quality
- Fundraising or replenishment
- Oversight of particular funding windows or thematic areas e.g. on investigative journalism

[4] A sub-committee is a separate governing body with responsibility for reporting to the Board on a particular area/issue. The number of members varies greatly depending on size of Fund, number of stakeholders, and need for appropriate representation and/or expertise. Typically, an Audit Committee would have between three to six members, for example. Sub-committees usually form part of the formal governance structure of an organisation with the Board retaining ultimate decision-making responsibility.

Depending on the structure adopted, legal constraints may determine the required Boards and sub-committees. A Board of Trustees acts as the legal governance body under the Charities Act 2011 for example. The set of Boards and sub-committees established at the outset of a new global initiative depends ultimately upon the nature of the initiative's mandate, its scale, its proposed operating model, and its regulatory environment.

As well as functional roles, sub-committees may also serve to provide representation to key stakeholders. Common such bodies include:

- Donor liaison committees (for key donors)[5]
- Members' assemblies (where a very large number of individuals, or organisations, are members of the initiative)
- Regional committees (for decision-making, or for consultation, on regional issues)
- Beneficiary committees (for consultation with intended beneficiaries)

Should the final governance structure of the Fund preclude donors from sitting on the Board of the Fund, and/or where there are a large number of donors committing a similar scale of funding, a Donor Liaison Committee is advised. This will allow the group of donors to retain a direct reporting route to the Board whilst not providing undue influence over the direction of funding through representation on the Board itself. Setting this out at the creation of the Fund will avoid potential difficulties later where it may not be clear simply by scale of commitment which donors should be appointed to the Board. If donors are appointed to the Board, all donor seats should be at a minority to other Board members. This Donor Liaison Committee could be one component of, or separate to, a wider Advisory Council, assembly or forum.

Country governance

International governing bodies may be supplemented with country-level or regional mechanisms which enable citizens of individual countries to have a more direct influence over the direction of the global initiative at a local level. The influence of country governments should remain restricted to enable the Fund to retain independence.

Examples of differing country governance models include:

The Green Climate Fund	The Global Fund	A flexible franchise model	The Start Network	Satellite offices
Operates through a 'National Designated Authority' or 'Focal Point' in each country, which is the legitimate local counterparty for the GCF when negotiating its investments in that country. The country itself determines which institution (usually a Government authority) will act as its NDA.	Appoints a Local Fund Agent (LFA) in each country of operation. The LFA provides financial oversight, accounting, reporting and standard internal control functions, ensuring that funds are channelled appropriate (while also, however, being restricted from any technical participation in the resulting programming or auditing thereof).	Several INGOs operate a flexible franchise model, whereby a national NGO is selected to be its principal local implementing partner in a given country. Over time, and subject to meeting the organisational requirements of the INGO, the national NGO may be granted a licence to operate under the brand of the INGO, or may choose to retain its national identity.	Is headquartered in the UK but operates through a global network of international non-governmental organisations (INGOs). One INGO is appointed in each country of operation to act as the lead agent when finances are disbursed in response to an emergency. The Lead Agent acts on behalf of the Start Network but under their own brand. A single coordinating agency increases coherence and efficiency in the distribution of funds to a particular country crisis.	Are used by some foundations (e.g. Bill and Melinda Gates Foundation), fund managers (e.g. responsAbility) and DFIs (e.g. CDC Group), allow for regional presence. This expands the presence of the brand, retains a single governance structure and facilitates relationship building with key beneficiary government and community stakeholders. Depending on constraints such as tax and employment law, locally registered subsidiaries may be required.

[5] It is noted that the Fund may have representation from donors on the Advisory Council. In this instance, consideration needs to be given to potential overlap in membership between the Donor Liaison Committee and the Advisory Council.

Where the country governance model draws on a global network (as in the Start Network and flexible franchise models), care needs to be taken so as not to distort or disrupt the local market dynamics. For example, the Fund could select representative bodies from the sector in any one country or region to act as the Lead Agent. Such organisations could include industry bodies and membership groups rather than individual media operators.

Country-level or regional mechanisms may serve as both a local presence and an operational hub with fiduciary responsibility over projects within its portfolio. This would be the case all of the examples above with the exception of the Green Climate Fund where funds are disbursed and managed centrally.

Alternatively, the Fund could choose to appoint a Fund Manager with responsibility for disbursement and financial oversight. This is commonly done on large single-donor programmes such as the UK Department for International Development's Girls' Education Challenge and the Australian Government's Enterprise Challenge Fund. The Fund may also choose to do this where Lead Agents, who have strong technical skills and knowledge but not the financial and grant management capabilities required, are appointed.

Advantages of this approach include:

- The governance body, in this case the donor, retains decision-making power but avoids the complication of needing the mechanisms and processes in place to disburse and manage large sums of money.
- Drawing on existing infrastructure limits costs to establish new back-office functions.
- The governance body remains arms' length from the actual disbursement of funds, establishing additional 'segregation of duties' controls and meaning the governance body of the Fund can hold the Fund Manager accountable for any issues that may arise in fund disbursement.
- Local media organisations may be selected as Lead Agents even where financial and grant management capabilities may not meet donor requirements.

Taking this approach does, however, introduce an additional party to the Fund which may not be desirable in the longer-term. An external Fund Manager could be a desirable solution during the early stages of Fund establishment. This will give comfort to donors over fiduciary controls and due diligence in particular whilst these are established within the Fund's own operations. In establishing these internal processes, the Fund should review and consider target donor due diligence processes and seek necessary professional advice where required.[6]

Start Network – path to an independent entity

The Start Network was incubated within Save the Children giving it legitimacy and back office support during its early years. As the Start Network planned for its path to becoming an independently registered charity, Save the Children remained the Fund Manager to give donors comfort over financial controls and due diligence whilst these were established within the new legal entity.

The Fund may choose to adopt different models in different geographies depending on the relative strength of local/regional partner organisations and/or scale of funding going to one region or country.

Feedback as a governance mechanism

Where the Investment Strategy provides for grant-making to, or funding of, applicant organisations, feedback from this process provides a useful check on fund oversight and operations. This is not often used as a formal governance mechanism but increases the voice of local organisations in the overall governance of the Fund.

Requesting formal feedback on the application process gives insight into internal process from the 'other side'. It highlights where application processes may be preventing those truly in need of assistance from fulfilling application requirements as an indicator of equality in fund allocation. The Global Innovation Fund has applicant customer service to continuously evaluate and respond to what applicants want, need and are challenged by from their application process.

[6] The UK Department for International Development's due diligence framework, for example, sets out four pillars with which the recipient of DFID funds must comply. The Fund should also consider the conditions that may come with funding from any one particular donor e.g. around timing of disbursement to downstream recipients, liability and intellectual property rights.

Where the structure provides for country focal points and communication is more regular between geographically clustered organisations, this feedback mechanism may be more informal. Feedback from formal or informal collection mechanisms should be fed back to the Board on a regular basis and actions taken to respond where required.

