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|  | **2022-2024** |
|  | Solomon Islands Broadcasting Corporation30 November 2021C:\Users\awickham\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.Outlook\6E54M6OS\Unified Logo Head phone (2).jpg |

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| **Statement of corporate objectives** |
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1. **EXECUTIVE SUMMARY**
	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 now a cost-conscious enterprise-oriented organization which has made operational profits since 2013 to 2018 and expects to do so in 2019 and 2020. SIBC isa *point to multiple point delivery mechanism* for urgent communication, marketing of products, government communication and entertainment and reaches into every village in the country. There is no other service like it.
	2. **Organisation.** SIBC’s Board of Directors provides the legal and policy authorities for the Chief Executive and the management team. Forty-Six professional staff were at post in December 2021 with seven ancillary workers (drivers, gardener, cleaner etc). SIBC has studios, transmitters and offices in Rove, Gizo and Lata. Its main AM transmitters are located near Henderson International Airport.
	3. **Assessment of past results.** From April 2013 a newly appointed Board of Directors and new management dramatically reformed and restructured the Corporation reducing operational costs, improving programming output and drew back thousands of people who had abandoned listening to SIBC. Since 2016 till now, the following were accomplished:
		1. SIBC’s accumulated debt to SIEA had been reduced significantly and fully paid off in 2019.
		2. All SIBC obligations are being met on time.
		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.
		4. Sales projections for 2016 and in subsequent years will be exceeded as long as no external

 factors is influencing the yearly projection.

* + 1. 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.
		2. SIBC terms of trade conditions ensure clients pay up on time. Usually, the slow payers are related parties such as Ministries and Government agencies.
		3. A succession plan was instituted to prepare first line managers for higher duties.
		4. Staff career planning information has been developed which aims to keep staff levels low while ensuring all become multi-skilled.
		5. Staff are now on individual fixed term employment contracts where before they were treated as public servants and were highly dependent on the corporation.
		6. All staff were provided opportunities to improve their communication, time management, conflict resolution, teamwork, leadership and customer services.
		7. Staff are encouraged and helped to continue learning at tertiary institutions and other

 Available avenues such as ABU and ABC. Availability of these trainings were done online

 Visual presentation due to the Coronavirus Pandemic.

* 1. **Current key activities**
		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. This year tours were made to Guadalcanal provinces and SIBC staff have been to other provinces covering of events and at the same time collecting of useful information for the archives.
		2. Promotion of music and entertainment in villages and helping with community festivities e.g. recording and broadcasting string, panpipe and bamboo bands
		3. Creating new products for commercial advertisers to promote and sponsor
		4. Upgrading the value of products by training and retraining producers, presenters and

Sales and Marketing Officers

* + 1. Initiating new programs that touch on peoples’ lives, languages, culture and livelihoods
		2. Researching for news items that keep people informed on a daily basis about events and issues of interest to them
		3. Analysing, synthesizing, and preparing development, educational and general information for broadcast across a wide variety of topics
		4. Preparing to install new FM transmitters in all provincial capitals. The tender for the demolishing of staff houses and fencing was awarded to a local contractor in Lata and work is in progress. In 2022, the Development budget under the OPMC for the rehabilitation of the Studio Office with operational equipment was approved by the Government for total value of $1.2 million.
		5. The expectation in October 2016 for SIBC to provide a national public television service as a community service obligation is not forthcoming due to lack of Government support in financial funding. However, SIBC is now embarking on a partnership arrangement to be the host broadcaster for the 2023 Pacific Games
		6. Preparing to initiate the change from analogue to digital transmissions and to take advantage of commercial opportunities that arise from this new technology
		7. A five years Strategic Policies covering the period from 2021 to 2025 was approved by the board
		8. The Annual Work Plan (AWP) together with the budget for 2022 was approved in December 2021
		9. Preparing a Governance Policy (CEO, expand on this section)
	1. **Major Trends and Strategic issues impacting performance.**
		1. SIBC now has professional management and operational staff who operate a sound organizational structure and operate on the basis of policies.
		2. Key strategies are to provide more platform services, open up new revenue streams, invest in cost reduction technology, interact with social media and focus on training to improve quality of presentation and programs.
		3. The major weakness is having to rely on SIEA mains power which has frequent outages. SIBC maintains expensive standby generators requiring regular attention. However, SIBC now seeks bilateral assistant to fund total of three standby generators for Henderson Transmitters, Head Office Studio and FM transmitters respectively
	2. **Major Objectives - operational and financial - action plans and performance targets**
		1. Deliver Government’s community service obligations as per CSO contract
		2. Operate effectively, efficiently and professionally in ensuring SIBC turns a profit at the end of each financial year as per the SOE Act 2007
		3. Ensure SIBC products are enjoyed by the majority of people and competitive
		4. Roll out other broadcasting services in response to demand
		5. Be recognised as a symbol of unity and national identity
		6. Improve on the administration of the Website to increase follows/viewers to a level that commercial advertising can be done as a new revenue item.
		7. Up to date on Facebook page to increase followers and provide opportunity to advertise for revenue stream
		8. Increase sales and marketing on Livestreams of programs and events to improve and expand on the revenue base
		9. To improve on the financial accountability process with the objective to achieve Unqualify Audit Opinion
	3. **Major Outcomes Expected and performance targets**
		1. The majority of households in Solomon Islands listen to SIBC radio daily to receive news, current affairs, development and government information, weather and emergency warnings and for commercial and private messages.
		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.
		3. Commercial advertisers and sponsors recognize value in their engagement of SIBC for both radio and television commercial purposes.
	4. **Summary of Key Elements of the Financial Plan**

