

**2020-  
2023**

Solomon Islands  
Broadcasting  
Corporation

September 2019



# **STATEMENT OF CORPORATE OBJECTIVES**

## 1. EXECUTIVE SUMMARY

**1.1 Brief Corporate History.** The Broadcasting Act (1976) mandated SIBC to operate as an independent statutory authority and it began as such in January 1977. SIBC is authorized by the Act to operate radio and television broadcasting services. In 2007, Parliament enacted the State-Owned Enterprises Act and SIBC is required to perform as a commercial entity and aim to make profits for its owner, the SIG. The SIBC is a cost-conscious enterprise-oriented organization which has made operational profits in 2013, 2014, 2015, 2016. In 2017, our CSO contract was valued at SBD5m. That would have allowed SIBC to continue on its provincial tours, rollout its Unity FM network and progress its plans to introduce a National Television service. A mid-year reprioritisation exercise by the government meant SIBC was not able to receive the 5m CSO as promised resulting in an operating loss of SBD\$341,716 for 2017. Strict financial control measures and operational cut backs allowed SIBC to bounce back in 2018. Our provisional financial statement for 2018 indicates a modest profit of just over SBD\$1m.

**1.2 SIBC** is a *point to multiple point delivery mechanism* for urgent communication, marketing of products, government communication and entertainment and reaches into every village in the country. SIBC competes with local private radio stations but while it is not a legal monopoly, there are no other businesses or institutions in the country providing nation-wide shortwave radio services.

**1.3 Organisation.** SIBC's Board of Directors provides the legal and policy authorities for the General Manager and the management team. Forty professional staff are at post and three more to be recruited for the TV service in 2019. There are eight ancillary workers (drivers, security, gardener, cleaner). SIBC has studios, transmitters and offices in Rove, Gizo and Lata. Its main AM transmitters are located near Henderson International Airport. It has land at Henderson (for transmission masts and housing), at Noro where a new AM/MW transmitter is to be located and at Lata. It also has land at Titinge behind the Herbarium at Rove. The plot at Tandai has since been converted on approval from the Board.

**1.4 Assessment of past results.** From being insolvent in April 2013 the Board of Directors and management reformed the Corporation reducing operational costs, improving programming output and drew back thousands of people who had abandoned listening to SIBC. By 2019 the following were accomplished:

1.4.1 SIBC's accumulated debt to SIEA fully settled.

1.4.2 All SIBC obligations are being met on time.

1.4.3 SIBC equipment and machinery are attended to according to strict repair and maintenance regimes and the regular transmission outages of the past are now uncommon. However, most studio equipment being more than ten years old now need replacement.

- 1.4.4 Sales projections for 2020 and thereafter will be exceeded if SIBC is enabled to provide commercial TV.
- 1.4.5 A new 1000watt FM transmitter was installed at the highest point in Gizo in 2015 covers economically important areas of Kolobangara, north New Georgia, Noro, Rendova, the Vonavona and Roviana lagoons in addition to Vella La Vella and Ranongga.
- 1.4.6 A new 1000watt FM transmitter has been installed in Lata and now provides wide coverage on in western Santa Cruz. It is planned to install FM at Kirakira and Choiseul Bay in 2019.
- 1.4.7 SIBC terms of trade conditions ensure clients pay up on time. Usually the slow payers are SIG Ministries and in 2017 this has been the worst of the past few years.
- 1.4.8 A succession plan was instituted to prepare first line managers for higher duties.
- 1.4.9 Staff career planning information has been developed which aims to keep staff levels low while ensuring all become multi-skilled.
- 1.4.10 Staff are now on individual fixed term employment contracts where before they were treated as public servants and were highly dependent on the Corporation.
- 1.4.11 All staff were provided opportunities to improve their communication, time management, conflict resolution, team work, leadership and customer services.
- 1.4.12 Staff are encouraged and helped to continue learning at tertiary institutions.
- 1.4.13 A rural listenership survey was carried out in certain parts of the country by an independent confirming what was already established by SOLMAS in 2010.
- 1.4.14 Began acquiring and producing TV content in May, 2018.
- 1.4.15 Began airing TV content on TTV1 channel since March 2019, and thereafter begin weekly TV news roundup since May, 2019.
- 1.4.16 In May 2019, SIBC commissioned a Television Viewership survey by an independent researcher to determine the level penetration of TV in the local media landscape and the demand for locally produced television content and programming.