Some funds may also establish semi-independent technical assistance schemes to help support applicants with proposal development, pre-investment readiness and/or post-investment implementation.

Recommendations for IFPIM

The composition of the Board should reflect the principles discussed above. In the case of the Global Innovation Fund, appointment of the first Board on set up as independent entity was done by the anchor donors. A similar approach could be followed here; with those donors subsequently stepping out once the Fund is up and running. Alternatively, the first Board could be appointed by the Advisory Group.

As a minimum, the Fund should establish a Donor Liaison Committee and an Audit Committee as sub-committees to the Board. This will remove the requirement to manage donors and oversee the audit process from the day-to-day decision making of the Board. The Donor Liaison Committee could be formed within a wider mechanism such as the Advisory Council.

The country governance model adopted by the Fund should allow for flexibility in specifics across different geographies. Adopting a Lead Agent model similar to that used by the Start Network will enable the Fund to create a local/regional presence without the operational cost of establishing new offices and allow for coherence and efficiency in activities.

The Lead Agent should be a player that operates to serve the media market system, not a media player in its own right. Depending on the capacity of the Lead Agents identified in each of the five regions of planned operation, the Fund should consider appointing a Fund Manager to distribute funds whilst it becomes fully operational. This will avoid delays to receiving funding from donor organisations in the period of set up.

Funding sources and scale of funding

Quantity of funding

Fundraising targets for new mechanisms should be established with a view primarily to:

- The scale of the government or market failure perceived in the intervention area;
- The absorptive capacity of recipients to take on funding that will effectively address the issues in that intervention area;
- The capacity of the chosen delivery vehicle to safely and effectively distribute the funds raised;
- The 'signalling' effect of the funds raised: for example, the message that scale of funding will send out about the importance of a particular agenda to the initiative's funders and the credibility this may garner with partner governments; and
- The sustainability of the intervention (i.e. funds should be sufficient to enable the initiative to remain in operation for long enough to demonstrate results and either address the issue in question or to attract follow-on financing).

A range of different funds established in recent decades is presented below along with their total disbursements over time. Each of these funds had the intention of establishing a 'step change' in the global effort to tackle a specific public crisis. The scale of the fund is usually commensurate with its ambitions, with global funds looking to centralise efforts across donors and geographies in the range of billions of dollars. Examples include:

Fund	Mission	Pledged commitments[7]	Year of establishment
Green Climate Fund	"To limit or reduce greenhouse gas (GHG) emissions in developing countries, and to help vulnerable societies adapt to the unavoidable impacts of climate change"	USD 10.3 billion	2010
PEPFAR	To "save lives, prevent HIV infections, and accelerate progress toward achieving HIV/AIDS epidemic control in more than 50 countries around the world"	USD 85.0 billion	2003
Global Fund to Fight Aids, Tuberculosis and Malaria	"To accelerate the end of AIDS, tuberculosis and malaria as epidemics"	USD 51.0 billion	2002
Global Innovation Fund	To "invest in entrepreneurs and innovators with the potential to improve the lives of millions of the world's poorest people"	USD 0.7 billion	2014
Breakthrough Energy Ventures	"To make sure that everyone on the planet can enjoy a good standard of living, including basic electricity, healthy food, comfortable buildings, and convenient transportation, without contributing to climate change"	USD 1.0 billion	2016
International Finance Facility for Immunisation	"To accelerate funding for life-saving vaccines, making them more predictable and saving children's lives"	USD 6.5 billion	2006
Gavi, the Vaccines Alliance	"Saving children's lives and protecting people's health by increasing equitable use of vaccines in lower-income countries"	USD 20.9 billion	2000

[7] Taken from publicly available data at the time of writing in September 2019.

Initiatives which seek to establish a new intermediary financial mechanism in a particular sector may often attract mixed views from civil society implementing organisations in that sector, who may see the new initiative as a threat to their own funding base.

In order to maintain collaboration with such organisations, emphasis should therefore be on:

- Demonstrating that establishment of the new fund will increase the aggregate amount of funds flowing into the sector;
- Demonstrating that there are 'system' benefits to the creation of a new vehicle at the heart of the sector - such as better co-ordination or greater agility;
- Enabling those organisations to participate in the governance or membership of the new vehicle, either as formal members or as part of an Advisory Council, forum or assembly;
- Creating an organisational strategy for the new initiative which focusses on its role as a financial mechanism and prevents it becoming 'just another' implementing organisation in that sector.

Quality of funding

The quality and number of an initiative's sources of funding can be as important as the quantity of its funding.

Lessons learned from previous global initiatives include:

Number of donors

One or more anchor donors at the outset is critical. It gives credibility and confidence to the fundraising team and reduces perceived (and sometimes actual) risk for later joiners to the initiative.

Too many donors may lead to complex governance and divergent aspirations for the new initiative. It is preferable to establish and embed a core mission, vision and strategy with a small number of committed donors, and then to bring on new donors at a later stage.

Introducing new donors over time can lead to drift and dilution of the original mission if those donors bring their own special requirements or programmatic priorities.

Donor engagement strategies

A management team should be put in place as early as possible, ideally devolved from all of the organisations looking to support the initiative. This puts neutral brokers at the heart of the process and avoids perceptions of capture by any single collaborating partner.

A carefully thought through political strategy is required from the outset. Proximity to some political or civil society actors may equally encourage or discourage other donors and partners from associating themselves with the venture.

A common theme of successful multi-donor facilities is that they were closely aligned with the political agendas of their time: witness the Multilateral Debt Relief Initiative (2005), the Green Climate Fund (2010), or the Global Innovation Fund (2014).

Quality of donor

Restrictions on funding can be a critical impediment to implementation. Good quality funding is flexible in nature and empowers management to act with independence and agility. Poor quality funding comes with significant permission processes, exclusions and rights of veto. Where donors demand restrictions on their funding, it is essential to balance this with unrestricted funding from other sources. This allows for flexibility to cover unexpected costs and to respond to short-term changes in operating environment (e.g. where new sanctions are established and funding must be redeployed, or where there is a particular cause requiring short-term coverage).

A new initiative must therefore have the confidence – and the discipline – to decline funders whose vision, processes or restrictions stray too far from the original mission of the initiative.

A quality funding model seeks revenue from every sector: governments, foundations and private finance will each bring their own perspectives, ways of working, measurement frameworks, and so on.

Donor rules of engagement

Donor rules of engagement may sometimes be written into the constitutional documents of the initiative. The time and care, including legal guidance, needed for drafting articles, by-laws and terms of reference should not be underestimated.

The influence, or even control, that donors have over their supported initiatives can take many forms. The most suitable governance arrangements will depend in part on the appetite of the donors to be associated with, and/or in control of, the activities (and the risks) of the initiative.

At a minimum, senior management must have the freedom to act with authority and entrepreneurship within the organisation's strategic purpose: this will often require donors to focus their inputs at the long-term, strategic level, and not in the day-to-day.