1.8.1 Creative sales and marketing plans ensure maximized revenue income

* + 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
		2. All assets will be employed for commercial purposes and an Asset Policy is drawn up especially to guide on the procurement, disposal and life span of the assets
		3. Human resource development focus will be on raising education and professional levels of staff and support staff on and out of job training to achieve multi-skilled workforce.
		4. Work and reviewing current salary structure with the objective to pay fair wages/salaries to comply with SOE Act 2007 and be comparative with the market, especially with other similar SOEs therefore remain competitive.
1. **INTRODUCTION**

 **The objective of the SIBC is to**

* 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. 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
	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
	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 nationally and

internationally

* 1. 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 topromote and inspire national unity, be a beacon of national identity and a cultural symbol of the nation to the many communities that make up this nation.

3.2 **SIBC’s Mission** is to provide Solomon Islanders with free daily access up-to-date information to expand their education and to professionally produced 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 once a month and usually completes the agenda within five hours.
* Chief Executive Officer, Finance and Administration Manager, Manager Radio Operations, Sales and Marketing Manager, Strategic Manager and later a TV Manager will be added to oversee both Radio and TV operations.
* Studios and offices in Honiara, Gizo and Lata and soon Unity FM rollout in every provincial capital.
* A dual frequency analogue shortwave transmitter (which can be converted to digital) and a medium wave transmitter.
* A total of 39 professional staff and seven ancillary workers (drivers, security, gardener, cleaner). Other staff to man provincial FM stations in future. Television will need an extra thirteen staff.
* 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 in early 2022 to ensure people are able to hear of what is happening in all major population areas. They will be contributing to the news service which is 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 forty years or more for both TV and radio. Gizo was renovated and Lata studios will be rehabilitated in 2022 under the Government Development Funding. Planned Unity FM rollout facilities in most provincial headquarters is still intact.

*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 immediately transition to digital transmissions to create more choices and provide better quality programming for citizens.

3.4.3 ***Innovation.*** SIBC must 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 FM Network.*** SIBC must expand the FM network to provide CD quality services in all provincial centres. Many thousands of people can now hear FM radio on their mobile phones.

*-* ***The National Television Service.*** SIBC must operate a national Public Television Service. Television has very powerful impact on the economy and culture. If there is no national institution to direct and contain that impact, it will be used only for private profit ahead of considerations of national unity, development and cultural cohesion. Private television companies find it advantageous and profitable to buy mass produced program material for broadcast from overseas e.g. soap operas, sports, movies, fashion etc. They 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.

*-* ***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 2018. As well as opening up opportunities to raise revenue, this technology reduces the cost of electricity for transmissions.

- ***Social Media.*** This is the fastest growing media in the world 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 must create apps to make it easier for people anywhere to access its services.

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 its owner and from the point of view of 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 online by people who have internet connectivity. A planned to launch national public Television in 2016/2017 services to reach approximately 50% of the population in the first five years and the rest of the population thereafter was not achieved due to financial drawback. However, a soft launch was achieved in \_\_\_\_\_\_\_\_ initially with a fifteen minutes news bulletin and now increased to half an hours bulletin through TTV Channel on every Sunday evening for Honiara audience.