## **1.5 Current key activities**

- 1.5.1 Tours of rural communities enables receiving feedback from people that show that SIBC services are appreciated by listeners again since serious attention was paid to the demographics, to the production of creative programs of interest to people, the injection of new overseas and local music into the daily playlists and to regular visits to rural communities. In 2016 tours were made to Shortland Islands, Rennell and Bellona and Central Islands province and Small Malaita.
- 1.5.2 Promotion of music and entertainment in villages and helping with community festivities e.g. recording and broadcasting string, panpipe and bamboo bands
- 1.5.3 Creating new products for commercial advertisers to promote and sponsor
- 1.5.4 Upgrading the value of products by training and retraining producers and presenters
- 1.5.5 Initiating new programs that touch on peoples' lives, languages, culture and livelihoods
- 1.5.6 Researching for news items that keep people informed on a daily basis about events and issues of interest to them

- 1.5.7 Analysing, synthesizing and preparing development, educational and general information for broadcast across a wide variety of topics
- 1.5.8 It is expected that by the end of 2020 SIBC will be producing programmes for a commercial public television service to be operational in Honiara in early 2021.
- 1.5.9 The flow of information between provinces and villages will be improved in August 2020 when twenty new Stringers and village correspondents will be hired and trained to pass on news about events and issues to SIBC from their communities.
- 1.5.10 Preparing to initiate the change from analogue to digital transmissions in 2021 and to take advantage of commercial opportunities that arise from this new technology
- 1.5.11 SIBC is attempting to erect a number of staff houses at Lata, Gizo and Honiara. SIBC sold about twenty houses around 2000 when the Corporation almost went bankrupt. Staff have been badly neglected since then.

#### **1.6 Major Trends and Strategic issues impacting performance.**

- 1.6.1 SIBC professional management and operational staff operate a sound organizational structure and operate on the basis of policies, rules, regulations and budget parameters.
- 1.6.2 Key strategies are to provide more platform services e.g. Television, open up new revenue streams (online), invest in cost reduction and green technology, interact with social media and focus on training to improve quality of presentation and programs.
- 1.6.3 The major weakness is relying on SIEA mains power which has frequent outages. SIBC has to maintain expensive standby generators requiring regular attention. It is investigating gas and solar power for its studios and offices. Initial studies funded by the British High Commission indicated it would cost around SBD2m capital expenditure to install a fully redundant renewable energy system at its headquarters. This would reduce SIBC's reliance on fossil fuel energy by 50 percent and 5 years to recoup the investment.

#### **1.7 Major Objectives - operational and financial - action plans and performance targets**

- 1.7.1 Deliver Government's community service obligations as per CSO contract
- 1.7.2 Operate efficiently and professionally and ensure SIBC turns a profit at the end of each financial year
- 1.7.3 Ensure SIBC products are enjoyed by the majority of people
- 1.7.4 Roll out other broadcasting services in response to demand
- 1.7.5 Be recognised as a symbol of unity and national identity

#### **1.8 Major Outcomes Expected and performance targets**

- 1.8.1 The majority of households in Solomon Islands listen to SIBC radio at least twice daily to receive news, current affairs, development and government information, weather and emergency warnings and for commercial and private messages.

- 1.8.2 People get used to viewing SIBC Television and are influenced to improve their economic circumstances and quality of life and enjoy the diversity and similarities of culture among our communities.
- 1.8.3 Commercial advertisers and sponsors recognize value in their engagement of SIBC for commercial purposes.

