With chapters on Asia, Africa, Latin America and MENA

Where is the money?

A global perspective on forms of funding, financing and investment for public interest media

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IMS (International Media Support) is a non-profit organisation supporting local media in countries affected by armed conflict, human insecurity and political transition. We push for quality journalism, challenge repressive laws, and keep media workers of all genders safe so they can do their jobs. Peaceful, stable societies based on democratic values rely on ethical and critical journalism that aims to include, not divide.
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Two years in the making, this report unfolds regional perspectives of new forms of funding, financing and investment for public interest media. It provides a multi-stakeholder reflection in four regions of the world on how public interest media can best be supported over the next decade. Through contextualised research, it offers insights into the funding landscape including opportunities, needs, challenges, gaps and recommendations. The question is not whether interventions are needed to tackle the economic crisis facing journalism, but how this support should be structured. The report sheds new light on what it will take to deliver sustainable and independent media that truly deliver journalism that is a public good.

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Foreword

It can be a frightening experience looking at today's media sector. Failure is frequent; success is fragile and rare. While the reach of Big Tech continues to rocket, new initiatives in the media are struggling to scale. In this kind of market, how many core institutions will survive?

People have more information than ever, yet fewer full-time journalists serve their needs. Manipulators and machines generate an immense volume of content, "flooding the zone" with anything but journalism. Authentic news loses visibility and credibility.

Alarmist? I wish it were.

The reality is that macro solutions – international, regional, and national – are urgently needed and will require individual media organisations to move beyond crisis management.

Such is the importance of this IMS (International Media Support) report. Compiled through extensive networks in Asia, Africa, the Middle East and North Africa, and Latin America, the pages that follow provide not only vital intelligence tailored to the diversity of these regions, but a deep assessment that extends from functioning democracies – through many configurations – to countries in conflict.

In restricted countries, politics remains a primary obstacle to sustainable growth of those producing independent news. There is too much negative state involvement, too little international support. In more open environments, media face the opposite: too little positive state involvement. They desperately need more support from the authorities as they deal with digital economies under the thumb of mega companies. Immune to legal liability, these gatekeepers strive to police audience attention irrespective of public interest, exploit enormous data holdings, and have stitched up online advertising.

You'll find many new insights as you dig into this report. I encourage you to identify and prioritise steps that each of us can take in our own way, today, tomorrow, and in coming years.

Here's to you, dear reader – whether you work in media support, digital activism, an established business, or a new startup; whether you're a journalist in a precarious job, a financier in investment funds, a competition regulator, a politician, a government official, or a parliamentarian (where such exist), an international donor, or a philanthropist.

If there is one fundamental principle to be gleaned from engaging with this research, I believe it is this: the complex problem of media sustainability requires holistic solutions. Isolated and piecemeal actions will not suffice. Coalitions, communities, and cohorts are needed.

Over many years, IMS has fostered and seen the success of collective action for defending press freedom. Let us try the same approach to secure media viability. An optimum information ecology depends upon it and our futures depend on the health of that environment.

Guy Berger, Chair of the IMS Board

Introduction

By Clare Cook

Efforts to understand the sustainability of public interest journalism in precarious environments have coalesced around two main lines of enquiry. The first, which has dominated the past decade, has already informed the efforts of a range of media to diversify their revenues. Notable mapping and analyses that followed in the wake of Survival is Success and Chasing Sustainability on the Net include Inflection Point International – which set out the impact, innovation, threats, and sustainability of digital media entrepreneurs in Latin America, Southeast Asia, Africa, and Project Oasis. Fighting for Survival and its precursor Publishing For Peanuts found that financial survival is the biggest worry for the surveyed media. These and other studies pointed towards the general trend that media outlets in politically-pressured environments are continually dependent on philanthropy and donor funding.

The second entry point explored the root causes and implications of the viability challenges, at the systems level, faced by both well-established and start-up media outlets. Extensive analysis and commentary have documented how the traditional business models of news media have been eroded by audience fragmentation and a shift in advertising revenues to online platforms, and how injections of funding – from public as well as private sources, including increasingly wealthy and powerful technology companies – are currently inadequate for sustaining robust and diverse media ecosystems.

In November 2021, the 193 member states of the United Nations Educational, Scientific and Cultural Organisation (UNESCO) endorsed the principles of the Windhoek + 30 declaration that called attention to the urgent importance of securing the economic viability of news media. The Global Forum for Media Development (GFMD) set up its International Media Policy and Advisory Centre (IMPACT) to help donors and practitioners make informed, evidence-based decisions about media development and journalism funding. In 2022, UNESCO's Finding the Funds for Journalism to Thrive asked how policymakers can best respond to the severe financial crisis that threatens the supply of independent journalism and compounds the erosion of press freedom globally. Meanwhile, Saving Journalism set out a range of plans to help journalism after the Covid-19 pandemic. The New Deal for Journalism, also published in 2022 by the Forum on Information & Democracy, was a further attempt to encourage systemic perspectives of journalism sustainability. It charted a range of strategic considerations for stakeholders across the media sector and proposed various policy and practice responses.

More recently, focus has turned to media finance legislation, as well as to the relationship between Big Tech and news publishers, and how much the former – now reaping more than 50 per cent of global digital advertising revenue – "owe" the latter. This comes against a backdrop of concerns about the small amounts of official development assistance allocated to media support.

While providing a wealth of valuable knowledge, these studies have tended to stop short of taking an in-depth, regional perspective of context-specific challenges, opportunities, and solutions. This report seeks to close that gap. Building on consultations that sought national solutions to media viability, Where is the money? provides locally-led insights into trends in funding, financing, and investment for public interest media. The report reviews shifting approaches to how best to support public interest journalism in a comprehensive and sustained way.

Where's the Money? comes amid a number of sector-level initiatives focused on media and business viability: the International Fund for Public Interest Media (IFPIM) is scaling up its grant-making efforts and system-level financing mechanisms; the Media Viability Manifesto has set a common framework for joint action; the Media Viability Accelerator, Ads for News, and the News Sustainability Project are all efforts to gather data and tools that help overcome global-level data deficiency. Meanwhile, there is a growing cohort of national journalism funds looking to provide strategic, long-term financial support to public interest media as well as to media ecosystems more broadly.

Our report also comes at a time when the OECD Development Co-operation Principles for Relevant and Effective Support to Media and the Information Environment call for increased volumes of financial and other support to the media and the information environment.

These principles re-affirm that:

Public interest news and public interest media are public goods thus worthy recipients of public funding.

Assistance to media and the information environment is a vital armour against democratic backsliding, rising authoritarianism, misinformation, and disinformation.

The following chapters provide perspectives from Asia, Africa, the Middle East and North Africa (MENA), and Latin America that are of relevance to funders, media development actors, public and private investors, researchers, journalism practitioners, and policymakers. They set out:

- A synthesis of the changing political and economic environments that affect the supply of, and demand for, public interest journalism in these regions.
- An analysis by national and regional stakeholders of the main opportunities and challenges facing public interest journalism in each region.
- Current understandings of what is required to achieve sustainability of public interest journalism in the four regions.
- Funding, financing, and investment modalities for public interest media.
- Recommendations for how best to provide public interest media in each region with the financial resources they need to sustain public interest journalism.

Key terms

Accelerators and incubators:
Traditionally, accelerators provide a combination of mentorship, funding, and resources such as office space and/or networking opportunities to help fast-track the development of start-up businesses already operating. Sometimes this support might be provided in return for a stake in the business ("equity"). Meanwhile, business incubators traditionally focus on nurturing ideas for new businesses. In practice, however, there is often an overlap between incubators and accelerators, with some programmes combining elements of both. Incubators may work with startups already in their initial stages, helping them build products, develop business models and access networks, while some accelerators may accept startups that are still refining their products but show strong potential for growth.

Alternative media:
In the MENA region, "these are media sources that differ from established or dominant types of media (such as mainstream media or traditional media) in terms of their content, production or distribution. Alternative media are small and/or nascent media platforms, mostly online, who offer an alternative narrative to mainstream media."[1] See also "Public interest media" and "Independent".

Artificial intelligence (AI):
Computer systems designed to perform tasks such as learning, reasoning, problem solving and decision making that typically require human intelligence.

Business model:
A multiple-component framework where the revenue model is one part of the overall business offer. Key aspects are value proposition, channels, market position, partners, revenues and customers.

1 Internews, Maharat Foundation and Urika (2021) Media and information Landscape in Lebanon (p4).

Business viability:
Refers to the capabilities on the business side of media at the organisational level including implementing feasible business operations and staying financially afloat.

Capital:
A broad term that describes anything that confers value or benefit to its owners, such as equipment, intellectual property, and money that is used to produce goods and services or for investment. Capital can come from public or private sources. Types of capital include **debt** (money that a business borrows from a lender on the understanding that they will repay the money, usually with interest), **equity** (see below), **seed capital** (used to develop a business idea), **venture capital** (typically capital invested in a project where there is a substantial element of risk because the business is new or expanding) and **working capital** (the cash a business needs for day-to-day operations). **Local capital** refers to capital a business raises in the country or area in which it is based.

Civil society organisations (CSOs):
Formal and informal entities other than political parties that represent the interests of a group or groups of people, e.g. trades unions, employer federations, religious and issue-based pressure groups, charities, community self-help schemes, human rights defenders, and other non-governmental organisations.

Digital security:
Measures and practices undertaken to protect a person's or organisation's online presence, communication, data and information from unauthorised access, surveillance and censorship.

Disinformation:
All forms of false, inaccurate or misleading information designed, presented and promoted with the intention of causing public harm or for profit.

Diversification:
Draws from modern portfolio theory as it considers more than one income stream rather than single sources in isolation. The theory suggests the strength of an organisation's revenue base depends not only on the total amount of revenue but also on the consistency and diversity of its income sources.

Donors:
Government or philanthropic organisations that provide funding to development initiatives, often in the form of non-repayable grants.

Equity:
In terms of business, this is the value of shares owned in a company. More broadly, equity refers to justice, fairness and freedom from bias that allows for people's different circumstances and abilities to become equal.

Enabling environment:
Surrounding conditions that support media outlets to fulfil their societal role.

Entrepreneur:
An individual who starts one or more businesses and is typically resourceful. An entrepreneur can be mission focused as well as a market disruptor.

Funding:
The actual money injected into a business or project to enable it to operate. It represents money received from donors, investors or crowdfunding campaigns. Types of funding include **donor funding** (funding from government or philanthropic donor organisations, usually in the form of non-repayable grants), **seed funding** (the initial capital raised by new businesses to lay the foundation for their business – typically used to conduct market research, build prototypes and hire essential team members), and **core funding** (donor funds that recipients can use to pay for ongoing operational costs

such as staff salaries, rent, and utilities, as opposed to funds that are tied to specific projects or activities).

Financing:

The process of acquiring capital or funding to support a business' operations, expansion, or investments – essentially the methods and strategies a company uses to secure the money it needs to achieve its objectives. Financing can come from various sources, such as loans, lines of credit, selling shares in the company, endowments (donations of money to an institution), and bonds (whereby an investor lends a company money for a set period in exchange for regular interest payments and, once the time is up, the company returns the investor's money). Financing can be provided by banks, financial institutions, private investors or even come from a company's own retained earnings. Types of financing include **debt financing** (borrowing money by way of loans from external sources with a commitment to repay the principal amount along with interest over time), **revenue-based financing** (when investors receive a percentage of an enterprise's ongoing revenues in exchange for the money they invest), **equity financing** (raising capital by selling shares in the company to investors who then become shareholders and may have voting rights and a share in the company's profits) and **bootstrapping** (a form of self-financing, where the company funds its operations using personal savings, revenue generated from early sales or support from friends and family). **Development financing,** on the other hand, focuses on long-term, impact-driven projects rather than on the commercial or operational funding needs of a business, with projects usually aiming to have social, economic and environmental benefits that may not otherwise be funded.

Income stream:

A sustained and recurring source of revenue into a business, such as membership, subscription, advertising, services, and so on. One-off sources of income may include a time-limited crowdfunding campaign.

Independent:

Refers specifically to editorial independence, when used in this report. Public interest media, independent media and alternative media tend to be used interchangeably, but this study defaults to public interest media, the term IMS uses in its current strategy.

Innovation: A change process around the "four P's" of innovation: product, process, position and paradigm.