SIBC will proceed as follows;

**Objectives Proposed Actions Performance Targets**

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| 4.1 Provide CD 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. Approved by the Minister for Broadcasting, this project proposal was put to Cabinet in Nov. 2015.  | 2022 – upgrade Lata FM then install at Kirakira. In 2024 install at Taro Is. Panggoe, North Malaita, Buala, Avuavu, Rennell, Seghe.2025 - install at Yandina, Kia, Central and South Malaita, Tulagi and Reef Islands. |
| 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. | Roll out the national TV flagship channel in late 2023. In association with Telekom TV, services are provided to Lata, Auki, Gizo, Noro and Munda in 2024 and other capitals in 2025.  | TV channel features local productions, good quality imported programs and family friendly programs. 2024 – a further two channels in operation |
| 4.3 Steady annual growth of revenue income. In radio the growth will average 2%-3% 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 will be outsourced who will train SIBC staff to be multi-skilled for both TV and Radio. | 2022 – radio revenue target is 2% lower than 2021 due to prevailing economic situation paused buy the Coronavirus and more recently the social unrest of rioting, looting and burning of business houses.2023 – TV revenue target is SBD$\_\_\_\_\_\_\_\_\_\_due to the 2023 Pacific Games. Thereafter, the revenue will be moderate. |
| 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 like Masi, ABC & ABU. | 2022 – upgrading of all staff for the international audience. Specialized training for sales and marketing staff and for presenters and producers2023 – 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. | Operate efficient organizational and HRM structure and systems.Use best quality equipment.Use new and interactive technology where possible. | These will be ongoing throughout the years ahead. |
| 4.6 Women appointed to 50% of all jobs in SIBC. Currently 40% of staff are women and 3 of 8 management staff are women. | Recruitment will emphasise equal opportunities.Training and promotion will be gender sensitive. | 2022 – gender policies established2023 – plans implemented2024 – 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 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. | 2021 – Several staff undertaking tertiary studies. 2021 – All advertisements to specify minimum of diploma for technical jobs and b+ passes towards degrees for other jobs2021 – all new employees will have university qualifications.  |
| 4.9 Manage and maintain assets at high commercial values | Asset valuations is done at equal intervals as specified by the IFRS. Regular renovation, repairs and replacements of plant and equipment. | On-going as from 2014 |

**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 (GAAP) and International Financial Reporting Standard (IFRS).

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 $30.1m at 30th June 2021. Since SIBC enjoys a monopoly providing medium wave and Shortwave services, and it is expected to soon include TV transmission and production equipment in its inventory. Its estimated commercial value is close to $50m.

**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 (S I Government).

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

Attached as Annex A are the half yearly report to June 2021 (already submitted)

The Annual Report for 2021 is to be submitted after end of year.

Attached as Annex C are the Audited Financial Statements of 2018. The audit for 2019 and 2020 are still in progress

**10 ACQUISITION OF SHARES**

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

1. 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.
2. 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.
3. 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
4. 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
5. Upon receiving the considered views of the Prime Minister and the Minister of Finance, the Board will, in its deliberate judgment, make a decision to proceed or withdraw from the proposed transaction.
6. 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 2022**

*Item Numbers/Location Approx cost Total Cost Comments*

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| --- | --- | --- | --- | --- |
| 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. | $10.6m is the total operational cost of providing nationwide radio services.  | $3.5m is sought from SIG to pay for its Community Service Obligations (CSO) | Cost of electricity, standby generators, electricity, transmitters, stringers, staff, 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. | $3m 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 to broadcast the 2023 Pacific Games. | Operational expenses. | $2.5m CSO | 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  | $1.5m CSO | Estimated Costs  |

**TOTAL 2022 $10,500,000**

**YEAR 2023**

*Item Numbers/Location Approx cost Total Cost Comments*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 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. | $11.1m is the total operational cost of providing nationwide radio services.  | $3.5m is sought from SIG to pay for its Community Service Obligations (CSO) | Cost of electricity, standby generators, electricity, transmitters, stringers, staff, materials for programs, library, archives, software licenses, internet, maintenance, transport. |
| Contribution to operational costs of ‘Unity FM” network.  | Eight provinces and Honiara. Approximately 20% of the population. | Administration costs to install new FM network. | $3m 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 to broadcast the 2023 Pacific Games to local and international audiences | Operational expenses. | $5.0m CSO | 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  | $1.5m CSO | Estimated Costs.  |

**TOTAL 2023 $13,000,000**

**YEAR 2024**

*Item Numbers/Location Approx cost Total Cost Comments*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 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. | $11.6m is the total operational cost of providing nationwide radio services.  | $4m is sought from SIG to pay for its Community Service Obligations (CSO) | Cost of electricity, standby generators, electricity, transmitters, stringers, staff, 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. | $3m 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 to broadcast to Honiara audiences plus 8 Provincial Centres. | Operational expenses. | $4.0m CSO | 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  | $2m CSO | Estimated Costs |

**TOTAL 2024 $13,000,000**

**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

1. 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 Unity FM Network.
2. 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.