### 1.9 Summary of Key Elements of the Financial Plan

- 1.8.1 Creative sales and marketing plans ensure maximized revenue income
- 1.9.1 All resources invested in technology that keep costs down e.g. gas and solar power, modern lighting and digital technology that cost less than analogue
- 1.9.2 All assets will be employed for commercial purposes
- 1.9.3 Human resource development focus will be on raising education and professional levels of staff to international standards

## 2 INTRODUCTION

### **The objective of the SIBC is to**

- 2.1 Serve the information, education and entertainment needs of people in more than five thousand village communities in nearly a thousand islands throughout the country
- 2.2 Provide a point-to-multiple point communication system for authorities to prepare people to deal with impending disasters and keep them informed about relief and rehabilitation efforts after disasters have taken place
- 2.3 Enable government ministries, provincial governments and other institutions to communicate with the national community for general awareness and information about national issues and events
- 2.4 Provide opportunities for private businesses to promote their goods and services to a national audience and for people to access SIBC programs on-line from anywhere in the world
- 2.5 Enable government to meet its community service obligations while returning a profit on its investment

## 3 NATURE AND SCOPE OF ACTIVITIES

- 3.1 **SIBC's Vision** is to promote and inspire national unity, be a beacon of national identity and a cultural symbol to the many communities that make up this nation.
- 3.2 **SIBC's Mission** is to provide Solomon Islanders with free daily access to up-to-date and reliable information, to expand their education and to professionally produce entertainment programs broadcast on quality equipment and transmitters. Its services include providing useful information on matters affecting peoples' quality of life, governance, livelihoods, cultural wellbeing, health, safety and security in times of emergency or disease outbreaks and for development purposes generally.

### 3.3 **Operational Structure.** SIBC has

- Chairperson, Deputy Chair and five Board Directors. The Board meets monthly and usually completes the agenda within five hours.
- General Manager, Finance and Administration Manager, Manager Radio Operations, Manager Sales and Marketing, and later a TV Manager will be added.
- Studios and offices in Honiara, Gizo and Lata and soon FM studios in every provincial capital.
- A dual frequency analogue shortwave transmitter (which can be converted to digital) and a 17-year-old medium wave transmitter which it's planned to replace in 2019/20/21.
- A total of 40 professional staff and seven ancillary workers (drivers, security, gardener, cleaner). Other staff will be needed to man provincial FM stations opening in 2019/20/21 and Television will need an extra eleven staff in 2019,20,21.
- Stringers and Correspondents provide information from the many communities for sharing in news, current affairs and general programming. It is planned to recruit 25 Stringers by late 2018 to ensure people are able to hear of what is happening in all major population areas and in preparation for our National General Elections in 2019. They will be contributing to the news service which is still the highest rating of all SIBC programmes.

### 3.4 **Strategic Issues**

**3.4.1 Buildings and Equipment.** The main studio and office buildings of the Corporation built in 1982 have not been renovated since and are in a run-down state. A wholesale refurbishment is planned as well as re-equipping of studios with modern equipment to provide a solid operating platform for the next ten years or more for both TV and radio. Plans are in place to rebuild and upgrade Gizo and Lata studios. New FM facilities will be in place in most provincial headquarters from 2019.

**3.4.2 Technology.** Technology changes rapidly and SIBC will keep up with expectations of clients. It will focus strategically on the FM market in provincial centres before any commercial advantage is lost. There are many competitors for the attention of consumers and different ways for citizens to communicate with each other. These include mobile phones, many of which allow them to listen to music and use the internet. It is planned to transition to digital AM transmissions within five years to create more choices and provide better quality programming for citizens. The most important new technology for SIBC will be Television with locally produced programmes.

**3.4.3 Innovation.** SIBC will innovate with the rapid change of technology and modern aspirations of a rapidly growing and youthful population. Four major innovations will position the SIBC for growth, for profitability and to guard against encroachment of narrow-focused media which can take away revenue earning opportunities. These are:

- **The Unity Network:** SIBC must expand the FM network to provide high quality services in all provincial centres. Many thousands of people can now hear FM radio on their mobile phones. If digital AM transmitters and receivers become available, it may be possible to use digital radio instead of FM, reducing costs even further and providing listeners with more choice.
- **The National Television Service:** SIBC will operate a National Public Television Service which will have a very powerful impact on the economy and culture when the national broadcaster is able to produce, buy and transmit locally produced programmes. Private television companies will not want to be burdened by the need to produce 'local' programs unless they can make healthy profits quickly. Solomon Islands, a nation of more than five thousand villages in a scattered archipelago of nearly a thousand islands, is a hard country to serve economically unless government agrees that it has obligations to provide television services to as many villages as possible. A well-managed and culture-sensitive television service for Solomon Islanders can make positive impacts in employment creation, on the culture e.g. by demonstrating good nutrition, sanitation, family values, gender sensitivity and providing learning experiences. It can also stimulate new jobs and careers in a variety of professions. SIBC has access to village communities and linkages developed over many years and will find it relatively easy to negotiate film and access rights with community leaders, especially since the programs being made will have value for the people and their cultures.

Findings from a recent Television Viewership survey commissioned by SIBC came up with the following results:

- There is a definite appetite for locally produced television in the Solomon Islands. The public want more - more local content and to see Solomon Islanders.
- SIBC TV Weekly New Roundup has been universally well received, with the majority of respondents wanting to see more SIBC content.
- Desire to see **ALL** SIBC radio programmes on TV
- SIBC Radio / TV content more frequently uploaded to digital platforms ([www.sibc.com.sb](http://www.sibc.com.sb) + Facebook)
- There appears to little difference in television viewership patterns between gender, socio-economic and employment categories.
- As with previous research SIBC polled extremely highly in terms of overall positive public opinion of their programming and services.
- The top three programming preferences are 1. News & Current Affairs, 2. Sport, 3. Culture & the Arts.

- Participants commented / suggested that there was a real need for Youth Programming – for youth, by youth, etc...

Some comments from survey respondents:

*“Look forward to local TV where people can watch local programs.”*

*Man, 25-34 years, company employee*

*“Good to see SIBC venturing into TV to bring reality to your door steps.”*

*Woman, 45-54 years, company employee*

*“Thank management of SIBC for coming up with the idea to go on tv and looking forward to seeing local news not only broadcast on radio but TV as well. And if SIBC*

*can quickly go on TV.”*

*Man, 45-54 years, freelance contract worker*

*“Would be good to have local TV. So good if SIBC could move quickly into TV.”*

*Man, 55-64 years, retiree*

*“Please make it happen. We need our own SIBC TV where we can see what other provinces cultures and way of living etc,. How is transportation, accommodation, how to travel within our own country. Technology is within our reach, so one click away and see the world at our finger tips.”*

*Woman, 25-34 years, company employee*

- **The Transition from Analogue to Digital Technology:** At every opportunity SIBC will employ digital technologies in all its systems. Government is committed to total transition to digital by 2020 which is required by the UN’s International Telecommunications Union. As well as opening up opportunities to raise revenue, providing more choice to listeners and viewers, this technology reduces the cost of transmissions.
- **Social Media:** This is the fastest growing media which is lucrative as well as rapidly changing. SIBC must become involved in social media in order to be relevant to the people it serves, especially young people. SIBC will create apps to make it easier for people anywhere to access its services. An Australian volunteer joined SIBC in early 2017 and already staff are able to utilise the social media to make contact with the younger and very important demographic.

#### 4.0 OBJECTIVES, PROPOSED ACTIONS AND PERFORMANCE TARGETS

SIBC’s first objective is to be a successful broadcasting business from the point of view of both its owner and the people it serves. It will contain costs, maximize revenue income and drive towards profitability.



When capital expenditures are needed, it will apply to SIG. Until now the scope of activities was limited to providing a national SW service and localized FM services in provincial capitals. Now SIBC has text capability for interaction with listeners and a webpage for access on line by people who have internet connectivity.

In 2019 it will launch a commercial Television service to reach approximately the population of Honiara and environs immediately and thereafter install transmission in provincial centres in the next five years.