Investment:

The act of allocating money to assets with the expectation that, over time, their value will appreciate. Investment involves a degree of risk as the value of the investments can both increase and decrease. It often comes after a successful pitch or business plan presentation to investors. Commercial investment includes **venture capital** (a type of funding provided by venture capital firms to startups and small businesses with high growth potential, usually in exchange for a stake in the company), **angel investment** (funding from individuals who invest their personal funds in start-ups and small businesses in exchange for equity, and who may also provide mentorship and networking). **Equity investment** is money that is invested by buying shares in a company on a stock exchange. Meanwhile, **impact investment** in an enterprise aims to create social or environmental impact any alongside profit.

Investment insurance:

A type of insurance cover that reduces the risk for lenders to, and investors in, any relatively risky type of business. The cover encourages them to take this risk.

Journalism:

The practice of gathering, analysing, and presenting fact-based news and information to the public (see also 'Public interest journalism').

Local, national, regional and global funds for journalism and media:

The report identifies various types of funds designed to provide strategic, long-term support to public interest journalism and media sectors to address systemic challenges faced by public interest media. A growing number of **national funds for journalism** are emerging around the world, designed to provide long-term funding and financing to an independent journalism ecosystem in a particular country, region or place.[2] These take different forms, but in essence are designed to redress shortcomings, barriers or imbalances in a particular media market, or to incentivise, catalyse or accelerate new entrants or transformative processes in that market. Then there are **impact funds** that strategically identify and support changes needed in a local or national media ecosystem that contribute to social impact, such as the long-term development and success of a peace process and democratic transition. There are also **global funds** set up to channel funding from multiple donors to public interest media around the world, e.g. the International Fund for Public Interest Media. Meanwhile, there are **emergency funds** for helping journalists and media during a crisis.

2 Padania, S. and Silvani, F. (2023). National Funds for Journalism. A GFMD Impact Policy Paper.

Media viability:
Media viability is widely understood as a field within the media development sector that focuses on the enabling economic conditions and resource implications that affect media organisations. It is a systems approach.[3]

Misinformation:
False or inaccurate information disseminated without the intention to harm or deceive.

News deserts:
Geographical areas and/or communities with little or no access to local news and information.

Programmatic advertising:
The automated and individualised purchase and sale of online advertising space in real time.

Public interest:
Originally, this term referred to the welfare and wellbeing of the public. In the context of information and media, the term is used when talking about people's right to know the facts about a particular situation.

Public interest journalism:
Ethical, editorially independent, and fact-based journalism that informs the public about relevant issues in a way that serves the public interest, rather than any political, commercial, or factional interest; encourages and informs public debate; holds those in power to account; challenges discriminatory societal norms.

Public interest media:
Editorially independent media outlets that strive to produce and distribute public interest journalism.

Revenue model:
The overall configuration of incomes that make up the financial resources of the business. The revenue model refers to how news media make money but this is only one part of the firm's broader business. The revenue model is a core element of the business model as revenue streams and cost structures allow operations to keep going.

Startup:
The term often used for a new business, which is typically characterised by lower overhead costs, fewer employees and a tendency towards innovation.

Sustainability:
This is the ability of media organisations to continue their activities and endure over time, sustaining the production of public interest journalism in the medium-to-long term.

Viability:
The potential or existing ability of individual media outlets to cover the cost of producing and distributing public interest journalism without having to compromise their values and ethical standards. They fulfil a demand or perceived need for their journalism.

3 Media Viability Manifesto

Key findings

Regional differences have made it difficult to distil the study's findings into a singular model for funding public interest media. Besides, each media outlet requires its own blend of support, and the media development sector strives for media diversity not conformity. Nonetheless, across the four regions, there emerged some prevalent findings:

Mindset and capacity

Public interest media executives see an increasingly complex and unclear future for media when it comes to funding, financing and investment. They have lived through a period of rapid technological change, not to mention political and social upheavals, all of which disrupted their revenue streams and their outlets' connections to their audiences. They persevere, nevertheless, with many making considerable progress against difficult odds.

Lack of access to data is a key factor limiting public interest media's ability to improve their operations, connect with their audiences and develop viable business models.

Localised techniques can boost digital media and business practices through targeted training. Accelerator programmes that include grant funding, mentoring, and peer-to-peer knowledge exchange are particularly effective.

Media development strategy

Donor funding is a crucial part of the revenue picture in all the regions studied, especially for high-risk, not-for-profit investigative journalism and factchecking, as well as for those working in exile and conflict settings. Achieving sustainability for public interest journalism requires the long-term financial and strategic focus of multiple stakeholders working towards aligned goals.

For exiled media, grant funding is often short-term, crisis-driven, and lacking in long-term strategic thinking. Long-term, multi-phased approaches are needed that recognise the hybrid nature of most exiled media operations that straddle national borders.

There has been a shift in how the companies Alphabet and Meta work with, and support, public interest news. In some regions, they both have new programmes run through local organisations. In other regions, they have withdrawn completely.

Legislation to limit the harm done by the Big Tech platforms is still relatively new in the regions covered in this report, with a high likelihood of conflicting and ambiguous regulation that has the potential to undermine public interest media.

Government agencies and political actors continue to influence media markets, either directly by controlling or withdrawing advertising, or indirectly by discouraging third parties from advertising in public interest media.

Public interest media call for more coordination and long-term strategic approaches among donors and international media development agencies, who should share their funding priorities and activities, to avoid duplication and maximise impact.

Areas to explore further

Shared services in revenue platforms, finance, accounting, and human resources across several media outlets can help improve management practices by sharing expertise and cost-saving.

Public interest media are increasingly looking to diaspora audiences for direct revenue contributions or investments.

Public interest media tend to receive low returns from digital advertising and have limited advertising options, owing to a lack of government advertising, advertising capture and economic censorship. And yet advertising remains an important source of revenue for many public interest media outlets that can capitalise on their values and the strong relationships they build with their audiences.

Mapping the full range of media actors in local landscapes can assist funders and investors in finding new partners with whom to work, while also monitoring maturity and change in existing partners.

Public interest media seek more transparency, consistency and inclusivity in the process of grant making. They require streamlined processes and simplified grant requirements. Public interest media can face burdensome administration, and restrictive digital payment options when receiving funds from donors and audiences, all of which hinder the creation and development of businesses. Several countries have enacted laws that limit the operations of local NGOs.

New opportunities

There is a growing interest in local, national and regional funds for journalism and media.

Local philanthropic funders are looking for entry points that deliver on the promise of improving local communities. A new generation of more open-minded philanthropists may have fresh perspectives on the importance of journalism as a public good and may be willing to fund public interest media.

Advocacy priorities identified across the regions are as follows:

- Make it clear to the public, local philanthropists and potential investors why journalism is a public good that justifies support and funding.
- Continue the push for greater transparency from Big Tech.
- Address governments' use of advertising spending and indirect pressure on other advertisers to control and censor media.

Measuring impact is key to achieving sustainability. Public interest media that effectively and comprehensively track the impact of their work are more likely to attract and retain funding than outlets that do not.

Moving towards a future-fit financial ecosystem for public interest media is not just about creating new funding, financing and investments, but also about recognising that, in some instances, there may be a need to consolidate media outlets to ensure the overall health of a media sector.

Forms of journalism production are shifting in Asia. So must the financing.

By Ross Settles

Asia represents a region of more than four billion inhabitants. The region includes some of the wealthiest societies on the planet (Singapore, Taiwan, Japan and South Korea) as well as some of the poorest (Timor-Leste, Laos, Myanmar, Nepal and Afghanistan). National governments' treatment of public interest media ranges from active encouragement and support (Taiwan), to benign neglect (Japan, Philippines), to active suppression (Afghanistan, China and Vietnam). Exiled media movements have emerged across the region due to civil war (Myanmar and Afghanistan) and aggressive government censorship (China, Vietnam and North Korea). This chapter unveils perspectives on funding, financing and investment for public interest media in Asia through extensive qualitative and quantitative research conducted between January and May 2024.


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Challenges in the Asian enabling environment

Public interest media in Asia see an increasingly complex and unclear future for media finance, funding and investment. Across the region, many governments have become increasingly sceptical of public media's importance to society. China's influence in the regional media ecosystem is a growing factor on funding and affects Asian media investment. China's largest private internet conglomerates now occupy leading positions in Asian social media, news reporting and e-commerce industries. Media executives have lived through a decade of cascading technology revolutions, each one reducing their connection with their audience and their revenue sources. Now artificial intelligence has quickly changed the calculus again for all content creators – both media and advertisers. Dramatic changes in the type and pace of content creation have also seen a major expansion of the types of public interest media competing for funds. "The sources and amounts of money haven't changed significantly, they're just now going to different places," according to Tempo Digital CEO Wahyu Dhyatmika. The pace has left many fatigued and frustrated.

Digital entrants and a diverse ecosystem of provision

The public interest media ecosystem in Asia has expanded dramatically in recent years. Facilitated by low technical and financial start-up barriers, new players – both ephemeral (news driven creator accounts) and substantial (high-cost investigative journalism centres) – have entered the space. Traditional advertising-driven media outlets like the Philippine Star and United Daily News (Taiwan) still provide a regular source of public interest media drawing financial and human resources into their maturing businesses. Newer digital-only outlets such as Malaysiakini and Suara.com (Indonesia) have developed substantial audiences that drive both advertising and subscription revenue streams. The advent of free-to-use social platforms has resulted in the development of a regional "chattering class" of online news pundits and creators, most commenting on stories from larger, more established media outlets. But journalists like Christian Esguerra and Vivian Wu (Wu Wei) are also drawing together audiences and sources to build their own creator-led public interest content channels on YouTube, Facebook, TikTok and Instagram.

There is also a range of new outlets on the production side of journalism, focused on open-source intelligence, like Taiwan's Doublethink Lab, and factchecking misinformation and disinformation, like the Philippines' VERA Files and Bangladesh's Digitally Right. Since the Philippine Centre for Investigative Journalism pioneered the concept of investigative journalism centres in the aftermath of the anti-Ferdinand Marcos EDSA Revolution, similar non-profit centres have emerged across the region: The Reporter (Taiwan), Prachatai (Thailand), Myanmar Now (Myanmar/Australia), KCIJ / Newstapa (South Korea), and Tansa (Japan). These centres tackle the higher cost, greater complexity of modern investigations and absorb the risk of often hostile local corporations and governments. Public interest content exists in all these segments yet the need for financing is different in each.

Navigating the role of technology platforms

Local governments have steadily realised the impact of global technology platforms, especially of Alphabet and Meta. Many have followed the lead of Singapore's 2019 "fake news" legislation to create local "fake news" laws to restrict and control misinformation and disinformation. Most of these regulations create complex, ambiguous and often conflicting frameworks to control disinformation. Most lack any independent body to determine what is fake news and what is freedom of expression. Consequently, governments across the region have used these laws as a cudgel to force social media platforms to restrict and censor news that the authorities consider "fake". Legislation to limit the amount of harm that the platforms' business models and practices do – to the business model of public interest media – is still relatively new in the region. Indonesia has recently issued new regulations on "the responsibilities of digital platforms to support quality journalism". The supporting regulations and procedures are still pending, but there is hope that measures such as these might stimulate new revenues.[4]

Revenues at the organisational level for Asian media

Advertising revenues

In the for-profit public interest media sector, advertising remains the major source of revenue. Across the region, advertising budgets are growing and shifting rapidly to digital formats driven by programmatic ad-buying platforms dominated by Alphabet and Meta. The proliferation of regional influencer and creator voices with large digital audiences has simultaneously expanded the supply of attention available to advertisers and driven down the price of digital advertising for public interest media. In Asia, programmatic advertising is expected to reach $23 billion in 2024 and grow to over $50 billion by 2029. In programmatic advertising, advertisers place ads based on user data, not the brand or mission of the media outlet. As a result, major digital media see their role in advertising increasingly muted. Programmatic advertising drives larger media to focus on content volume and audience data rather than the more challenging production requirements of public interest content. Mid-size media with a public interest mandate often struggle to compensate for their lower content volume and smaller audiences. These media also lack the experience and technology to acquire and maintain the large amounts of audience data required to drive advertising yields. Public interest

4 Moon S.C., Mitchell, A. and Jens, S. (2024). Enabling a Sustainable News Environment: A Framework for Media Finance Legislation. An analysis of 23 policies affecting over 30 countries. Center for News Technology and Innovation.

media face the challenge of redeveloping direct relationships with advertisers, often requiring a need to clarify the line between reporting and advertorial. Many mid-sized media, like Indonesia's Tempo, Malaysia's Malaysiakini, the Philippines' Rappler and Pakistan's The Centrum Media have shifted their direct sales efforts to corporate communications departments, many of which have special funds for corporate social responsibility and diversity, equity and inclusion communications. According to Roby Alampay, founder and Chairman of Puma Public, the leading podcast studio in the Philippines, "One thing we (Puma Public) deliberately did was (to) not go after the people handling the advertising budgets. We talk more with the people handling corporate communications. So, totally different pockets, different KPIs. Advertisers must ask about how many people read or listen. But corporate communications officers are more interested in brand fit and values alignment."