A donor's voice should bear some relation to the proportion of their financial contribution to the venture; problems can arise when a majority funder lacks commensurate control, or when a small minority funder exercises it unduly by virtue of a veto. But overly complex mathematical formulae are unlikely to be the right solution for something that is ultimately collaborative in spirit.

Sustainability of funding

An approach to financial sustainability for the Fund will need to be developed. There are three options for this:

1. **Rolling resource mobilisation:** Where regular contributions to the Fund are required by either the Fund or by the donor, rolling resource mobilisation will allow for this. It will also allow new donors to enter and existing ones to withdraw on a more flexible basis. The Global Partnership for Education has taken this approach, raising USD 5.7 billion from donors since 2003[8]. It may however, result in greater annual variability in commitments and a less stable base for future strategic planning.
2. **Replenishment cycles:** The Global Fund, the Green Climate Fund, and the Global Environment Facility all raise funds on a replenishment cycle. This allows for concentrated fundraising efforts during a fixed period of time. It also convenes donors to high profile platforms where public commitments are made. The Fund then has a fixed budget for the years of the cycle and can plan accordingly.
3. **Endowment fund:** Many of the large philanthropic foundations such as the Bill & Melinda Gates Foundation are funded through income from endowments. This has the advantage of regular income without the need for continuous fundraising activities but requires a significant initial outlay from donors.

The Fund will likely want to consider a combination of methods to allow for regular contributions whilst retaining a stable base income level.

[8] As stated here: Link

Recommendations for IFPIM

The Fund should look for a combination of anchor donors willing to provide sufficient funding for an endowment, as well as those looking to make regular contributions. In the case of this Fund, a figure of USD 200m rising to a billion has been discussed. This would provide for resources of appropriate scale to meet the current ambitions of the Fund with regard to geographic reach, role as a coordinating Fund across donors, 'signalling effect' and likely demand for resource from independent media organisations.

The donor pool should reflect a range of donors from private sector technology providers to developed country aid agencies. This will bring both technical expertise in the field of media as well as best practice in aid delivery. Having a smaller number of larger anchor donors will reduce donor-management time required in the early stages of the Fund where operationalising will also require significant management attention.

Concentration should be focused on donors with the ability to make unrestricted contributions. This is particularly important in the early stages of the Fund where funding windows are likely to be limited and flexibility to adapt to unexpected changes required.

Where possible, the fund should try to deploy a single results framework to report to all donors, reducing administrative burden. The IFC Development Outcome Tracking System (DOTS) framework is an example of an institution wide impact reporting framework used for all donors and investments.

Strategy and investment approach

Levels of investment

New global funds may operate (simplistically) at three levels:

- Direct activities
  - Policy, research, thought leadership, communications and advocacy
  - Directly commissioned services delivered to beneficiaries

- Grant funding projects and programmes
  - Grants disbursed to support the activities of individuals and/or organisations working in independent media

- Ecosystem funding
  - Grants to support grant-making organisations operating at a more local or regional level
  - Grants or investments into commercial, sub-commercial, impact or philanthropic investment funds

Establishing the proposed weighting of activities between these three levels can help the new initiative to:

- Articulate the added value that the creation of a new mechanism will bring to the ecosystem in which it is operating;
- Identify the type (and number) of personnel who are likely to be required to implement its proposed strategy;
- Provide clarity to the external market on the funding options available and routes to accessing funding; and
- Identify its likely 'family' of initial collaborating partner organisations.

Investment approaches

Investment approaches can be conceived as taking place on a spectrum from **proactive** to **reactive**, whereby:

- At the most proactive end, a fund carries out its own diagnosis of a global issue, determines the optimal solutions and the right delivery partners to help to deliver them, and actively selects those delivery partners for investment, perhaps also collaborating with them to co-design the sponsored programme of work.
- At the most reactive end, a fund announces a global 'grand challenge', stating the outcomes it is looking to achieve but actively soliciting a range of different approaches, often with a focus on innovation and experimentation, from the 'market' of respondents. Applications are then invited and assessed against pre-agreed criteria to determine which ones receive investment.

Proactive approaches are often most effective where:

- There is relatively strong consensus on the most effective technical solutions, or existing successful models that are ready to be scaled up
- There is already significant donor activity in a particular field and activities need careful coordination to ensure additionality as opposed to duplication
- There is a limited market of potential delivery partners or there are specific institutions at which the intervention is directed
- The funding organisation has a high degree of technical and operational capacity, beyond simply acting as a funding agent - for example, a dedicated policy team
- The funding organisation has a relatively high budget for its own costs in proportion to grant funding disbursed
- Funding is being tied to other financing packages such as World Bank financing[9]

Reactive approaches (often called challenge funds) are most effective where:

- There is limited consensus on the most effective technical solutions, and a desire to find out 'what works'
- There is a very wide market of potential delivery partners and a desire to find new, potentially innovative, or more local partners beyond 'the usual suspects' in a given industry

[9] There is some consideration of the potential to trial new systems of public subsidy in the form of investment into a creative economy. Incentives for such systems and other ways of supporting public interest media capable of improving citizen engagement may potentially be incentivised within lending and other agreements from the multilateral financial system.

- The funding body is acting primarily as a funding agent, with relatively limited in-house technical or policy capabilities
- The funding organisation wishes to keep its own operational costs and activities relatively low and focus instead on grant funding its sectors of interest

In practice, many funding bodies adopt approaches that sit somewhere between these two ends of the spectrum. This could involve, for example:
- Inviting applications from a wide range of organisations but with a view to solving a quite specific problem or implementing a specific solution
- Inviting initial applications from potential delivery partners to produce a short list of potential partners, and then working proactively with shortlisted partners to co-design their proposed solutions

Where reactive approaches are adopted, for practical purposes this is often managed through funding 'windows'. Windows may be:
- Limited in scope to specific aspects of a global problem (e.g. investigative journalism) or particular geographies
- Limited in size of available funding per grant (i.e. targeting a specific size of delivery partner or scale of project)
- Limited to local or regional organisations or those with other specific features such as women-led
- Targeted at a particular stage of innovation
- Specific in application deadline rather than being open-ended

Fund strategy should set out the number of windows planned for each year of operation. This will allow for appropriate timing and forecasting of management input to the application process. There is a trade-off between multiple smaller windows and limiting management costs.

Handling funding windows requires careful planning and the capacity to execute:
- The design of the funding window and its assessment criteria
- Marketing of the funding opportunity so as to elicit a strong market response, share guidance on application process and socialise the assessment criteria
- Potential support to applicants to develop suitable applications[10]
- Rapid assessment of competing applications, on a fair and transparent basis, with a view to selection of preferred investment partners
- Due diligence and contracting processes
- Disbursements of funding
- Monitoring, reporting and evaluation activities over the portfolio
- Communications and learning from the resulting programmes

Funds can adopt either a one-stage or two-stage application process. A one-stage application process has the advantage of speed and of a potentially reduced administration burden. A two-stage process allows for short-listing of applicants before a full application is submitted. This is often used where large numbers of applicants are expected, and/or where operating environment means that basic due diligence checks are advised before time is spent by applicants preparing, and by the fund management team reviewing, applications.