SIBC will proceed as follows;

<b>Objectives</b>	<b>Proposed Actions</b>	<b>Performance Targets</b>
4.1 Provide high quality FM radio transmissions to as many communities as possible beginning with provincial centres.	Obtain a government grant for the Unity FM Network to fund this innovation.	2019 install FM at Kirakira and Choiseul Bay. 2020 install FM at South and North Malaita, Tulagi and Buala
4.2 Provide TV services to approximately 50% of the provincial capitals and major centres of commerce as soon as possible and ultimately to about 70% of all communities.	Start the Honiara TV service in 2020. Thereafter the services will be relayed to and rebroadcast at Lata, Auki, Gizo, Noro and Munda in 2021 and other capitals in 2022 and beyond.	TV channel features local productions, good quality imported programs and family friendly programs. 2021 – a further two channels in operation
4.3 Steady annual growth of revenue income. In radio the growth will average 7% pa. For TV this will spike in the first few years but grow at a consistent rate thereafter.	A new division to look after TV will have a Manager, marketing and production experts who will train SIBC staff.	2018 – radio revenue target is 5% higher than 2017 2019 – TV revenue target is SBD\$3.6m 2020 – combined revenue target is 15% higher than 2018
4.4 Well trained staff performing consistently to high professional levels	Staff training programs regularly up-date staff and encourage greater creativity. Provide staff incentives for quality of work and achievement of sales targets. Organise attachments for staff with other broadcasting organizations.	2019 – upgrading of all staff for the international audience. Specialized training for sales and marketing staff and for presenters and producers 2020 – all SIBC services operate at professional levels
4.5 Maintain professional radio broadcasts for listeners throughout the country 17 hours per day. Television will be provided in blocks of six hours twice in twenty four hours.	MW transmitter will only be used to relay parliament broadcasts. Operate efficient organizational and HRM structure and systems.	These will be ongoing throughout the years ahead.

	Use best quality equipment. Use new and interactive technology where possible.	
4.6 Women appointed to 50% of all jobs in SIBC. Currently 40% of staff are women and 5 of 10 management staff are women.	Recruitment will emphasise equal opportunities. Training and promotion will be gender sensitive.	2015 – gender policies established 2016 – plans implemented 2018 – gender parity achieved
4.7 SIBC is recognized as a well performing national broadcaster and SOE.	Joined SI Chamber of Commerce, the Asia-Pacific Broadcasting Union in 2014 and the Public Media Alliance in 2016.	Engage with other international broadcasters and their associations.
4.8. SIBC attracts university graduates who contribute to raising standards	Recruitments target graduates. Current staff encouraged to study for degrees. Scheme introduced to help staff with education.	2016/17/18 – Several staff undertaking tertiary studies. All advertisements to specify minimum of diploma for technical jobs and b+ passes towards degrees for other jobs 2019 – all new employees will have university qualifications.
4.9 Manage and maintain assets at high commercial values	Annual asset valuations. Regular renovation, repairs and replacements of plant and equipment.	On-going as from 2014
4.10 Continue with progress to establish a Television Channel.	Increase frequency of TV News bulletins. Add more content to portfolio.	On-going as of May 2019. The ultimate goal is to develop enough content to enable SIBC to launch its own channel.

## 5. RATIO OF CONSOLIDATED SHAREHOLDERS FUND TO TOTAL ASSETS

This is defined as the sum of the amount of paid up Share Capital, Retained Earnings, Accumulated losses and Revenue and Capital reserves. The total assets are determined as the sum of the net Book Values of current Assets, Investments, Fixed Assets and Tangible Assets as disclosed in the Corporation's balance Sheet prepared as a consolidated basis in accordance with Generally Accepted Accounting Practices (GAAAP).

**Ratio.** The target ratio of consolidated shareholder's funds to total assets shall be 60% though not to be regarded as a minimum.

## **6. ESTIMATE OF THE COMMERCIAL VALUE OF THE CORPORATION**

The Corporation's total book value of assets came to \$16.1m at 30<sup>th</sup> June 2015. SIBC enjoys a natural monopoly providing Medium and Shortwave services. It is expected to soon include TV transmission and production equipment in its inventory. Its estimated commercial value is close to \$40m.