Local government advertising – a large and growing part of the advertising market in Pakistan, Indonesia and the Philippines – is complex because governments resist transparent labelling. Most wish to present government communications as news reporting. Many media are exploring sponsorships and native advertising programmes that align with the mission and values their brands represent and with those of local marketers and governments. Across the region, for-profit media continue to generate significant income from advertising but require a constant restrategising and reinvestment to stay abreast of changes. Financing these advertising reinvestments is a challenge. Usually, media require short-term funds to support a profit-making advertising initiative. Funds needed are often too small to justify investment and the profit goals of the initiative often complicate the ability to apply for grants from regional media development organisations.

Reader revenues

Long considered an unlikely revenue source for Asian media, reader revenue has recently emerged strongly in regional markets where the digital financial infrastructure supports it. Malaysiakini, the regional pioneer in reader revenue since the launch of its online subscription platform in 2002, has expanded through partnerships with other regional subscription outlets like the Chinese-language Initium and the Wall Street Journal, creating a predictable recurring revenue stream to complement the group's advertising revenue. Not-for-profit investigative outlets like South Korea's Newstapa and Taiwan's The Reporter have developed successful membership and individual donor programmes.

More general media, like Indonesia's Tempo Digital, have implemented new technology and hired and trained new experts to analyse the audience, in a deep search for the sort of offers and prices that will maximise members' willingness to subscribe. Developing a new reader revenue programme creates a problem similar to reinvesting in new advertising programmes: how does a public interest media company cover the funding gap between the immediate expense of new staff and technology, and revenue from any future subscribers or members?

Unlocking local donations in Taiwan

Founded in 2015, The Reporter, Taiwan's centre for investigative reporting, survived in its first years on a single large grant from a Taiwanese industrialist. In 2018, The Reporter began its effort to diversify revenue and launched a basic reader membership plan, wherein each donor paid TWD 320 ($10) per month. In those early days, revenue from membership remained small, never exceeding five percent of operating expenses. In September 2023, The Reporter debuted a new, tiered membership programme. The first and most basic tier – "Explorer" — recognises that many readers want to support but have limited resources, thus it requires their registration only, not a donation. The second tier – "Action Taker" — gives the reader flexibility to contribute up to TWD 500 ($15) per month, for which they receive limited discounts on publications and events. A third tier – "Trail Blazer" – is open to readers paying TWD 500 ($15) per month or more, for which they receive bigger discounts on books, participation in cultural events and membership of Taiwan's two national performance spaces. In less than six months, The Reporter's tiered plans attracted over 7,000 members whose average contribution exceeded TWD 500 $15) per month. In one year, readers' contributions grew to more than 50 percent of operating expenses.

To complement this, The Reporter developed a tiered programme for individual patrons willing to donate larger amounts. The "Major Donor" programme is divided into two tiers, wherein "small angels" donate TWD 50,000 ($1,500) annually, while "big angels" donate TWD 100,000 ($3,000) annually. Both tiers of patrons make a three-year commitment. Patrons value participation with their peers in regular events and meetings, thus creating a local group of business supporters who share The Reporter's values of openness and not-for-profit financing and who are willing to underwrite the organisation's future operations. The Reporter's 2023 Impact Report, which lists donations from all sources, accounted for TWD 47 million ($1.5 million), two thirds of The Reporter's operating expenses.[5]

5 Sherry Lee presentation from 21 February 2024 Kuala Lumpur Media Funding Roundtable. The Reporter 2023 Impact Report. https://www.twreporter.org/a/impact-and-annual-report

Navigating revenues in exile

International grants provide a small external source of funding in the region, especially compared to donor funds spent in North America and Europe. But for media companies exiled from their home markets due to war, civil unrest and/or draconian censorship, grant funding is critical to survival. For media outlets like Myanmar's Myaelatt Athan, a previously independent commercial media now newly exiled and in need of support, there are concerns that grant funding is restricted to a few media with past relationships to funders. Grant funding appears short-term, crisis-driven and lacks long-term strategic thinking about the future of the region. Local media find decisions made in New York or London difficult to understand. During the past year, many have been left scrambling to replace long-term funders who have reconsidered their commitment to the region or to media support in general. The location of exiled media is an important factor of their economic needs. As pointed out by Lotfullah Najafizada, journalist and co-founder of exiled Afghanistan TV station Amu TV, media domiciled in Washington DC have very different costs to those working from Islamabad or Peshawar.

Grant funding

For regional media, international grant making is an incremental part of the revenue picture, especially as regards not-for-profit investigative and factchecking work. Most see the importance of grant support and philanthropy but also note the need for the sector to be better organised, with decision making more closely aligned to realities on the ground. Crisis decisions are mentioned regularly. There is a feeling that only extreme events – such as an Islamic State uprising or a local military response that almost erased a local village – draw funders' attention. They also find monitoring to be burdensome, sometimes requiring detailed timesheets that do not reflect the true picture. All media are appreciative but wish for more transparency, reliability and inclusivity in the process.

Commercial investment

International commercial investment in Asia's traditional print and broadcast media is highly controlled due to the level of restrictions on foreign direct investment. Investment in digital media enjoys more flexibility but is also subject to limits on equity ownership in many of the region's markets. These limitations have workarounds, including reclassifying the news media to other less restrictive categories such as information services, advertising and e-commerce. Relatively few public interest media in Asia have the management teams necessary to deliver growth and return on the scale expected by their investors.

Capacity building

Training, especially in digital media and business practices, stands out as an important resource that complements funding. The Media Development Investment Fund (MDIF) has pioneered locally-focused digital media management training programmes with its Amplify Asia programme. Amplify Asia provides selected media with a regional business mentor to work on sustainability plans and occasionally short-term financing to execute plans and initiatives.[6]

Regional media also highlighted the work of similar media management training and mentoring from International Media Support, Google News Initiative (GNI) and Internews.

Big Tech support in the region

After many years of support for news and journalism, Alphabet and Meta have shifted their support to more locally-specific programmes run in partnership with local companies and foundations. Regionally, Meta has continued to support public interest media with a three-year AUD 15 million ($10.4 million) Meta Australian News Fund project. Operated in partnership with the Walkley Foundation, it is designed "to foster innovation and improve public interest journalism in Australia".[7] Recently, GNI has also reorganised. Past programmes like the Google News Innovation appear to have gone dormant and been replaced by more locally-specific incubators, such as Google India's GNI Start-ups Lab[8] and Taiwan's News Digital Co-prosperity Fund.[9] Both programmes are managed through local partnerships: T-Hub in India, and Digital Transformation Association in Taiwan.

New forms of funding, financing and investment for public interest media in Asia

In Asia, the challenge of media finance in the next ten years is twofold. First, how to "unlock" capital to support the increasingly complex ecosystem that has emerged and continues to evolve in the region. International donor funding and philanthropic efforts remain small and have not identified ways to leverage international resources to encourage greater participation from local capital sources, both commercial and philanthropic. Second, media finance focused on public interest media is generally not innovative. Financial support aimed at public interest media in Asia lacks many of the targeted financing tools of more well-developed sectors. Some targeted financing efforts do exist, but they are still small. MDIF's Amplify Asia small grants programme, GNI's Covid-19 emergency fund and the Journalism Emergency Relief Fund are rare examples of matching a media funding need with a unique funding programme. To quote North Base Media's managing partner, Sasa Vucinic, "When all you have is a hammer, everything

6 MDIF Amplify Asia. (2022, November 22). MDIF launches Amplify Asia to support sustainability of digital media. Accessed 22 February 2024
7 Meta for Media. (2023, January 30). 52 newsrooms and independent journalists receive AUD 5M in funds from the latest round of the Meta Australian News Fund. Accessed 25 February 2024
8 Raghunath, D. (2024, January 8). Announcing the second cohort of GNI Startups Lab and a look back at 2023. Google News Initiative Blog. Accessed 15 February 2024
9 Beddoe, K. (2023, March 8). A new fund supporting digital transformation in Taiwan's news industry. The Keyword – Google in Asia. Accessed 15 April 2024

is a nail." Media funding in Asia, both commercial and philanthropic, is mostly limited to grants or long-term equity investments. Other, more targeted tools have yet to be developed and deployed. Solving these two problems – unlocking local capital and developing new tools – will expand the supply of capital for public interest media and refocus current financing efforts on the unique dynamics in each part of the public information ecosystem.

Local philanthropy

Regionally, philanthropists and financial professionals are exploring ways to unlock local capital to fund public interest media. In India, the Independent and Public-Spirited Media Foundation helps to mobilise local philanthropy in support of public interest media. Criticised for supporting propaganda against the ruling Bharatiya Janata Party (BJP), the foundation continues to assist public interest media in India, like The Mooknayak, which covers farming communities in rural areas. In the Philippines, financial advisory firm Morningtide Capital works with private companies to identify available capital and then match investors with media working in the public interest. Local entrepreneurs are also developing new digital platforms and tools to boost crowdfunding and donations for public interest media projects. India's Impact Guru combines crowdfunding for social impact with the use of new revenue-based financing tools for local start-ups and small businesses with a social mission. Malaysiakini, with the support of Luminate[10], launched a similar crowdfunding site, Sokong.org, to match local donors with social impact enterprises and philanthropies in Malaysia. In all cases, local philanthropic and for-profit capital is mostly interested in local markets. As James Pacaba, managing partner at investment fund Morningtide Capital, remarks, "Investors are attracted to both the media, but also the promise of a better local community."

Unlocking local capital for public interest media: Morningtide Capital, the Philippines

In the Philippines, Morningtide Capital Partners has developed a unique approach to identifying potential target media operations and then working with local corporations to invest. Morningtide offers local private companies a suite of financial services, consulting, monitoring, and development to prepare them for stability and future growth. Morningtide partner James Pacaba describes the process of unlocking under-utilized capital in private, family-owned companies in the Philippines: "Many of these companies are facing generational change. The founding generation has managed the companies conservatively, often resulting in under-utilised capital. The younger generation is eager to find investments that make a positive social contribution to the Philippines. Media is always an attractive alternative." Morningtide's unique role as a financial advisor to potential investors allows it to provide financial and investment expertise while also introducing capital to companies that will provide both financial return to the investors and social return to the Philippines.

Pacaba says he believes, "Independent media is a winning proposition in the end. I think history moves like a pendulum. Right now, we're at a point where interest in journalism is very low, but eventually it's going to turn around. It's a question of how long and what the resources are to stay alive until the market turns." Describing Morningtide's long-term approach and how his investors ultimately realise financial returns, Pacaba adds: "Morningtide's objective is to raise enough seed capital to get to the finish line. And then just work on paying dividends. We start with seed capital, get them to a point where they can get bank financing from some higher cost lenders, and then we migrate them to regular bank lenders with the objective of generating dividends over the long-term."

10 Luminate Partner Database (2024). Accessed April 30, 2024 https://www.luminategroup.com/investee/malaysiakini

Commercial financing

Financing for public interest media that expects some level of return – both loans and the purchase of company shares – is still rare in Asia. Most markets in Asia continue to see media – especially traditional print and broadcast formats – as strategic industries and restrict the amount of foreign direct investment allowed. Laws concerning digital media investments are more flexible and loopholes exist, creating a group of investors focused on the region's largest markets, in particular Indonesia and India. Three media-focused, foreign capital firms – North Base Media, MDIF and Luminate – have all led significant financing efforts for Asian public interest media in the past five years.

For-profit investment fund North Base Media and not-for-profit impact investor MDIF follow different investment approaches. North Base looks for media and media technology companies with strong leadership which offer an opportunity for profitable returns in a relatively short time frame, typically ten years. North Base's investment in TNLmediagene, a Taiwanese/Japanese news and information group, is scheduled to go public on the NASDAQ in late Q2 2024,[11] following an initial investment in 2013. MDIF, as an impact investor, sees a much broader horizon on investments, holding equity while working with portfolio companies to ensure mission alignment and independence over the long term.