Establishing funding windows which speak to the specific demands of donors around key topic areas such as gender requires careful consideration. Narrowly focused funding windows have the advantage of giving prominence to a particular topic but can also result in unintended consequences which could impact on the role and contribution of journalism in a particular location.[11]

Relative costs of different investment approaches and strategies

There are few publicly available analyses which compare the overall management costs of different types of outsourced grant funds in sufficient detail to understand the drivers of cost.

[10] Note that support for application development is not provided in all grant funds. Those involved in the decision making around grant award should not be involved in application development to ensure there is no conflict of interest in award. Equal access to support should be provided to all applicants. This may be more relevant in funding windows designed to attract 'non-usual' suspects where the process of applying for a grant may be more unfamiliar.

[11] For reference and further discussion on this, see here.

The following list of the drivers of cost sets out the key factors:
- procurement modality: the number and type of instruments (grants, contracts for services, balance sheet investments), the complexity of the contracting arrangements (for example, multiple partner grants or complex financial instruments) and the corresponding systems, processes and legal expertise required;
- accountability for impact: the extent to which the funding agent is actively responsible for maximising the impact of the funds disbursed through project control, monitoring, evaluation and (in cases of failure) intervention and closure;
- proactive versus reactive: the level of effort involved in the design of the work and in the identification of partners to deliver it. Traditional challenge funds typically pose a broad question and allow the market to propose solutions, while at the other end of the spectrum commercial procurement programmes do considerable work in market engagement, scoping of services required, shortlisting of preferred suppliers, and contract negotiation;
- transaction size and volume: the average size of the grant or contract that is let; inevitably, the larger the disbursement, the greater the economies of scale, leading to a smaller management cost; similarly a small number of short call windows will deliver greater efficiency than a series of smaller calls; and
- geographical complexity: the number of locations to co-ordinate and the nature of the operating environment(s) in which they are located.

A variety of financial benchmarks for management costs is presented below.[12] In reading these it is important to note that management fees are often calculated on the basis of different input costs and therefore are not always directly comparable.:

Fund	Description	Size (USD)	Av. annual commitment (USD)[13]	% Mmt
Green Climate Fund	Grantees accountable to the Board which is comprised of representatives of donor and beneficiary countries. Projects are monitored by the Independent Evaluation Unit. Funding allocated on the basis of proposals from accredited entities.	10.3 billion[14]	0.58 billion	7 – 10%[15]
Adaptation Fund	The Secretariat provides oversight, research, advisory, administrative and other services to the Board. Fund recipients are selected by the Board and the World Bank serves as a trustee.	0.9 billion[16]	0.75 billion	8.5%
Global Environment Facility	The overall workplan is approved by the Council which serves the Assembly, comprised of representatives from member countries. The Secretariat coordinates and oversees all programmes. These are monitored by the Independent Evaluation Office.	20.0 billion[17]	0.74 billion	4 – 9.5%
The Global Fund	Oversight of implementation provided by the Local Fund Agents in each eligible country. Funding assigned to eligible countries in three year funding cycles which align to donor replenishments. Countries, through the Country Coordinating Mechanism, then apply to release funding from the country budget.	51.0 billion[18]	3.0 billion	2 – 7%
International Finance	IFFIm creates bonds on the basis of long-term pledges from donor governments on vaccine financing. World Bank acts as the Treasury Manager, issuing bonds to	6.5 billion[19]	0.5 billion	4.1 – 4.6%[20]

[12] These have been calculated based on publicly available data. Funds mentioned elsewhere in this report but where required financial information is not publicly available to our knowledge have been excluded.

[13] Based on total commitments to date and years of establishment. This recognises that some funds operate under a replenishment process as opposed to annual contributions.

[14] As stated here: Link

[15] Management fees for the Green Climate Fund, the Adaptation Fund, the Global Environment Facility and the Global Fund are summarised in this document: Link

[16] As stated here: Link

[17] As stated here: Link

[18] As stated here: Link

[19] As stated here: Link

[20] As stated here: Link

Facility for Immunisation	capital markets and then providing financing to Gavi programmes.			
Gavi, the Vaccine Alliance	Aggregation point for demand for vaccines from developing countries led by WHO country offices and health ministries. Co-financing from country governments is increased as a country's income grows until the full cost of the vaccines can be covered.	20.9 billion[21]	1.1 billion	6.11%[22]

Types of financial intervention

At each level, a variety of investment approaches may be used, beyond simply grant funding charitable activities. A taxonomy is as follows:

	Funding model	Example
No potential for return on capital	**Policy fund:** Funding for policy reform in areas that restrict independent media (e.g. censorship). Alleviates system-wide blockages to progress.	PROTECT
No potential for return on capital	**Systems strengthening fund:** Ability to work with a broad range of actors across the media system to strengthen the supporting environment for delivery.	UK Aid Connect
No potential for return on capital	**Direct service funding:** Funding provided in relation to specific direct service provision (e.g. provision of independent newspapers or broadcasting).	BBC Media Action
No potential for return on capital	**Private sector support fund:** Funding for technical assistance and/or grants to private sector business.	The Media Fund
No potential for return on capital	**Innovation grant fund:** Call for proposals for innovative solutions to particular issues. Selected projects funded through non-returnable grant capital.	Global Innovation Fund
Potential for return on capital	**Pooled (re)insurance schemes:** A risk financing mechanism used by insurance companies to increase their ability to underwrite high risk consumers. (N.B. Included here for completeness but limited / no application to funding of independent media).	*E.g. US Affordable Care Act Reinsurance Program*
Potential for return on capital	**Accelerator / start-up fund:** Assistance (often combined with advice) to entrepreneurs looking to grow businesses in the media sector.	Velocidad (backed by Luminate)
Potential for return on capital	**SME-focused PE fund:** Investment into small and medium sized companies together with targeted support to facilitate growth and then sale.	Media Development Investment Fund Emerging Media Opportunity Fund
Potential for return on capital	**Fund of funds:** Investment into local media or SME funds through an intermediary fund with the benefit of accessing local expertise at the cost of additional management fees.	*No examples known*
Potential for return on capital	**Joint venture fund:** A fund created by two or more parties allowing the combination of resources (monetary or otherwise) and sharing of risks and costs.	*No examples known*
Potential for return on capital	**Financing facilities:** Affordable finance and support provided to media outlets to promote growth and reduce investment risks for banks.	Media Development Investment Fund Media Fund I and II
Potential for return on capital	**Revenue-guarantee / availability-based financing:** Reduction or removal of pricing risk to encourage production by suppliers and other innovative financing mechanisms to guarantee volumes such as donor-backed guarantees. Where scale of reader/viewership may be insufficient to generate revenues at the required scale, revenue-guarantees could be deployed.	*No examples known*

[21] As stated here as the 2000 – 2020 donor contributions: Link

[22] As stated in the 2018 Annual Financial Report accessible here: Link

Recommendations for IFPIM

To support local independent media organisations and avoid becoming simply another player in the media system, the Fund should centre its investment strategy around grant and ecosystem funding as opposed to direct activities.