## **7. STATEMENT OF ACCOUNTING POLICIES**

The Corporation will comply with Generally Accepted Accounting Practices (GAAP) and preparation of its financial statement will be in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the international Accounting Standard board as adopted by the Institute of Solomon Island Accountants.

## **8 DIVIDEND POLICY**

The Corporation's modest earnings are not sufficient for any dividend to be paid to the stockowner (SIG). The balance sheet will look favourable because of a major donation by the Japanese government of a new transmitter and related equipment, plus television bought with grant funds from government. However, this will not reflect liquid funds. The value of the Corporation (including its considerable good will) will be recorded as being fully owned by the stockowner.

## **9 INFORMATION TO BE PROVIDED TO THE ACCOUNTABLE MINISTERS**

Attached as Annex A are

- the half yearly report to June 2019 (already submitted)
- the Annual Report for 2019 is to be submitted after end of year final report.

Attached as Annex C are the Audited Financial Statements of 2018 which are not qualified.

## **10 ACQUISITION OF SHARES**

Should the Corporation wish to invest in another company, the procedure to be followed will be as follows;

- i) It should first be stipulated that any capital to be utilized in the proposed transaction should not be drawn from operating balances thereby constraining the corporation's normal business activities.
- ii) Since any available funds are likely to be set aside to pay dividends to the only stockowner (SIG) the Minister of Finance must first be informed of this potential transaction, it's likely impact on SIBC operational finances and on its ability to pay dividend.
- iii) Strict due diligence will be applied utilizing respected accounting companies to determine the real value and prospects of the other company including any risk assessments
- iv) The Board of the Corporation will study the proposal and inform the Prime Minister and the Minister of Finance of how it views the proposal

- v) Upon receiving the considered views of the Prime Minister and the Minister of Finance, the Board will, in its deliberate judgment, decide to proceed or withdraw from the proposed transaction.
- vi) Under no circumstances will corporation revenues, funds held in banks or in other securities be invested in an enterprise that bears no resemblance to the nature of the SIBC's terms of reference as described in the Broadcasting Act (1976).

## 11 ACTIVITIES FOR WHICH THE BOARD SEEKS COMPENSATION FROM THE CROWN

### YEAR 2020

<i>Item</i>	<i>Numbers/Location</i>	<i>Approx Cost</i>	<i>Total Cost</i>	<i>Comments</i>
The operational costs of nation- wide radio broadcasting on one medium wave transmitter and two shortwave frequencies.	SIBC reaches people in more than 5,000 villages SIBC's regular tours during which listenership surveys are administered show that most village people listen to SIBC in the mornings and in the evenings.	\$9.8m is the total operational cost of providing nationwide radio services. We expect to raise \$7.02m in revenue from commercial sales.	\$1.9841m is sought from SIG to pay for its Community Service Obligations (CSO) in radio	Cost of electricity, Staff, administration, stringers, materials for programs, library, archives, software licenses, internet, maintenance, transport.
Contribution to operational costs of 'Unity FM" network. FM transmitters provide localized service of superior sound quality. Each year more FM will be rolled out in provincial capitals and major population centres.	FM will eventually be installed in all eight provinces. Approximately 20% of the population.	Operational and administrative costs to install and maintain new FM network. (Capex is being applied for in the 2020 Development Budget for the purchase of FM Transmitters).		Cost of admin, staff, engineering, library, archives, software licenses, internet, maintenance of equipment, FM transmitters, utilities, transport.
Rural/Community promotion and production for SIBC services and programs including feedback on SIBC services in SI Communities	Rural/community tours for production of cultural and community festivities for recordings for broadcasting programs		\$0.999m CSO	
Cost of Production of local TV news programs plus cost of village touring to capture voices,	Commissioned TV producers. Tours reach out to 4 provinces each year.	Revenue income will begin contributing to cost of Productions		Based on costs calculated by TV Feasibility study 2014 by Glen Hughes.

images (culture) of people.				
Community Information Correspondents' training	Conduct training of correspondents to provide the provincial and village link		\$1.369m	Travel, accommodation and allowances
Contingency (20%)			\$0.862m	Contingency allocation