The challenge of equity financing: TNLmediagene

TNLmediagene group publishes 29 media brands in Chinese, Japanese and English with offices across Taiwan, Japan and Southeast Asia. The group has a monthly average audience of between 50 and 60 million users with revenue divided into thirds – one third advertising, one third marketing and advertising technology, and one third e-commerce, paid events and other ancillary revenue.[12]

Originally a Chinese-language news outlet – The News Lens – targeting Taiwan, it expanded organically using seed funding from North Base Media. Co-founder and CEO Joey Chung soon recognised it was impossible to meet investor growth and to return expectations based on the growth potential in a small market like Taiwan with a population of approximately 23 million.

The News Lens chose to diversify markets, languages, and content verticals. Five years into the ten-year investor time horizon, diversification through acquisition was the only answer. Strategically, Chung, the TNL Board and management team went through a diligent process to determine acquisition criteria for new verticals and enabling technology in the marketing, advertising and data analytics space. A steadily increasing list of investors signed on to support the strategy in addition to North Base Media, including US-based Draper Associates, early-stage investor in live streaming platform Twitch and online voice communication platform Skype.

According to company data analysts Crunchbase, the resulting media group TNLmediagene has raised $13 million over the course of the past decade.[13] TNLmediagene's start value on the NASDAQ listing is estimated at $275 million, a substantial return for investors, management and staff.[14]

11 NASDAQ. (2023, June 6). TNL Mediagene, a leading Asian digital-media company, agrees to become publicly listed company on Nasdaq through merger with Blue Ocean Acquisition Corp. Accessed 26 April 2024.
12 Patel, Rishad and Soon, Alan. (2023, November 2023). How Joey Chung of TNL Mediagene acquires media companies… as a media company. Accessed 1 May 2024
13 Crunchbase. (2024, May 1). Accessed 1 May 2024 https://www.crunchbase.com/organization/the-news-lens/company_financials.
14 Clayton, Nicolas Alan. (2023, June 6). Blue Ocean Acquisition Corp. (BOCN) to Combine with TNL Mediagene in $275M Deal. Accessed 1 May 2024

Revenue-based financing
Revenue-based financing is a tool that solves the short-term capital needs of revenue growth in for-profit businesses. Commonly used in other content industries – such as games, online creators and film – it has been deployed to support social enterprise development in India and Japan. Revenue-based finance exists in several Asian markets. In Japan, where the government's "New Capitalism" programme plans to develop new startups with a focus on social issues, Yoii Fuel has raised a $9.5 million fund to provide revenue-based financing to social impact entrepreneurs. Founded in 2021, the company has recently raised new capital to boost its work in Japan and is considering international expansion.[15] Such examples also have a strong presence in e-commerce and the creator economy. India's GetVantage and Hong Kong's Choco Up have both created strong financing businesses serving start-up growth in media adjacent categories, such as e-commerce and online booking services.

Credit and investment insurance
To unlock local capital in other highly risky sectors like media, global development organisations have created types of "insurance" to reduce the risk to local lenders and investors. Available in efforts like those of the Asian Development Bank, such credit and investment insurance often provide collateral for loans or a guaranteed return for equity investors. Lending and equity finance are heavily regulated across the region. Consequently, the exploration of new financial tools and techniques for media development will require a careful analysis of the local regulatory and tax environment to guarantee compliance and local adoption.

Local impact funds
Our research identified examples of local impact funds. In India, the Azim Premji Foundation has helped coalesce local philanthropic funding in a media-focused grant fund, the Independent and Public-Spirited Media Fund. Elsewhere in Asia, Google has developed partnerships with local organisations to invest in media innovation. In Taiwan, Google has partnered with the Digital Transformation Association for its Taiwan News Digital Co-prosperity Fund, and in India with T-Hub for its 2024 Start-ups Lab. Local impact funds are also under discussion for the Bangsamoro Autonomous Region in Muslim Mindanao, the Philippines and for exiled media in Myanmar.

To develop local funds in support of public interest media, media organisations require a direct connection with local economies. In markets like Myanmar and Afghanistan, which rely on exiled media for public interest news and information, there is no connection to the local economy. For developing markets, like Pakistan and the Bangsamoro region of the Philippines, the local economy may be so underdeveloped that capital is not available. These markets require long-term development funds, usually from overseas sources, to deliver a specific impact for local public interest media and communities. Funds will need to identify a specific strategic impact that can be delivered over a defined period. Long-term planning and funding will give local media confidence in the direction and resource commitment for the life of the fund.

Business accelerators
Business accelerators, like MDIF's Amplify program and GNI's Innovation Challenge, were mentioned frequently by participants as providing necessary business mentoring and consulting, with the capital essential to help implement development plans. Google has moved to deeper local partnerships for its accelerators in Taiwan and India. Other funders, such as Open Society Foundation and North Base Media, have discussed technology-focused accelerators. These programmes offer business development, networking and access to human and financial resources to achieve specific business development goals. Developing and co-ordinating across different, targeted accelerators will be critical to fulfilling local media needs without creating training fatigue and calendar conflicts for participating media.

Shared services and networks
Common in other industries, initiatives focused on offering shared services can help media improve management practices in finance, accounting and human resources by sharing expertise across media outlets. Morningtide Capital's financial advisory business does this for private companies in the Philippines. Manila's UnBoxed has created a shared services platform for content creators, providing sponsorship sales and development, finance and accounting support for creators. Networks, such as Burma Media Consortium and Burma News International, play a similar role in fundraising and content distribution among exiled media in Myanmar. Encouraging and facilitating shared service efforts to enhance reach, lower costs and improve service delivery will need careful coordination and incentives for local media involvement.

15 Yoii Fuel (2023, December 8). Japanese Revenue-Based Finance Start-up Yoii Completes $5.5M Funding in Series A Round. Accessed 1 May 2024

Recommendations for funding, financing and investment in Asia

- There is increasing demand for capital from a diverse and growing range of public interest media. To satisfy this, it will be necessary to find techniques to unlock reserves of local capital with support from experienced international donors.
- A diverse portfolio of financing and investment tools needs to be researched and piloted for different stages of growth and opportunity.
- Move beyond the current media development approach that targets individual media outlets; more holistic approaches are necessary at local, national or regional levels.
- Provide further support to the development of local and regional accelerator-style programmes that combine grants, capacity development and peer-to-peer knowledge exchange.
- Support the development of shared networks and services to multiple public interest media.

Overall, the research highlights two themes for further development related to financing public interest media. First, there is an increasing demand for capital from a diverse and growing range of public interest media. Finding techniques to unlock reserves of local capital with support from international donor funding and international donors with broader experience will be necessary to satisfy demand. Second, more innovation in financial tools is required to meet the demand for financing according to the amount and use of capital, the media's ability to return capital, and the timeline in which the capital is needed and can be repaid. A diverse range of media will require funding, financing and investment tailored to the media, audience and business model. The section below suggests potential areas to explore.

Public interest media investment insurance. Local capital lacks safeguards to encourage investment and lending to high-risk public interest media. Therefore, research and development of investment insurance for public interest media could encourage local capital, both commercial and philanthropic, to increase the amount of funding available to public interest media. Priority should be given to regional markets based on the level of need and likelihood of participation by local investors and financing organisations. Local market regulations would need to be considered.

Revenue-based financing could fit in local contexts. Local Indonesian media, for example, lack short-term funding to support revenue growth. Local media lack the company size to justify an equity investment and yet Indonesia's local market is likely to continue to grow substantially over the coming decade. Revenue-based financing could support revenue growth while returning some of the capital for use with other revenue growth projects. Developing a revenue-based financing prototype would require careful evaluation of the use of capital, returns and local financing regulations, to understand the long-term opportunity in Indonesia and elsewhere in Asia.

Local impact funds. Most media development philanthropy today is media-outlet specific. But often more holistic approaches are necessary at regional, national or even local levels. A "local impact fund" would strategically identify changes needed in a local media ecosystem to support long-term sustainable contributions to public interest. As an example, the Bangsamoro autonomous region of the Philippines, for a long time a centre of ethnic conflict, has now moved to implement a regional peace process which will culminate with the first elections for the autonomous region's parliament in May 2025. Though public interest news and information is crucial to engaging the electorate, Bangsamoro's local public interest media ecosystem is still small and fragile. A proposed Bangsamoro Regional Public Interest Media Fund would focus on developing a sustainable local media ecosystem to support the long-term development and success of the peace process and transition to democracy. A regional stakeholder group – including funders – would define a strategy, timeline and targeted impact as goals and context. The fund would also help develop mechanisms to pool resources from international and local philanthropy and government. Further processes and procedures, to manage and monitor programmes and funding projects for independence and impact, would be needed.

Funders could explore **creating coordinated funds to help create long-term strategic focus and commitment for exiled media.** For example, a Myanmar Media Fund would pool resources from global media development organisations helping to mitigate for the changing priorities and complex processes that currently undermine the flow of funds. A coordinated fund would also work with local media and stakeholders to create a long-term strategic plan for Myanmar's media ecosystem. Likewise, the fund could reduce the grant complexity by creating common grant application, vetting and monitoring standards. Coordination could also help to reduce scheduling conflicts from training and mentoring programmes, as well as working with host governments to create greater protections for exiled media, including corporate registrations and employment permissions.

Most public interest media lack the financial or human resources required to implement a successful reader revenue programme. A **reader revenue fund** would help support the start-up investment in reader data, systems and management. Reader revenue funds would be best suited to target markets with the necessary digital infrastructure and audience behaviour to support subscriptions or memberships. A regional training academy – to feature best practices in pricing, marketing and user data privacy – would uplift multiple public interest media. Such an initiative could also support joint marketing and subscription programmes like Malaysiakini's programme with the Wall Street Journal and the Chinese-language news outlet Initium. Several media in the region have developed successful reader revenue programmes (subscription, donation and membership). Reader revenue programmes require a high level of technical and marketing expertise. A regional network for media with reader revenue capabilities would be well placed to bring media together for regular training and networking on best practice for technology, marketing and sharing of audience data.

Widely lauded **regional business and technology accelerators** offer training, mentoring and occasionally funding. But accelerators with similar goals and regional focus often result in overlapping and conflicting services and grants. Therefore, more programme coordination, particularly in relation to accelerator schemes, would benefit the region. This could include developing a process to share accelerator participants, training calendars and areas for focus.

An **advertising or content sponsorship network** could overcome the hollowing out of the advertising revenue stream. In order to develop more advertising and corporate communications networking and sales opportunities, efforts should be made to bring public interest media to major regional advertising and corporate communications events/conferences, such as CorpComms Asia 2024 or the Asian Venture Philanthropy Network global conference. The development of a regional, direct advertising sales training and networking module for mid-sized to large media outlets would fit the context. An associated forum could share and debate guidelines for communications partnerships and work with regional media to create an audience data network, for sharing and augmenting audience data to generate higher programmatic ad yields.

Pressure on the sustainability of public interest media in Africa

By Chris Kabwato

Political developments in Africa have a direct influence on the economic environments in countries across the continent, which in turn have severe implications for both media freedom and media viability. The unbundling of advertising and the news media, coupled with changing media consumption habits, continues to put pressure on the sustainability of public interest media in Africa. The three main media markets in Africa are Kenya, Nigeria and South Africa. This chapter offers perspectives on funding, financing and investment for public interest media in Africa, focusing on a range of countries that represent both the spectrum of media freedom and the varying sizes of media markets. Most of the analysis is the result of qualitative research conducted between November 2023 and August 2024.

Challenges in the African economic enabling environment

Struggles with print circulation decline

On 15 April 2024, the Daily Maverick, a South African news platform, shut down for the day. The newspaper wanted to make a statement on the parlous state of the news media in Africa. Many media outlets are struggling with digital transition and the lower economic returns associated with digital production. As in the global north and other continents, in Africa the quest is on to explore possible solutions to the challenge of media sustainability.