The Fund will likely want to take a combination of proactive and reactive investment approaches. The investment approach will likely vary with geography and potentially with funding window. For example, an innovation grant fund in a dynamic market such as Kenya may allow for identification of non-usual suspects for funding. In a thinner market, however, this may be less appropriate as organisations may require more support to develop a concept and comply with funding requirements.

In the early stages of publicising the Fund, a proactive approach may be required to create demand and accelerate Fund activities. Decision on number and specification of funding windows should be made at each annual budget round as approved by the Board in consultation with the Advisory Council.

The Fund must also consider the type of financial intervention that it is willing to offer. Should the Fund opt for a funding windows approach, this can be tailored to each funding window. In the early stages of the Fund, it may be easier to provide direct service funding. This comes with the flexibility of phased approvals and the ability to proactively target organisations potentially in need. As the Fund evolves and is better known, innovation grant funds could stimulate competition in a market and are more likely to receive applications. Over time the Fund may also wish to consider innovative financing models such as revenue guarantees or revenue supplement schemes.

Operating model

Organisational aspiration

New global initiatives should determine whether they intend to act as conduits for the financing or co-ordination of better interventions in their sectors, or new agents in their own right, with policy prescriptions and proactive programming approaches.

This should in turn lead to operating model decision regarding the optimal size and structure of the resulting organisation.

For example:

- The **Start Network** was established as a way to improve the efficiency of the existing players in the humanitarian system. It draws on the existing ecosystem of humanitarian INGOs, both as governing members and as funded implementing partners who draw upon its funds.
- The **Green Climate Fund** and **Global Fund** have become very significant institutions in their own rights, each with 100+ staff at their respective headquarters and significant organisational infrastructure.

The organisation should also determine what type of culture and capabilities it seeks to have, as this will guide both recruitment and remuneration policies. For example, cultures and competitive remuneration packages might vary considerably between, say:

- A global fund set up to deploy innovative financial instruments as a means to tackle development challenges by drawing on experience from the financial services industry
- A global forum set up within the UN system to facilitate dialogue between countries or stakeholders
- A global network of community-based actors using a common platform to collaborate on a specific issue on a largely self-directed basis

For this reason it can be valuable at the outset to establish benchmark or reference organisations whose culture, capabilities and systems the new fund wishes to emulate.

'Make versus buy'

A new global initiative will have to determine how quickly to staff up both at the headquarters level and in proposed countries of operation. This should be done in line with principles of operation as designated by the Board. In the case of the Fund as a grant fund, these are likely to reference salary bands in line with market rates for the INGO sector. There are primarily three routes to staffing up doing this:

- Recruitment of in-house staff
- Commissioning services delivery partners (both front and back office)
- Designation of local organisations as local delivery partners, operating under the 'franchise' of the fund

For example;

- the Global Innovation Fund, established in 2014-15, was set up an independent not-for-profit institution and quickly hired its own staff of between 30 - 40 people;
- major donor programmes, such as the Girls' Education Challenge, are operated under a distinctive brand by commissioned services providers, but with no legal organisation behind them;
- the Start Network, established in 2011, was set up within the institutional environment of Save the Children, and drew upon both Save's back office infrastructure and the front office infrastructure of its various INGO members to deliver much of its work, in a network, partnership model of working which minimised the need to hire its own staff.

In practice, some combination of these three approaches is usually required. This could involve, for example:

- Hiring critical leadership staff directly;
- Outsourcing standardised back offices services; and
- Nominating one organisation per country to act as the local delivery organisation for the international fund, operating under the brand and franchise of the fund on a remunerated or grant-funded basis.

Establishing a network-based operating model (rather than expansion of in-house staff and setting up of proprietary operations in multiple countries) can be an effective way of

- minimising costs

- preventing bureaucratic sprawl over time
- assuaging concerns of sectoral organisations who may see the new initiative as a threat

Consideration should be given to the ambition of setting up as an independent entity in light of target Fund size. Global funds tend to have ambitious total fund sizes of hundreds of millions to billions of dollars. Without a substantial and realistic fundraising target, caution is advised against establishing a separate legal entity given the set up and ongoing operational costs involved.

Technical concerns

Separate legal identity often provides the most flexible form of governance, isolates risk within the programme vehicle, and gives significant operational benefits, particularly with regard to more innovative investing activities and the retention of staff. But it also comes with additional administration, systems and working capital requirements.

Where a new legal identity is proposed, technical advice covering law, tax, finance, accounting, and procurement will be needed to ensure that the venture is incorporated in the right way. Fiduciary and legal integrity will be required to legitimise the new entity as a standalone body that will withstand the scrutiny of large donor due diligence.

With regard to legal expertise, particular consideration needs to be given to appropriate input into the drafting of onward agreements with funding recipients. Of note is likely difficulty around intellectual property (IP) given potential donor conditions on ownership of IP and need for end funding recipients to retain ownership of material produced.

Advice will also need to be sought with regard to potential legal challenge from country governments where restrictions exist on philanthropic funding of media outfits. Funding channelled to India, Myanmar and Brazil in particular will raise additional technical constraints that will require careful consideration and appropriate legal consultation.

In particular, consideration should be given to working capital. Organisations need a certain amount of operational reserves in order to function effectively and safely, but finding a donor who is willing to fund working capital requirements rather than specific programme-related activities can prove challenging. This is where foundation funding can be very valuable, as it may come with fewer strings attached.

Recommendations for IFPIM

Some form of central management will likely be required to manage the day-to-day operations of the Fund. A slimmer management structure more akin to that of the Start Network will be more cost effective in the early stages of the Fund.

As the Fund scales, decisions around 'make or buy' are likely to evolve. This may result in the aspirations of the Fund shifting with an increased desire to bring more staff 'in house' and create a stronger brand and power house behind Fund activities.

Significant thought should be given upfront to technical concerns, particularly around law, tax, finance, accounting and procurement. Early investment will make sure that sufficient and proper policies and processes are established from the start and that these will withstand donor due diligence further down the line.

Appendix 1: Global funds, platforms and programmes referenced

- Global Fund to Fight AIDS, Tuberculosis and Malaria
- Start Network
- Global Innovation Fund
- Consultative Group to Assist the Poor
- Green Climate Fund
- International Finance Facility for Education
- Gavi, the Vaccine Alliance
- International Finance Facility for Immunisation
- International Fund for Agricultural Development
- Open Society Foundations
- The President's Emergency Plan for AIDS Relief ('PEPFAR')
- UN Democracy Fund
- Global Partnership for Education
- Global Environment Facility
- Girls' Education Challenge
- Breakthrough Energy Ventures

Appendix 2: Measuring impact

The Fund should adopt a single over-arching results framework. This should be simple yet effective to avoid over complication and burdensome reporting. Reporting against this framework needs to be acceptable by all donors as opposed to the Fund reporting against a different set of metrics for every donor. The framework should have a focus on reporting at output, outcome and impact levels to satisfy donors own reporting requirements.