**TOTAL 2020 \$5.173m**

**YEAR 2021**

<i>Item</i>	<i>Numbers/Location</i>	<i>Approx. Cost</i>	<i>Total Cost</i>	<i>Comments</i>
The operational costs of nation-wide radio broadcasting on one medium wave transmitter and two shortwave frequencies. Four FM transmitters provide localized service of superior sound quality.	SIBC reaches people in more than 5,000 villages SIBC's regular tours during which listenership surveys are administered show that most village people listen to SIBC in the mornings and in the evenings.	\$10m is the total operational cost of providing nationwide radio services.  We expect to raise \$8m in revenue from commercial sales.	\$3m is sought from SIG to pay for its Community Service Obligations (CSO)	Cost of electricity, Staff and Administration, stringers, materials for programs, library, archives, software licenses, internet, maintenance, transport.
Contribution to operational costs of 'Unity FM' network.	Eight provinces and Honiara. Approximately 25% of the population.	Administration costs to continue rolling out FM network.	\$1.5m CSO	Cost of admin, staff, engineering, library, archives, software licenses, internet, maintenance of equipment, FM transmitters, utilities, transport.
Linking and Transmission lease of Telekom TV infrastructure for distribution of Television services	TV services for Honiara and provincial headquarters.	Operational expenses. \$1m for linkage and carriage of TV channels by TTV	\$2.5m CSO	Cost of admin, staff, engineering, and installation. This does not include TV Project CAPEX
Cost of Production of local programs plus cost of village Touring to capture voices, images (culture) of people.	Commissioned TV producers. Tours reach out to 4 provinces each year.	Revenue income will contribute to cost of Productions	\$0.5m CSO	Based on costs calculated by TV Feasibility study 2014 by Glen Hughes.

**Note:** if CAPEX funds are provided to purchase Digital TV transmitters there will be no need to pay TTV for Linkage and Transmission each year.

**TOTAL 2021 \$7.5m**

**YEAR 2021**

<i>Item</i>	<i>Numbers/Location</i>	<i>Approx. Cost</i>	<i>Total Cost</i>	<i>comments</i>
The operational costs of nation-wide radio broadcasting on one medium wave transmitter and two shortwave frequencies.	SIBC reaches people in more than 5,000 villages. SIBC's regular tours during which listenership surveys are administered show that most village people listen to SIBC in the mornings and in the evenings.	\$12m is the total operational cost of providing nationwide radio services. We expect to raise \$7m from commercial sales.	\$3m is sought from SIG to pay for its Community Service Obligations (CSO)	Cost of electricity, Staff and Administration, stringers, materials for programs, library, archives, software licenses, internet, maintenance, transport.
Contribution to operational costs of 'Unity FM' network. FM transmitters provide localized service of superior sound quality. Each year more FM will be rolled out in provincial capitals and major population centres.	FM will eventually be installed in all eight provinces. Approximately 20% of the population. This will also allow use of local dialects in programmes.	Operational and administrative costs to install and maintain new FM network.	\$1m CSO	Cost of admin, staff, engineering, library, archives, software licenses, internet, maintenance of equipment, FM transmitters, utilities, transport.
Cost of Production of local programs plus cost of village touring to capture voices, images (culture) of people.	Commission TV producers. Tours reach out to 4 provinces each year.	Revenue income will cover cost of Productions.	\$0 CSO	Based on costs calculated by TV Feasibility study 2014 by Glen Hughes.

**TOTAL 2022 \$6m**



## **12 SUCH OTHER MATTERS AS AGREED BY THE ACCOUNTABLE MINISTERS AND THE BOARD**

The Board will seek agreement from the Ministers to the proposition that SIG recognize that it has obligations to the many communities that make up this country, and will negotiate with and pay

- i) Telecommunication infrastructure providers for the use of internet and microwave links, and also Television mast/towers, transmitters and antennae to serve the provincial capitals, and also the cost of satellite links to carry SIBC FM and TV programs to each of the FM
- ii) Annual CSO funds to produce programs for national radio and television services for residents of Honiara, all provincial centres and eventually all major centres of population throughout the country.