Zimbabwe has felt the most extreme impact of economics on the enabling environment for media. The country has witnessed over 20 years of hyperinflation which has eroded disposable incomes, deindustrialised the economy and created high unemployment. The implications for news media organisations have been dire, with print circulation nose-diving whilst the costs of digital infrastructure (connectivity and equipment) remain prohibitive. The Mirror is a Zimbabwean community newspaper that covers the province of Masvingo (population 1.6 million). For The Mirror, the downturn in the economy, shrinking advertising market and decline in copy sales has forced a transition to digital-only, but according to editor-in-chief Matthew Takaona, digital dollar income does not equal the print dollar sales his newspaper used to enjoy. Commercial advertising remains the main revenue stream for his newspaper. The founding managing editor of Zimbabwe's The News Hawks estimates that not a single newspaper in the country prints more than 2,000 copies daily.

For many years, print has been the cornerstone of Namibia's The Namibian newspaper and provided a self-sustaining model that allowed journalists and editors to deliver independent journalism and analysis directly to readers. For decades, the newspaper weathered external pressures, such as the government denying them advertising in preference for state-funded media outlets. Deputy Editor Shinovene Immanuel says that in 2018, The Namibian sold nearly 9.7 million printed copies but, five years later in 2023, just over 2.9 million.

Vanguard is one of Nigeria's leading national daily newspapers. Editor Eze Anaba says production costs, specifically the price of newsprint and plates, and dwindling readership, are the biggest threats to his organisation's viability. South Africa's top-selling weekend newspaper Sunday Times sold 62,000 copies per week in the last quarter of 2023, in contrast to the audited circulation of just over 500,000 copies per week in 2006. The Daily Sun was once the biggest-selling daily at 513,000 copies per day in 2007, but circulation has now dropped to under 13,000.[16]

In June 2024, a financial news platform announced that South Africa's largest commercial media publisher, Media24, was planning to close down several newspapers including Sunday weekly the City Press, Rapport, Beeld and the tabloid Daily Sun,[17] due to financial losses, "primarily driven by escalating distribution costs, diminishing advertising revenue and a readership migration to online platforms."[18] In 2000, Rapport's circulation was around 335,000. Twenty-four years later, the figure hovers around 60,000. In the past two decades, its Sunday stablemate, City Press, has seen circulation dive from 233,000 to around 14,000.[19] Apparently, Media24 will maintain its Afrikaans-language daily, Die Burger, because of its "more-robust financial performance or lower distribution costs", compared to the other titles.[20]

The situation is particularly acute for hyperlocal media. Two media veterans in South Africa, Anton van Zyl and Nathan Geffen, respective publishing editors of the Limpopo Mirror and Ground Up, co-wrote an article in 2023 on the damage that technology company Meta had caused to local news. They explained how the Limpopo Mirror, a weekly newspaper published in the northern town of Makhado, had a cover price of ZAR 2 ($0.12) in the early 2000s and sold just over 8,000 copies: "The cost of printing was roughly 15 to 20 percent of our turnover. That has gone up to 30 and 35 percent. The advertising loading (the percentage of space devoted to advertising as opposed to news) was between 50 percent and 60 percent. This has dropped to below 30 percent and some weeks we don't even get to 20 percent." [21]

Political developments in Africa have a direct influence on the economic environment, with severe implications for both media freedom and media viability. A Media Foundation for West Africa report argues that three primary factors underline democratic recession in Mali, Burkina Faso, Guinea, Guinea Bissau and Niger: military coups d'état, violent extremism and economic misgovernance. "These factors manifest in two major ways: political crisis and security crisis that converge to significantly shrink the operating space for the media and civic participation," concludes the report.[22] The outcome of a degraded accountability framework has been, "grand political corruption and reckless borrowing, resulting in high debt distress and extreme hardship."[23] According to Djbril Saidou and Jane Møller Larsen of IMS (International Media Support), in Niger where fragile media enterprises relied on events as a revenue source, this has dried up.

16 Geffen, N. and Van Zyl, A. (2024, March 6). Google and Facebook are killing the news. *Ground Up*. Accessed May 14 2024.
17 Maggs, J. (2024, June 13). End of an Era: Media24 to close iconic newspapers. *Moneyweb*. Accessed October 7 2024.
18 Ibid.
19 Ibid.
20 Ibid.
21 Geffen, N. and Van Zyl, A. (2024, March 6). Google and Facebook are killing the news. *Ground Up*. Accessed May 14 2024.
22 MFWA. (2023). Democratic Recession and its impact on Press Freedom: Case studies from Five Countries in West Africa. *Media Foundation for West Africa, Accra*, Ghana.
23 Ibid.

The decline in advertising revenue for the news media and the fall in print media circulation in Africa are against the rise of expenditure in entertainment and streaming services. PwC's analysis of entertainment and media trends forecasts a rapidly growing digital advertising market – driven by mobile gaming and social media consumption – in a continent that has always been "mobile-first".[24]

Covid-19 challenges in the economic environment for media

Covid-19 exacerbated the challenging political, economic, social and technological context of media in Africa. A study on media innovation in East Africa (covering Kenya, Uganda and Tanzania) showed that Covid-19 had a significant impact on all media sectors in terms of financial revenue, with print news organisations the most affected.[25] A media viability study by Zimbabwe-based NGO Media Monitors of six countries (Botswana, Lesotho, Malawi, Namibia, Zambia and Zimbabwe), indicated that a pre-Covid-19 readership of 11 copies per 100 declined to 6.8 per 100 post-2021.[26] According to Zimbabwe-based Dumisani Muleya, managing editor of investigative newsroom The News Hawks, Covid-19 destroyed the printing model and distribution system for newspapers to the extent that, "newspapers are being printed to carry advertising", and he warns that true circulation figures are rarely declared.

Advertising markets and media capture

In many countries, state actors also interfere in the advertising market, starving public interest media in favour of media willing to tow the government line.[27] At $5 billion invested in advertising, Africa is the smallest regional advertising market worldwide, accounting for only one percent of global expenditure.[28] The challenge for public interest media is that the slice of advertising for this sector is diminishing – as advertisers seek out greater returns on investment via targeted online advertising through a wider number of channels – and the returns received from platforms are low.

The business news media in South Africa has also felt the loss of advertising revenue, with the first blow being the 2013 Johannesburg Stock Exchange (JSE) rule that dropped the requirement for listed companies to publish interim and full-year financial results in a national newspaper.[29] The JSE, citing the new multimedia environment, now allows a company to publish a short version of their results in one newspaper of that firm's choice. Analysis conducted in March 2013 suggested that media companies would lose 67 percent of this revenue – worth about R200 million ($11 million) at the time – if all 414 JSE-listed companies opted for the short-form option. "We remain vastly over-dependent on advertising. We assume that the rise of digital media simply means we should replace print advertising with digital advertising,"[30] said Peter Bruce, longtime editor-in-chief of South Africa's Business Day and Financial Mail.

Governments and state agency advertising practices

In a few markets, such as Kenya and South Africa, government advertising represents a significant chunk of revenue for the news media. In a shift in policy, the Kenyan government – via its Government Advertising Agency – moved to centralise print advertising and awarded a tender to one newspaper, The Star, to carry state advertisements, gazettes and notices through a weekly supplement. Previously, government advertising was distributed via three large media organisations – the Nation Media Group, the Standard and the People Daily. The Law Society of Kenya has gone to court to challenge the government's decision on the grounds that the prioritisation of one newspaper will limit public access to information. The government agencies and the political class frequently "punish" media outlets – for investigative and critical reports – by withdrawing their advertising and indirectly influencing other advertisers to avoid doing business with them.[31] The government's preferential support skews the sector and makes the independent, non-government-supported media more vulnerable in a competitive market.[32]

> "We remain vastly over-dependent on advertising. We assume that the rise of digital media simply means we should replace print advertising with digital advertising."

24 PwC. (2023). Africa Entertainment and Media Outlook 2023–2027. *PwC*.
25 Owilla, H.H., Kimani, R., Hollifield, A., Wegner, J., Reineck, D. and Schürhof, R. (2022). The State of Innovation and Media Viability in East Africa: From In-depth Media House Surveys. *Aga Khan University Graduate School of Media and Communications*, Nairobi, Kenya.
26 Media Monitors. (2024). Media Viability in Southern Africa: An Exploratory Study. *Media Monitors* and *UNESCO Southern Africa*.
27 Ederlyi, P. (2021). Digital audience revenue strategies in CEE and the Global South. *Reuters Institute, University of Oxford*.
28 Advertising and marketing in Africa – statistics & facts | Statista
29 Mail and Guardian. (2013, April 12). *Newspapers hard-pressed by JSE rules*. Retrieved October 7, 2024.
30 Bruce, P. (2023, October 5). It's hard times for newspapers — business should help out. *Business Day*. Retrieved October 7, 2024.
31 Ojo, T. (2018). Media ownership and market structures: banes of news media sustainability in Nigeria? *Media, Culture & Society*, Vol. 40(8) 1270–1280
32 Owilla, H.H., Kimani, R., Hollifield, A., Wegner, J., Reineck, D. and Schürhof, R. (2022). The State of Innovation and Media Viability in East Africa: From In-depth Media House Surveys. *Aga Khan University Graduate School of Media and Communications*, Nairobi, Kenya.

There are also cartels in the advertising sector. Advertising is still dominant in the legacy media and yet start-up media far outstrip these outlets' circulations, says Nigel Mugamu, founder and chief executive of Zimbabwe's digital news platform 263Chat. In South Africa, media and civic society actors want the government to allocate 30 percent of its national communication and advertising budget to community media and small commercial media. According to a study on media ownership in Zimbabwe, there is also increasing opacity in ownership and control of media outlets, with a "worrying trend towards consolidation of state-centric voices and constriction of independent voices in the media."[33]

Grant and donor funding

Several media development organisations in Africa support areas such as safety and security of journalists, women in the media, gender and the media, community radio, media management, innovation and sustainability, investigative journalism, media law reform, and advocacy. However, this support has greatly diminished from the 1990s and 2000s, and several major donors have recently scaled back further on Africa's media, turning their attention to emerging priorities such as the Covid-19 pandemic, the war in Ukraine, economic recessions and inflation.[34] According to Bheki Moyo, Professor and Director at the Centre for African Philanthropy at University of Witwatersrand, South Africa, most of the funding into Africa from major American and European philanthropic organisations goes to education and health. This funding is closely aligned with the UN's Sustainable Development Goals, especially those relating to inequality, poverty, job creation and economic growth. The global restructuring at the Open Society Foundation (OSF) has affected Africa drastically, with some investigative journalism organisations most impacted. OSF was critical in the establishment of numerous not-for-profit investigative journalism newsrooms in Southern Africa. A recurrent theme from our report's sources is the short-termism of donor funding.

"In South Sudan, NGOs are the lifeline of all forms of media organisations. For-profit media outlets, such as radio stations, rely on adverts, talk shows and announcements from NGOs as their major revenue streams. Some NGOs in South Sudan provide institutional support including paying salaries and investing in capital infrastructure for many media organisations. It is imperative to note that the over-reliance of media organisations in South Sudan on international development funds significantly thwarts their sustainability. For instance, Gurtong, a once popular website and nonprofit media organisation employing over 100 media practitioners across the country was closed down in 2021 when donor funding to the organisation dwindled."[35]

Social entrepreneur Ojok Okello, South Sudan

Big Tech and Africa news media publishers

Following the examples of Australia and Canada, the South African Competition Commission launched a Media and Digital Platforms Market Inquiry in 2024. The inquiry investigated whether there were any features inherent to digital platforms that impeded, distorted or restricted competition and thereby prejudiced the interests of South African news publishers. It also focused on the distribution of media content on digital platforms, including search, social media and news aggregation platforms, which primarily fund themselves through advertising and drive consumer traffic, engagement and data collection to support that revenue stream.[36] In a possible indication of the growing scrutiny of the role of Big Tech, Senegalese regulators and organisations have been looking for ways to adapt and implement Australia's News Media Bargaining Code.[37] In 2020, ActionAid International released a research report including Ethiopia, Ghana, Malawi, Mozambique, Nigeria, Senegal, Sierra Leone, South Africa, Tanzania, Zambia and Zimbabwe; it revealed the extent to which countries could be missing out on tax revenue from Meta, Alphabet (owners of Google) and Microsoft due to unfair global tax rules.[38] Of the 54 countries in Africa, 21 have already enacted rules for non-resident suppliers to account for valued added tax (VAT) or goods and services tax on electronically supplied services. At least five more countries – Botswana, Ethiopia, Mali, Republic of Congo and Rwanda – are scoping and enacting similar rules.