Logistical considerations in establishing such a framework include:

- Importance of communicating results to donors and in turn to their stakeholders. Results should ideally be reported at a Fund level through the Donor Liaison Committee and regular reporting processes. Should the Fund create separate funding windows at a later stage, additional indicators may be introduced but these should be additional to, and not substitutes for, those in the overarching framework.
- Level of resource allocated to measuring impact. The number and ambition of the indicators included in the framework need to be commensurate to the resource available. This will also impact the level of beneficiary that can be engaged with. In circumstances of limited resources this may be restricted to direct recipient organisations as opposed to the communities which their media reaches.

Some form of Theory of Change will likely be a useful tool for the Fund to articulate how its activities will result in positive impact as the Fund starts to engage with potential donors. It should link to the indicators included in the framework and be reviewed on an annual basis to see if results support the logic of Fund activities, adapting workplans where impact is not being seen.

Appendix 3: Indicative timeframes

The Fund needs to consider its ideal 'end state' with regard to structure. Given the Fund's stated ambition of becoming an independent entity, there are several routes that could be taken to reach this goal. These are as follows:

Independent entity from Day 1

Indicative timeframes from the establishment of other global funds:

- Two years for legal negotiation and agreement between anchor donors on by-laws
- Nine months for policies, processes, systems (including operational and financial), hardware and legal templates to be in place[23]
- Three – six months to first investment

To adhere to such a timeframe, appointing an individual who can make decisions and sign on behalf of the entity is needed as well as unrestricted funding from donors to provide for the set-up costs.

Hosted spin out

Legal negotiation timeframes will still remain the same. There is, however, a significant benefit of being able to leverage the policies and processes of an already established organisation to inform the development of new ones. In some cases, policies and processes may just need rebranding and updating for context. System set up will likely still be required.

Assisted services

The timeframes relating to the establishment of a new legal entity in relation to the legal negotiation and establishment of policies, processes and systems are likely to remain the same. However, there is a significant benefit of being able to operationalise whilst these discussions are ongoing. This can be enabled either by embedding within an existing INGO or alternatively by appointing a Fund Manager to disburse and manage funds whilst that capability is created in the new entity.

[23] This assumes significant support from professional services such as legal, tax, procurement, systems design and implementation, and finance.

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APPENDIX 2

STAKEHOLDER CONSULTATION: ESTABLISHING AN INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA

GLOBAL FORUM FOR MEDIA DEVELOPMENT

ESTABLISHING AN INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA

The Global Forum or Media Development (GFMD), at the request of BBC Media Action and Luminate, engaged in a media development stakeholders' consultation in September and October 2019 concerning a proposition that a new International Fund for Public Interest Media be established.

The proposition to set up this Fund and the rationale for its establishment outlined in *Making Media Markets Work or Democracy: An International Fund for Public Interest Media: June 2019 Consultation Document* (hereinafter the Consultation Document), has come at a precarious time for journalists and the very survival of the news media industry. Societies all over the world are experiencing the decline of independent media, which is facing unprecedented challenges to sustain its public interest functions. The fourth estate as a necessary pillar of a functioning democracy is crumbling.

While this crisis is worldwide, poorer countries–with economically and politically disenfranchised populations—will be most affected in this downward trend. As the Consultation Document notes, globally, news media are on course to lose around $23.8 billion in annual advertising revenue between 2017 and 2021 (*PwC Global Entertainment & Media Outlook 2017-2021*). It is estimated that more than 10% of these losses, around $3 billion, will be sustained by local news media, which historically have been the main providers of public interest information for communities around the world.

It's against this backdrop that James Deane and Dr. Maha Taki of BBC Media Action developed, with support of Luminate, a thought-provoking and ambitious proposition for the development of a major new inter-national fund – an International Fund for Public Interest Media – that would aim to raise an additional $1 billion to augment existing support for the development, sustainability, and independence of public interest media especially in resource-poor and fragile settings. As stated in the Consultation Document, this new Fund would not be designed to reorganise or centralise any existing funding, although it can't be guaranteed that it wouldn't have some impact on how donors organise funding. It would rather be designed to generate additional support to help curtail the economic, political, and social challenges that inhibit the survival of independent public interest media.

The purpose of the GFMD-led enquiry was to get feedback on the ideas and proposals presented in the Consultation Document to improve the understanding of the issues related to the Fund's justification, purposes, and scope as well as ways to structure it to be most effective in reaching the areas of greatest need. We have received feedback through more than 21 key informant interviews and survey responses from 87 media development practitioners from the GFMD network, particularly from stakeholders in the Global South and from the members of the GFMD Steering Committee.

The proposal to set up a new Fund has prompted an enormous amount of attention and is gaining momentum and interest in the sector. Overall, there is general agreement about the threats and challenges faced by journalism and independent media, and this enquiry has confirmed that the creation of the Fund or a similar mechanism to help address these issues is critical.

"It's a really good idea. It would potentially mobilise a lot of support for media". (interviewee)

However, to quote another respondent, "The devil is in the details", and the various alternative ideas or critiques that have emerged from this consultation should be taken as input in a process to further refine the roles, structure, size and scope of the Fund.

REPORT AUTHOR

Report Prepared for GFMD by Cross-Pollinate Consulting Solutions - Susan Abbott

Full report available upon request at director@gfmd.info

"Media development has changed and the way we talk about it needs to change." (interviewee)

KEY FINDINGS

Key findings are organised around the five key areas of the consultation:

Area 1: Public Interest Media

How is public interest media defined?

This area of consultation sought to probe understanding of the term "public interest media" as stated in the Consultation Document and identify agreement or disagreement concerning the definition of the term. The applicability of the term "public interest media" was questioned in the interviews, both as to whether it could communicate the mission of the Fund and as to whether the term "public interest media" was well known or defined in the same way in every region.

- Respondents from low and middle income countries were generally supportive of the definition of public interest media and expressed support for a funding mechanism that would further defend and support such media in countries designated as "Global South".
- Many respondents suggested using "independent media" instead, although issues were raised about this term as well.
- The discomfort with the term "public interest media" was notably correlated to the geographic regions of respondents. There were some sharp disagreements from US-based interviewees on the definition of public interest media, with many respondents equating public interest media with public service broadcasting, a "BBC style" approach to journalism, an approach to journalism and media that is more European in terms of its values.

Area 2: Justification for Fund for Public Interest Media

Is the justification compelling and complete?

Feedback on the stated justification for the Fund as contained in the Consultation Document was the second area on which we focused to assess whether the justifications were sufficient and compelling reasons for the establishment of a fund.

There was near universal agreement that the Consultation Document sufficiently depicted the changing and challenging landscape independent media now face. All respondents agreed that the loss of independent media and journalism comes with high costs to good governance and development, and nearly 99 percent agreed that the sector is under threat and lacks market solutions to sustain it. A slightly low number of people (90 percent) felt that the current structures were insufficient to meet this crisis.

Many agreed that the creation of the Fund was an important response although not a "perfect solution" and politically difficult. For many, the real problems of media today are due to media capture by the state or by corrupt oligarchs, and that when it comes down to it, press freedom, quality journalism, and the challenges faced by public interest journalism are due to a lack of political will. In this context, additional funding for independent, public interest media is vitally needed, but it will not necessarily solve the underlying challenges to democracy that in return pose major problems for democratic media. Similarly, there are major deficits caused by a lack of advertising funding and new business models. Respondents have stressed the need to accompany a fund with strong principles, guards against syphoning off scarce resources, and strategies for good governance.

FURTHER FEEDBACK

The consultation document specifies that grants to groups in individual countries could be administered from a regional base. Survey takers were asked to express their attitudes and sentiments about this style of administration. A majority liked the idea of regional centres. But some felt that it highly depended on how the regional centres were organised. Many also stressed that it was not what the Fund will support, but how this support was given that should be considered.

"Smaller bilateral donors, foundations, and multinational institutions are underinvested in this field, and often give awards that are too small or infrequent to achieve systemic impact." (survey response)

*

"Media donors usually have an extremely high overhead, and a small portion of the funds make it to the outlets." (survey response)

*

"[Donors] don't give core funding, but [fund] projects, which doesn't help long term work." (survey response)

*

"Donor support is only provided through complex grant application. Often support is only provided for a narrow scope of topics, skewing media coverage to sometimes hyper-focus on certain trending causes." (survey response)

"Media development is not perceived as a priority for development aid in poor and resource-scarce countries and regions, which evidently hampers funding streams." (survey response)

Area 3: Fund Structure

Do the proposed streams of activity and structure of the Fund meet funding needs?

This consultation area focused on the priority funding streams of the Fund proposed in the Consultation Document to get feedback on what kinds and types of support the Fund would best address, funding gaps, and priorities.

There is general agreement concerning the need for all three proposed funding streams from the perspective of survey respondents. More than three-quarters of survey respondents support all three proposed funding streams, 77 percent for investigative journalism, 84 percent for local media organisations, and 82 percent for international media development support organisations. The picture is even more positive if we analyse responses from local "Global South" respondents only. The overwhelming majority of those survey respondents supports all three proposed funding streams: 94 percent for investigative journalism, 90 percent for local media organisations, and 85 percent for international media development support organisations. However, some critiques or considerations were raised in each of these areas both in the survey and key informant interviews, and some proposals were also put forward about alternatives to these streams. Feedback from the consultation shows:

- Some interviewees were quite critical of the current Consultation Document's prioritisation of the Fund's structure, citing that it was trying to do too much, that was not focused, and that coming up with a tighter structure for the Fund's structure and strategy will be paramount to ensuring whether this initiative will be successful or not.
- Both interviewees' and survey respondents' answers suggested that innovation in journalism and business models as well as advocacy, policy, and research to increase awareness on the critical role of independent journalism were high priorities.
- Several respondents strongly questioned investigative journalism as an area of funding because, they felt, there was already significant funding for it, and already had a strong sector lobbying for support. At the same time, some of the survey respondents commented that the Consultation Document gave "excellent reccommendations" when came to the structure and that investigative reporting networks should have a larger role in it .

The Consultation Document lays out three streams (or pillars) of potential support for the Fund: i) Investigative journalism; ii) Regional centres to fund local or national public interest media institutions; and iii) Existing international and regional media development organisations.

Area 4: Governance and Administration of Funds

Are the proposed governance and administration of funds best suited to meet the needs?

The consultation document outlines three governance options. Most respondents (both in surveys and interviews) ranked the third option—a small governance board supplemented by an advisory council as their first choice. However, many respondents indicated they did not have enough information or expertise to give feedback. There was, however, general agreement that the leadership structure should be relatively small, nimble, agile, and flexible and that it ought to take every effort to avoid unnecessary bureaucracy or heavy-handed administration.

43.75% of survey takers ranked Option 3 as their preferred option, while 31.94% chose Option 2, and 27.40% favoured Option 1. However, it should be noted that it is unclear how thoroughly survey takers understood the governance models.

Option 1
Governance model that prioritises formal representation from different constituencies on the Board. It would include 21 intentionally selected board members to represent the diversity of public interest media stakeholders.

Option 2
Governance model that would draw on the governance structure of the Global Innovation Fund. This second option would see a much smaller board of 9 board members comprising of public interest media stakeholders.

Option 3
Governance model with a small board similar to Option 2 (or potentially even smaller) accompanied by an Advisory Council with the Chair of the Council sitting on the Board.


Photo by Levi XU on Unsplash

Area 5: Impact

Are the proposed M&E tools for such a Fund sufficient to show impact?

Respondents felt that the Fund's focus needed to be clarified before considering its impact and measurement. In the words of one respondent, "There are so many examples of what success looks like. But I come back to my original point. We need to focus.... This all needs to be narrowed." This sentiment summarises what many respondents conveyed; first, it will be incumbent upon the designers of this proposed Fund to determine the key areas of priority for funding, i.e., the proposed Fund structure, and then it will be necessary to determine the best form of governance and administration. Only then, respondents said, will it be possible to truly map out the types of indicators and measures of success more appropriate for this new Fund. Rationalising the measurement of impact with those that are already in existence (and with the Sustainable Development Goals or SDGs) would help build a collaborative fund that integrates with current efforts and is understood by donors.

CONCLUSIONS

Hardly anyone disagrees that there are many factors negatively impacting journalism and independent media and that the Consultation Document did an excellent job of problematising them. There is also a general agreement that the greatest challenge the Fund needs to address are issues concerning the market's failure to support independent journalism and that the creation of some sort of Fund or mechanism to help address these issues is critical. A significant number of interviewees and survey respondents agree that the Fund needs to be as focused as possible to address them effectively. In this way, many respondents signalled the need to get to the right fund structure, funding streams, and administration. In terms of assessing the impact for a prospective Fund, most respondents shared that when they know what the Fund will actually do, which audiences it will serve, and has more-focused, targeted goals, then it will be more possible to have a meaningful discussion about measuring success. Furthermore, comments and responses highlighted that donors infrequently prioritise media, and many successful organisations would need access to this Fund to make up for lack of donor attention.

KEY RECOMMENDATIONS

1) **Build on the excitement within the GFMD network to engage stakeholders in the process of fund development and to help to focus and build support.** This can take the shape of a cocreation workshop or a set of them wherein there would be an organic and user-centred way of designing the Fund. Many respondents said they would welcome greater engagement as stakeholders in more discussion around bringing this new Fund to life. Many respondents hoped that GFMD would play a role as facilitator in the process.