Funding models for public broadcasting

In recent years, advocacy and lobbying work around the transformation of government-controlled, state-funded national broadcasting entities into independent public broadcasting corporations has decreased. In most African countries, their national broadcaster has the widest reach in terms of radio, television and digital footprint. Therefore, the broadcaster becomes a site of struggle between the government and civil society activists advocating for an autonomous public service. As media face the challenge of financial sustainability, this debate on the role of government funding of private and public media has resurfaced.

The cases of Kenya and South Africa represent different scenarios. The Kenyan government directed that all electronic advertising by government be channelled

33 Zirima, P. (2020). A Media Landscape Study: Unpacking Ownership in Zimbabwe's Creation and Delivery of News Content. *Media Monitors and Friedrich Ebert Stiftung*, Harare, Zimbabwe.
34 Ibid.
35 Okello, O. (2022). An Overview of the Media Landscape in South Sudan. *Konrad Adenauer Stiftung.*
36 Competition Commission South Africa (2023). Media and Digital Platforms Market Inquiry – Final Terms of Reference. Retrieved October 7, 2024.
37 Schiffrin, A., Bell, E., Posetti, J. and Edgerton, F. (2022). Finding the funds for journalism to thrive: Policy options to support media viability. *UNESCO Policy Brief.*
38 Action Aid (2020, October 26). *$2.8bn 'tax gap' exposed by ActionAid research reveals tip of the iceberg of 'Big Tech's big tax bill' in the global south*. Retrieved October 7, 2024.

via the radio and television platforms of Kenya Broadcasting Corporation (KBC). This means private stations cannot access government advertising and much-needed revenue. In contrast, the South African Broadcasting Corporation (SABC) must deliver on a public service mandate using commercially generated revenue. This broadcaster has faced financial crunches over the years, with the government's National Treasury having to step in to rescue it from insolvency. Various media advocacy organisations have called for public funding of the SABC but with safeguards to ensure the broadcaster is not captured by the government and the state.

Revenues at the organisational level for African media

African public interest media have attempted to implement a range of revenue streams with varying success. A variety of business models are emerging that are driven by the mission of the news organisation, the context of operation and context-specific opportunities. Some media organisations want to hedge against economic risks and are thus diversifying their enterprises, while some are trying subscriptions and sponsorship models to generate multiple revenue streams.[39] For example, [Big Cabal Media]() in Nigeria has a tech-news site called [TechCabal](), a subscription-only website, as well as a research, advisory and consulting business known as Stears Data.[40] In 2020, the company raised $600,000 in seed investment from local investors, from Luminate, and received funding from the Co-Creation Hub, a technology-oriented centre based in Nigeria, for its funding cycle in 2021.

Reader revenues: subscription and membership models

There is a willingness to pay for news. Two of Africa's largest private news media groups, Nation Media Group in Kenya (via its [nation.africa]() platform) and [News24]() in South Africa have a subscription model. A study by Kenya's Aga Khan University, on the news media consumption habits of millennials and Gen Z, offers hope to news media entrepreneurs that if they can offer value, the much-coveted younger audience will subscribe to their offerings.[41] The most encouraging part of the study relates to the news and current affairs subscription habits of Kenya's millennials and Gen Z, indicating that close to half have paid for content.[42]

The Daily Maverick's "Maverick Insiders" membership model

South Africa's Daily Maverick started off as a website in 2009 and, rather counterintuitively, launched a free printed newspaper in 2020. Daily Maverick's membership model has over 31,500 people contributing varying amounts per month from R75 ($4) to R200 ($10). Named the Maverick Insiders, membership includes ad-free browsing, free access to the electronic edition of DM168 newspaper, discounted home delivery of the print version, free shipping, ten percent off at the Daily Maverick Bookshop, up to 50 percent off tickets to events, and early bird access. Daily Maverick journalism is funded mainly by philanthropy, commercial activities and support from readers, but has moved from an over-reliance on philanthropy to a more even spread of the three. Co-founder and chief executive Styli Charalambous says, "Reader revenue is the major source of revenue for us, which is the most ideal scenario to be in because you have more control over it. Membership is about more than access; it is about building a community around the relationship with news publishers rather than just paying for access to content in journalism."

39 Schiffrin, A, Clifford, H., Adjin-Tetteyet TD. (2022) Saving Journalism 2: Global Strategies and a Look at Investigative Journalism. *Konrad Adenauer Stiftung.*
40 Ibid.
41 Owilla, H. Mogere, C. Achieng Booker, N. (2023). Media consumption in an evolving digital world: millennials and digital natives' consumption habits and implications for legacy media in Kenya. *Aga Khan University, Nairobi.*
42 Ibid.

Donations
The Mirror in Zimbabwe put an appeal on its website emphasising its free distribution, impact on freedom of expression and representation of marginalised groups. The appeal aimed to help the newspaper sustain its operations and fulfil its mandate by creating a friendly community of donors willing to contribute in cash or in kind. The campaign requested donations from $10 to $200 but had little traction, according to editor Matthew Takaona, although it did receive some funding from local businesspeople. Similarly, Zimbabwe's digital news startup CITE's membership trial has not succeeded; founder and chief executive Zenzele Ndebele says given the informalisation of the Zimbabwean economy, one needs to understand the country's informal traders as a potential audience and serve them with the news and information they require. Ndebele has recruited a marketing person to work on revenue strategies.

Navigating the diaspora for revenues
According to a report from the Organisation for Economic Cooperation and Development (OECD), the number of Africans estimated to be living outside their country of origin increased from 15 million in 1990 to 28 million in 2020.[43] The report found that the African diaspora plays a special role in linking countries and commercial exchanges. Diaspora communities can also be an important source of knowledge and skills for new communities, and are often conduits for intellectual capital investments back in their countries of origin.[44] An estimated three million Zimbabweans live outside the country with many residing in neighbouring South Africa and in the United Kingdom. According to the Reserve Bank of Zimbabwe, remittances from Zimbabweans living abroad amounted to $1,9 billion in 2023.[45]

Danis Dube, station manager at ZiFM Stereo in Zimbabwe, says the diaspora is a prime target for informative and entertaining content from "back home", and thus a potential revenue stream:

> **"The key for us is not to follow some of the models that have worked in Europe and America – they have completely different earning structures. For African audiences, you have to work with a far lower average revenue per user – you work with what are they willing to pay for."**

Likewise Tewodros Negash Bayu, programme manager for IMS in Ethiopia, who also sees potential in the contribution that the Ethiopian diaspora could make, through investments, to media sustainability in their home country. Bayu says, "They really have a strong role and interest in changing the financial narrative around the media infrastructure, or in terms of coming up with sustainable institutions or functional media markets through seed capital. Maybe they could come up with affordable loan systems or equity investments, and so on."

Engaging local communities in advertising: TellZim News

Local news media are defined by how they serve their community; thus "local" journalism brings a geographically constrained audience together with the news that its members need.[46] For example, TellZim News is a print-turned-digital platform serving Zimbabwe's Masvingo province (population 1.6 million). After Covid-19, when print circulation plummeted, it participated in a Media Innovation Programme led by FOJO Media Institute with support from IMS.

TellZim News received training on audience research, strategy development, digital strategies for distribution, content development, marketing, business planning, equipment provision and a small grant ($10,000). As part of its strategy, TellZim focused on local community advertising and secured contracts with 20 schools, wherein the platform posted stories and videos about schools' exam results, future plans, and so on, in order to boost student intake. The strategy raised $4,000 per year and education institutions in the province now see TellZim as the go-to media. It has also provided communication consultancy services to NGOs and companies. TellZim staff developed election town hall coverage for political parties and voters in 2023. They also worked on targeting marginalised rural groups, such as women and youth, helping to engage local leaders in dialogue with communities, including on messaging platforms like WhatsApp.

TellZim is now completely digital but the transition, for local advertisers to adjust to advertising online, was lengthy. TellZim's advertising makes up to 60 percent of its overall income. Consultancy services account for 20 to 25 percent, while events and other streams total between 10 to 15 percent. TellZim plans to scale advertising targeting local institutions, to strengthen its audience research, increase audience engagement on social media and create a stronger corporate culture of self-sustainability.

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43 OECD (2023). African Diaspora, Trade and Investment: What Economic and Social Impacts? Organisation for Economic Cooperation and Development. Paris, France.
44 Ibid.
45 Chronicle (2024, April 10). *Diaspora remittances up by 16 percent*. Retrieved on October 7, 2024.
46 Park, J. (2021). Local media survival guide 2022: How journalism is innovating to find sustainable ways to serve local communities around the world and fight against misinformation. *International Press Institute*

Events, training services and bookstores
Nation Media Group has invested heavily in events across East Africa, holding business summits in places such as Somalia and the Democratic Republic of Congo. 263Chat and CITE in Zimbabwe offer video filming and livestreaming services, while South Sudan's Eye Radio does journalism training for a range of NGOs and donor partners. Eye Radio has also purchased land with a view to building a media training college and investing in real estate. To develop the land, Eye Radio is working on a business plan to secure funding from banks. Both the Daily Maverick and Nation Media run their own publishing business and bookstores.

Remote working and the freelance model
Covid-19 accelerated digital transformation in Africa.[47] Several newsrooms across the continent, especially digital startups, have taken advantage of virtual tools to develop a remote working culture. Nigeria IT Realms, a leading ICT news platform, and the Daily Maverick in South Africa have implemented this to cut costs. They also claim it has boosted productivity because journalists and staff are closer to their families and less anxious.

New forms of funding, financing and investment for public interest media in Africa

In a report assessing the impact of Covid-19 on South African media, media researcher Reg Rumney writes: "The question to be asked, of government, of the private sector and of civil society is whether we value news media enough to find a way to pay for it."[48] Study respondent Professor Amin Alhassan, Director-General of the Ghana Broadcasting Corporation, proposes four ways in which the media in Africa could be funded: public investments would help media outlets transform into digital media organisations; new legislation should recognise them as both institutions of democracy and as businesses; taxes should be waived on production resources (equipment, infrastructure); TV licences should be changed into a public media tax.

In 2021, the South African National Editors Forum (SANEF) published a report into media sustainability which recommend tax relief and other state support schemes for tabling with the National Treasury and media sector at large.[49] The recommendations form part of a wider set that covers direct investment into media donations to media houses, public memberships and subscriptions to news media, and investment in innovation. Meanwhile, the Daily Maverick's Styli Charalambous has set out urgent incentives and law changes needed for public and private actors, including compensation of assets recovered or fines imposed because of investigations. He proposes depreciation allowances and incentives to encourage investment in news media enterprises; grants and donations to public service media to be exempt from donations tax – even without charitable status or non-profit corporate structure; memberships and subscriptions to qualifying public interest media to be tax-deductible for the public; memberships and subscriptions to be zero-rated for VAT/sales tax purposes for public interest media; changes to qualifying spend for corporate social investment scoring.

Revenues from infrastructure and adjacent services
Based in Juba, South Sudan, Stephen Omiri is co-founder and Chief Executive of Eye Media which runs the popular radio station Eye Radio. In 2012, the USAID-funded Sudan Radio Service was exiting South Sudan and a tender process was advertised. Omiri won it, took over the infrastructure of SRS and in the years since, as donor fatigue set in, found innovative ways to make Eye Radio sustainable. Grants from USAID comprise approximately 40 percent of the funding, while the station's own revenue is generated from various services provided to donors and non-governmental organisations. For example, Eye Radio manages 25 radio stations across South Sudan on behalf of UNICEF and offers journalism training via donor partners and multilateral organisations like the United Nations Development Programme.

Donor funding of media in Africa
One of the most significant donor funding developments for the media in Africa was the establishment in 2024 of the regional office of the International Fund for Public Interest Media (IFPIM) in Ghana. In a May 2024 open call for proposals, IFPIM stated that as part of its funding proposals, eligible organisations would be asked to submit an audience strategy, including objectives and outcomes to be pursued – with the support of grant funding – to sustain current reach and engagement or to expand and deepen them. Examples of IFPIM's support include Ghanaian private multimedia channel JoyNews, where funding enabled the organisation to invest in digital infrastructure including technological upgrades and staff capacity building with the objective of "optimising digital assets

47 Ibid.
48 Rumney, R. (2020). Covid Impact on the Media. *South African National Editors Forum (SANEF).*
49 SANEF (2021). Media sustainability and universal access to public interest journalism: strategies and considerations. *South African National Editors Forum (SANEF).*

for efficient dissemination of content." The Fund also supports South Africa's Association of Independent Publishers (AIP) with its plans to improve long-term sustainability of its members who are mostly small, locally owned media outlets across the country and include newspapers, magazines, newsletters and online publications that publish primarily in townships, rural areas and small towns. IFPIM is funding Amplify South Africa, a continuation of the South African Media Innovation Programme (SAMIP), a media business development programme managed by the Media Development Investment Fund (MDIF). The Fund says between 2017-2022, SAMIP supported 27 media outlets in the country with a mix of advisory services, training and financial support. IFPIM's grant will enable Amplify South Africa to support, "a new cohort of independent media outlets with funding, coaching, workshops and training with the aim of developing the tools and skills needed to experiment with different revenue and audience generation opportunities."