2) **BBC Media Action, Luminate, and other drivers of the proposition should carry out additional scoping of different models for the governance and administration of the Fund.** The three models highlighted in the Consultation Document were not well known to many respondents.

3) **Build the constituency for this initiative and get feedback consistently from them.** Overall, respondents agree that the details around establishment of an international fund need more research, consultation, and discussion. Many suggestions about process were made. Some of those that should be considered include regional consultations, broader consultations with civil society, and high-level consultations.

4) **Develop a communications, marketing, and public relations campaign.** Many interviewees said that media development is still too niche or specialised and that people beyond the "usual suspect donors" still do not have sufficient understanding or background on why they should invest in media as a facet of development and social change. In this context, it's recommended that those leading the next phase of the Fund's development put together a strategic communications package that explains the need for this Fund and puts the issues of media development in a way that nontraditional donors can understand.

5) **Write the case statement for the Fund. This would be no more than two pages and would make the case for the Fund in a short, concise, and compelling manner.** This would be a useful exercise in helping to orient and define a universe for potential donors and help other stakeholders to all use the same language and way of communicating about the Fund.

APPENDIX 3

THE SCOPE OF THE INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA

APPENDIX 3:
THE SCOPE OF THE INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA

UNESCO media development indicator	IFPIM directly engaged	IFPIM indirectly engaged	IFPIM not strategically focused
LEGAL AND POLICY FRAMEWORK			
A. LEGAL FRAMEWORK			
1.1 Freedom of expression guaranteed in law		X	
1.2 Right to Information guaranteed in law		X	
1.3 Editorial Independence guaranteed in law		X	
1.4 Journalists' right to protect sources guaranteed in law		X	
1.5 Public and CSOs engage in shaping policy related to media		X	
B. REGULATORY SYSTEM FOR BROADCASTING			
1.6 Independence of regulatory system guaranteed by law and respected in practice		X	
1.7 Regulatory system works to ensure media pluralism		X	
DEFAMATION LAWS AND OTHER LEGAL RESTRICTIONS			
1.8 State does not place unwarranted legal restrictions on media	X		
1.9 Defamation laws impose the narrowest restrictions necessary to protect reputation of journalists			X
1.10 Other restrictions on journalists narrowly defined in law		X	
C. CENSORSHIP			
1.11 Media not subject to censorship as matter of law		X	
1.12 State does not seek to block or filter Internet content		X	
PLURALITY AND DIVERSITY OF MEDIA, A LEVEL ECONOMIC PLAYING FIELD AND TRANSPARENCY OF OWNERSHIP			
A. MEDIA CONCENTRATION			
2.1 Media takes positive measures to promote pluralist media		X	
2.2 State ensures compliance with measures to promote pluralist media		X	
B. DIVERSE MIX OF PUBLIC, PRIVATE AND COMMUNITY MEDIA			
2.3 State actively promotes a diverse media mix		X	
2.4 Independent and transparent regulatory system		X	
2.5 State and CSOs actively promote development of community media	X		
C. LICENCING AND SPECTRUM ALLOCATION			
2.6 State plan for spectrum allocation ensures optimal use for public interest		X	
2.7 State plan for spectrum allocation promotes diversity of ownership and content		X	
2.8 Independent and transparent regulatory system		X	
D. TAXATION AND BUSINESS REGULATION			
2.9 State uses taxation and business regulation to encourage media development	X		
E. ADVERTISING			
2.10 State does not discriminate through advertising policy	X	X	
2.11 Effective regulation governing advertising in media		X	

UNESCO media development indicator	IFPIM directly engaged	IFPIM indirectly engaged	IFPIM not strategically focused
MEDIA AS A PLATFORM FOR DEMOCRATIC DISCOURSE			
A. MEDIA REFLECTS DIVERSITY OF SOCIETY			
3.1 The media – public, private and community-based – serve the needs of all groups in society	X		
3.2 Media organisations reflect social diversity through their employment practices	X		
B. PUBLIC SERVICE BROADCASTING MODEL			
3.3 The goals of public service broadcasting are legally defined and guaranteed		X	
3.4 The operations of public service broadcasters do not experience discrimination in any field		X	
3.5 Public service broadcasters have independent and transparent systems of governance		X	
3.6 Public service broadcasters engage with the public and CSOs	X		
C. MEDIA SELF-REGULATION			
3.7 Print and broadcast media have effective mechanisms of self-regulation	X		
3.8 Media displays culture of self-regulation	X		
D. REQUIREMENTS FOR FAIRNESS AND IMPARTIALITY			
3.9 Effective broadcasting code setting out requirements for fairness and impartiality		X	
3.10 Effective enforcement of broadcasting code			X
E. LEVELS OF PUBLIC TRUST AND CONFIDENCE IN MEDIA			
3.11 The public displays high levels of trust and confidence in media	X		
3.12 Media organisations are responsive to public perceptions of their work	X		
F. SAFETY OF JOURNALISTS			
3.13 Journalists and associated media personnel can practise their profession safely		X	
3.14 Media practice is not harmed by climate of insecurity		X	
PROFESSIONAL CAPACITY-BUILDING AND INSTITUTIONAL SUPPORT			
A. AVAILABILITY OF PROFESSIONAL MEDIA TRAINING			
4.1 Media professionals can access training appropriate to their needs	X		
4.2 Media managers, including business managers, can access training	X		
4.3 Training equips media managers to understand democracy and development	X		
B. AVAILABILITY OF ACADEMIC COURSES IN MEDIA PRACTICE			
4.4 Academic courses accessible to a wide range of students			X
4.5 Academic courses equip students with skills			X
C. PRESENCE OF TRADE UNIONS AND PROFESSIONAL ORGANISATIONS			
4.6 Media workers have the right to join independent trade unions and exercise this right		X	
4.7 Trade unions and professional associations provide advocacy			X
D. PRESENCE OF CIVIL SOCIETY ORGANISATIONS			
4.8 CSOs monitor the media systematically		X	
4.9 CSOs provide direct advocacy on issues of freedom of expression			X
4.10 CSOs help communities access information and get their voices heard		X	

UNESCO media development indicator	IFPIM directly engaged	IFPIM indirectly engaged	IFPIM not strategically focused
INFRASTRUCTURAL CAPACITY IS SUFFICIENT TO SUPPORT INDEPENDENT AND PLURALISTIC MEDIA			
A. AVAILABILITY AND USE OF TECHNICAL RESOURCES BY THE MEDIA			
5.1 Media organisations have access to modern technical facilities for news gathering, production and distribution	X		
B. PRESS, BROADCASTING AND ICT PENETRATION			
5.2 Marginalised groups have access to forms of communication they can use	X		
5.3 The country has a coherent ICT policy, which aims to meet the information needs of marginalised communities		X	

ENABLING MEDIA MARKETS TO WORK FOR DEMOCRACY

AN INTERNATIONAL FUND FOR PUBLIC INTEREST MEDIA