In November 2023, USAID announced a call for proposals for a grant, worth $8 million over five years, "to strengthen the capacity and collaboration among Southern African investigative journalists, editors and their newsrooms to produce investigative reports of local, regional and global importance on crime and corruption, including its transnational dimensions." The grant is designed to cultivate a new and diverse corpus of investigative journalists who will experiment with innovative forms of storytelling and expand audiences for such content. In May 2024, USAID raised the grant money to $12 million, which will be awarded to one lead applicant who will collaborate with various partners in Southern Africa including investigative journalism centres and media advocacy organisations.

National journalism funds

In Africa, a few countries are exploring the establishment of national media funds. In the West African country of Sierra Leone, IFPIM has supported local organisation Media Reform Co-ordinating Group in the establishment of the National Fund for Public Interest Media.[50] Significantly, at the launch in 2023, the government of Sierra Leone committed a grant of $100,000 to the fund, which sent a positive signal on the value of public interest media in a continent where information integrity has less priority than other needs.[51] Elsewhere, there are plans to set up a Kenya Media Fund and a South Africa Media Sustainability Fund. On the Kenyan initiative, the 2023 Reuters Digital News Report observes: "The prospect of using public money to support commercial, 'independent', yet recalcitrant media at a time of economic hardship for ordinary people would be extremely hard to deliver politically."[52] According to Sbu Ngalwa, Chairman of SANEF, one of the priority media sustainability strategies for his organisation is the establishment of a Media Sustainability Fund. He states that the mission is to support the development, sustainability and independence of public interest media, and pursue the right to freedom of expression and democratic principles.

Investment and financing for media

In his recommendations for this report, the Daily Maverick's Charalambous says there is a need to develop financing tools or social impact funding for the industry as a whole: "If Ford Foundation, for example, made available low-interest soft loans – unsecured development finance loans – that could certainly help." There are not many bespoke media investment companies operating in Africa. The New York-based MDIF has shareholding in M&G Media Limited the publishers of South Africa's weekly newspaper, The Mail & Guardian. In December 2017, MDIF became the majority shareholder, injecting much-needed capital for a newspaper that was facing a financial crisis. In South Africa, the MDIF has also invested in Scrolla, a mobile-first publisher launched in 2020 and specialising in tabloid-style news and investigations. MDIF says in 2021, Scrolla saw a 400 percent growth in audience across all its channels and introduced new products, such as its daily isiZulu podcast. Other MDIF investments in Africa include Food for Mzansi, an award-winning digital news platform focused on agriculture, Mozambique's investigative website and newsletter Zitamar News and the Nigerian magazine and platform The Republic. MDIF has also invested in Dataphyte, which is a media and data analytics company that provides knowledge products and services, databases and analysis to help users generate value from data and socio-economic insights.[54]

In Nigeria, there are two financial instruments for the media, arts and entertainment. The Nigerian Export-Import Bank is a government facility with a mandate to support financially the creative industry, for example television and radio (production and distribution). The Bank of Industry Nigeria was established in 1964 and is a development financing institution with the primary mandate to, "provide long-term low-interest financing to the industrial sectors

Redistribution of levies to support media plurality

The Media Development and Diversity Agency (MDDA) is a unique statutory organisation. A partnership between the South African Government and major print and broadcasting companies, it helps to develop community and small commercial media in the country. Established in 2003 to redress inequalities in media ownership and control, it started providing grants to projects in 2004. Funded through annual government grants and from universal access levies on commercial broadcasters, the MDDA has to date funded approximately 160 community broadcasters including four television broadcasters, as well as 33 community print and 45 small commercial print media organisations.[53]

50 https://ifpim.org/our-grantees
51 Foday Moribah Conteh (2023, June 23). *National Fund for Public Interest Media Sierra Leone Launched*. The Calabash Newspaper.
52 Newman et al. (2023). Digital News Report 2023. *Reuters Institute.*
53 Internal MDDA research document (forthcoming)
54 https://www.mdif.org/.

of the Nigerian economy." The bank has 30 offices across the country, that aim to nurture and expand emerging sectors of the economy.

Locally based foundations and corporates
South Africa has several private foundations, set up by wealthy families, that focus on a range of themes such as democracy, education, social justice, arts and culture. These include the RAITH Foundation and the Millennium Trust. Registered in March 2001, the RAITH Foundation is concerned with "systemic injustice and unfairness in South Africa and seeks effective and lasting solutions, which address this at its roots." For example, the Foundation seeks solutions to the viability problems of community radio stations. The Millennium Trust was established in 2010 as a non-profit organisation aiming to contribute to the success of South Africa. It has emerged as a significant donor to public interest media, having made substantial donations to news outlets, such as Investigative Journalism Hub, amaBhungane, Bhekisisa Centre for Health Journalism, Ground Up, Scrolla, Viewfinder and the Daily Maverick.

Based in South Africa, Absa is a diversified financial services provider operating in 12 African countries. In 2021, it announced a three-year partnership with the Daily Maverick, wherein Absa would support the newspaper's reporting on climate change.[55] This enabled the Daily Maverick to devote a team of eight journalists and editors to the topic. Absa also supports other journalism initiatives, notably the African Investigative Journalism Conference and SANEF.

Content themed grants
In the face of challenges to their business models, news media executives are embracing the support of philanthropic organisations for specific journalism beats. The Bill and Melinda Gates Foundation has provided journalism reporting grants in health, gender and climate change to news media organisations across Africa for over a decade. Pamella Sittoni, Group Managing Editor, cites the importance of grants from the Gates Foundation to the Nation Media Group (Kenya), which have supported the media house's health, science, gender and climate desks:

> **"What this (grant support) means is that for these three areas, we are guaranteed that our journalists can continue producing content, because they are guaranteed their salaries, and they are guaranteed money to travel if they have to go out on assignment. It also enables us to do very targeted gender reporting, and also to embed gender within our journalism, as well as to report on climate change, and the impact, and the mitigating factors for climate change in the country."**

The Gates Foundation is the core funder of South Africa-based Bhekisisa Centre for Health Journalism, which started off as the Mail and Guardian's health desk in 2013 and currently has 20 full- and part-time staff. Bhekisisa has also received support from the Millennium Trust, the Wellcome Trust, OSF, the Regional Sexual and Reproductive Health Rights Fund and Global Health Strategies.

In a few countries, organisations give out reporting grants they receive from donors. For example, the Burkina Faso-based Norbert Zongo Cell for Investigative Journalism in West Africa which supports investigative journalists by providing training and grants varying from $500 to $3,300. Upwards of 300 investigations have been published because of these grants. Over the past five years, the Voluntary Media Council of Zimbabwe has offered investigative journalism and climate change reporting grants to approximately 30 journalists to "strengthen watchdog journalism" and accountability.

Big Tech support in the region
Despite tensions between the news media publishers and Alphabet, it seems grants from the Google News Initiative (GNI) are welcome on a continent where media funding is difficult to obtain. In addition to grants given to the news media in Nigeria, Kenya and South Africa, GNI launched a lab in Kenya to support early-stage entrepreneurs in journalism. The company says the ten-week, fully remote programme helps entrepreneurs launch successful, trusted digital news organisations: "We accept solo founders or teams of aspiring entrepreneurs who have identified a community's need for better news and want guidance and coaching on how to launch, or continue to develop, a news offering that delivers a solution rooted in journalism."[56]

Business accelerators and training
The experience of the BBC Media Action-led Protecting Independent Media for Effective Development (PRIMED) – a three-year programme to support the provision of public interest media in Bangladesh, Ethiopia and Sierra Leone – provides valuable lessons for interventions to take into account the local information ecosystem and ensure that processes are locally-led.[57] PRIMED worked with local media partners on editorial development, training and support to build resilience to political and economic pressures. The project concluded that what works best – in terms of supporting public interest media and public interest content – are well planned, long-term, highly strategic and well-resourced programmes tailored to the political and economic conditions in which they are being implemented.

55 Absa (2021, June 23) Absa And Daily Maverick Launch Partnership To Tackle Climate Crisis. Absa press release. Retrieved October 7, 2024.
56 https://newsinitiative.withgoogle.com/pre-launch-lab/#labcontent
57 https://www.bbc.co.uk/mediaaction/our-work/media-development/PRIMED-project

Recommendations for funding, financing and investment in Africa

- Work with local organisations to strengthen advocacy and lobbying for transparency in government allocation of advertising and for monitoring indirect pressures that discourage third parties from advertising in public interest media.
- Support the research and piloting of a diverse portfolio of finance and investment tools needed for the different stages of media outlets' growth. These should include providing low-cost sustainable loans to media.
- Identify effective methods for measuring the impact of public interest media as part of a strategic approach to sustainability.
- Assist with advocating for journalism's ongoing financial support, especially advocate to Africa-based philanthropic foundations.
- Facilitate and support the creation and coordination of local, national or regional funds for journalism and media (including emergency funds), through the phases of scope, inception, prototype, launch and growth to ensure their functional governance and operations.
- Support the development of a media sustainability strategy based on the South African Competition Commission's inquiry, so that more effective actions can be taken in media finance legislation and the relationship between Big Tech and news.
- Build on local demand for coordination and collaboration between media outlets, by supporting shared services and digital infrastructure for public interest media, such as Africa-based learning networks.
- Focus capacity development on market and audience research and on building media outlets' business expertise.
- Build on local demand for coordination and collaboration by supporting long-term efforts for a coalition of media advocacy organisations.

A contentious issue across Africa is the lack of clear policy around the allocation of government advertising. In many countries, government advertising is allocated to state-controlled media such as the national broadcaster and national newspapers. There is a clear need to **support advocacy and lobbying** in certain key markets, such as Kenya and South Africa, to ensure that there are policy directives for equitable distribution of advertising across media at the community, private and public levels. In Kenya, the outcome of the Kenya Law Society's litigation against the government – for awarding of the print advertising contract to one media house – opens an opportunity to change the country's advertising policy. In South Africa, government advertising is managed through the Government Communications and Information System. There is no policy that specifically speaks to equitable advertising across media – including public interest media – although there is a general understanding that 30 percent of the government's communication budget should benefit community and small commercial media. The Kenya Editors Guild and SANEF should be supported in their efforts to engage their respective governments. The resulting agreements should include community media and small commercial publishers.

Concessional loans, such as those offered by the Pluralis Media Fund in Eastern Europe, could deliver on development financing and bonds to **provide low-cost, sustainable financing for news organisations** facing market failures. A retail bond issue allows companies to raise extra capital by borrowing from an investor at a fixed rate for a set period. Outside of the MDIF, there are no dedicated loan vehicles for commercial public interest media. The Pluralis model would have to take each African country's political and economic context and respond with appropriate instruments to support media business organisations.

Most philanthropic support for the media in Africa comes from Europe and the United States of America. A few wealthy people in Africa have set up foundations that are mostly focused on education, skills and entrepreneurship. The major task is **to convince these foundations and global philanthropic organisations of the critical importance of funding public interest media.** Practically, this involves media coalitions actively engaging with corporate Africa and philanthropic organisations at key events, such as the Africa CEO Forum and the African Philanthropy Conference.

Local, national, and regional funds for journalism and media could be supported at two levels: technical support in terms of their scope, structure and management and seed funding. The experience of Sierra Leone's National Fund for Public Interest Media could assist Kenya and South Africa in terms of establishing similar funds that are context-driven and develop a holistic approach to media sustainability.

The outcome of the South African Competition Commission's inquiry into media and digital platforms, due in early 2025, may have profound implications for the relationship between South African news media publishers and technology companies, such as Alphabet, Microsoft, Meta and X. It is also likely to set a precedent for key media markets, such as in Kenya, Nigeria and Senegal. It is recommended that this development be monitored and the **media sustainability strategy for Africa be updated** at the right time. Such a strategy may involve engaging with the African Union for a set of policy recommendations that could be adopted across the continent.

Africa-based learning networks could be established, where community and independent news media organisations share knowledge, skills and experiences. There is also a need to invest in **shared digital infrastructure** (computers, cameras, printers, content management systems, connectivity, software licences, distribution and premises), within and across countries. The glaring gap is in the training of leaders and managers of media enterprises to address the sustainability issue.

Except for Kenya and South Africa, many countries in Africa do not have consistent and credible published surveys or audits of print newspaper and magazines circulation, media audiences and advertising markets. For example, the Zimbabwe All Media Product Survey is largely dismissed by public interest media who see its research methods as flawed. The ecosystem of public interest media needs **institutions capacitated to undertake market surveys that inform and educate key stakeholders** such as advertisers, media buyers, media producers and scholars. At an organisational level, public interest media needs the capacity to undertake audience surveys, build tailored content and monitor performance.

Media advocacy organisations in South Africa recognise that media sustainability should be tackled at both the organisational and national policy level. At the national level, several proposals have been prepared that cover incentives favouring investigative, direct investment, donations and taxation. There is need for **multi-year support for a coalition of media advocacy organisations** led by the SANEF to undertake concerted advocacy and lobbying of National Treasury, Parliament and the Presidency. SANEF should also engage with business organisations such as Business Leadership South Africa.

Long road to independence: pains and gains of a maturing media field in the Middle East and North Africa

By Hassan Abbas
and Alexandre Goudineau
with contributions from
the Febrayer network

Independent public interest media in the Middle East and North Africa (MENA) mostly emerged after the 2011 Arab Spring. They were digital-only from the outset, in stark contrast with traditional media. The MENA region has little tradition for public interest media, most being "captured" by political interests or run in line with local regimes. The restricted environment limits available business models. Advertising markets are mostly defined by cronyism, with advertisers refraining from supporting independent voices. Polarised societies limit audiences receptive to liberal voices and nuanced coverage. The struggling economies, lack of available data and safe payment methods have further curtailed the subscription market. The available talent pool has been limited by a lack of proper training and journalists' fear of repercussions. While high donor dependency still mostly defines the field, many media outlets experiment with a range of revenue streams, adjusting to their restricted environments to invest in available niches. As the field moves towards maturity, some have achieved very promising results. Most successes have so far been in the services to third parties: content production, technology and training in particular. This chapter breaks down all the challenges, experiments and promises from the field, thanks to comprehensive research and mapping. Names and specific initiatives are absent from this summary for safety and equity reasons.

Challenges in the economic environment of the Middle East and North Africa

The poor economic situation in most MENA countries complicates the process of building solid business models for public interest media outlets. Moreover, the undeniable link between economics and politics significantly shapes media dynamics. This influence extends beyond the selective distribution of benefits and direct restrictions on media activities by the authorities. It also deters private companies from advertising on independent platforms due to fears of government reprisal, whether through direct contact or intermediaries. Many stakeholders in public interest media acknowledge this reality. The founder of one outlet says,

> **"Very few advertisers are willing to take the risk of choosing public interest media outlets, fearing they might alienate those in political power."**

In her 2019 report, researcher Anya Schiffrin also points out, "In areas where the media face political pressures and become captured, advertisers tend to prefer outlets that demonstrate loyalty to the establishment. Publications that criticise the government and the business community tend to win far less advertising revenue, if at all."[58] Another factor that complicates securing advertising revenue, specific to countries in a state of war, is that most of the large companies support warring parties and have a bad reputation, according to one Yemeni website established in 2020. Furthermore, advertising returns from Internet platforms in low-income countries are extremely low. The assumption that a media outlet can build a sustainable business by expanding an online audience is increasingly unrealistic.

Registration and lack of enabling processes

Numerous MENA countries confront challenging economic conditions, chronic under-development of the private sector, burdensome administrative processes and limited online payment options, all of which hinder the creation and development of businesses. Several countries have enacted laws that limit the operations of local non-governmental organisations. These restrictions often compel public interest media outlets to circumvent regulations by registering as private companies. Some media outlets must receive grants in private accounts outside the country and then transfer funds internally through parallel market channels to pay their workers. Unable to receive financial transactions directly into Syrian accounts, Syrian public interest media rely on supporters to transfer funds to organisation accounts located outside Syria, if such accounts exist, or to personal accounts, all of which impedes financial resilience. Of the 43 independent outlets surveyed[59] in our study's questionnaire, around half were registered only in their home countries, ten in a foreign country, seven in multiple countries and five were unregistered. Some noted that registering in multiple countries has both benefits and challenges.

Audience research and data is lacking

Public interest media outlets are operating largely in the dark because they lack access to the data necessary to improve their operations, connect with their audience and develop a viable business model for sustainability. A recent report[60] notes that, "there has been limited investment in the data capture and analytical tools and capabilities needed to maximise content value" in the MENA region. This data gap "makes it difficult for governments and other stakeholders to fully understand the region's changing news landscape and design the policy actions and initiatives necessary to support the news industry."

Limits on the possibilities of audiences paying for news

The same report suggests that "MENA region consumers are willing to pay for the news they want, particularly trustworthy, in-depth, and specialised reporting."[61] This conclusion was drawn from consumer surveys conducted in 2022, in partnership with YouGov, involving 4,500 participants across Egypt, Saudi Arabia and the United Arab Emirates. However, the report further notes that, "45 percent of respondents indicated their willingness to pay for high-quality reporting, particularly in such popular categories as entertainment, health and sports." Many media leaders believe these percentages are overly optimistic and inapplicable to content offered by independent public interest media, the majority of which is non-entertainment.

58 Schiffrin, A. (2019). Fighting for Survival: Media Startups in the Global South. *Columbia University SIPA*.
59 This figure relates to outlets that responded to the study's initial survey. A further five outlets were involved in subsequent data gathering.
60 Daoud, K., Khoury, C., Roeske, M., Sabbagh, M. and Sarkis, K. (2024). Building a vibrant news industry in the Middle East and North Africa. *Strategy& and Google News Initiative.*
61 Ibid.

The subscription and membership models adopted by some media outlets have not yet yielded significant results. From the outlets consulted, we conclude that they are still struggling to find what they can offer to readers that would be of value. One major reason behind the difficulty in encouraging readers to pay in the MENA region is the lack of secure payment mechanisms. Many people do not have debit or credit cards or are concerned about the safety of their personal information. Some believe that their transactions can be tracked by authorities and prefer not to be associated with supporting public interest media.

Lack of skilled professionals
Many stakeholders have identified a significant issue: the scarcity of skilled professionals in the MENA media market, particularly those who possess both the journalism and business skills essential for developing effective business models within media organisations. These challenges impact media outlets in various ways. They struggle to produce high-quality content due to difficulties in finding skilled editors, face challenges in creating audience-appealing formats without the necessary talent and encounter obstacles in understanding audience preferences due to a lack of professionals proficient in data analysis. Ultimately, the primary issue revolves around developing sustainable business operations capable of generating sufficient revenue.

Revenues at the organisational level for public interest media in the Middle East and North Africa

In this difficult context, the independent media field in MENA is still marked by high donor dependency. But media that could afford to do so have been active, in recent years, experimenting with diverse revenue streams, with the goal of gradually decreasing this donor dependency and developing sustainable models in the long run. Some of these outlets have already shown great promise, generating 50 percent of their income through business activities. This section will review the main directions these experiments have taken; the next section will expand on the most promising ones. Stakeholders also highlight diverse needs including digital safety, legal support, well-being services, business guidance, technical assistance, equipment and financial management.

Donor dependency
Donor grants are crucial for survival. All the public interest media consulted in the MENA region view donor grants as the most important revenue stream. Even the executive directors at outlets with the strongest business models believe these grants will continue to be essential in future. However, the size of grants and the areas they cover are not fixed and can change periodically. This variability significantly impacts the work of public interest media, especially when a donor with a large budget operates in the region. The most significant changes in donor strategies – highlighted by the media stakeholders consulted for this study – include the changes underway that impact Open Society Foundations' (OSF) support for media outlets in the MENA region as they work to formulate a new strategy, as well as budget cuts and "shifts in priorities" at the Swedish International Development Cooperation Agency (SIDA).

Study respondents also cite many other challenges. These include threats to their safety and security, such as intimidation and violence from both state and non-state actors, the persistent risk of imprisonment, office raids, forced interrogations, legal harassment related to journalistic work, fabricated tax accusations designed to hamper operations and bureaucratic impediments like deliberate delays in renewing business licenses.

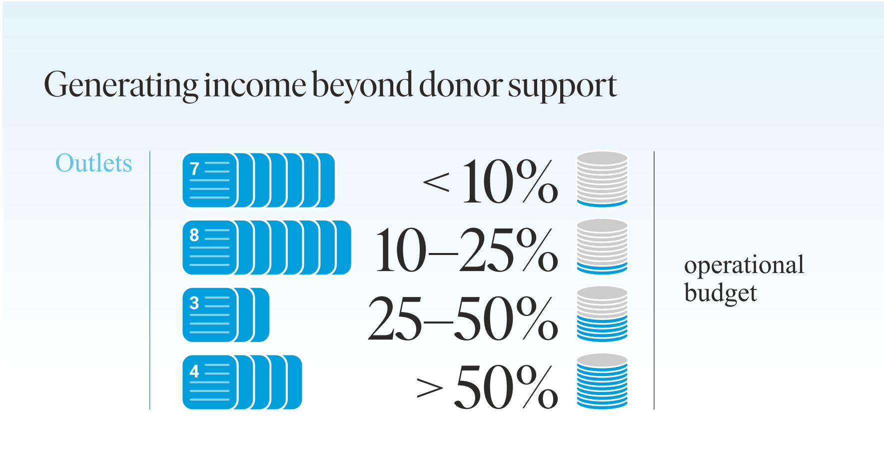
Another issue that public interest media outlets and their support organisations may overlook is that diversifying income sources too broadly can have unintended negative effects. When one outlet finds success in a specific type of service provision, it can unintentionally harm another. In a small market, especially when the focus is on niche clients like NGOs and international organisations, there is not enough revenue for everyone to compete. The conclusion is that, beyond the importance of diversifying revenue streams, there is a pressing need to reach a much larger clientele.

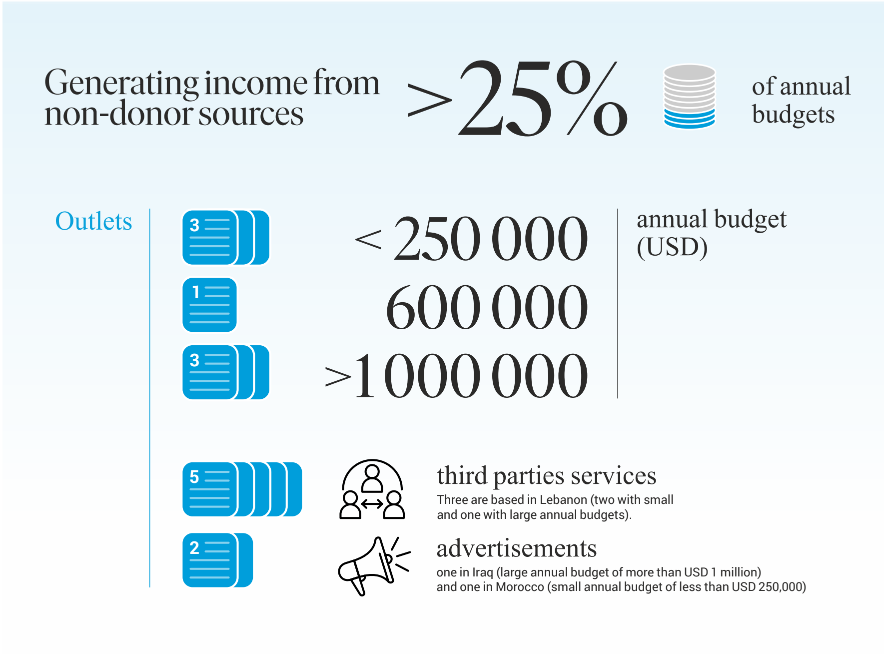
Revenue diversification
In recent years, a significant transformation has taken place, with many outlets actively exploring diverse revenue streams to reduce their reliance on donors. This strategic pivot, often encouraged by donor recommendations, reflects a maturing approach.

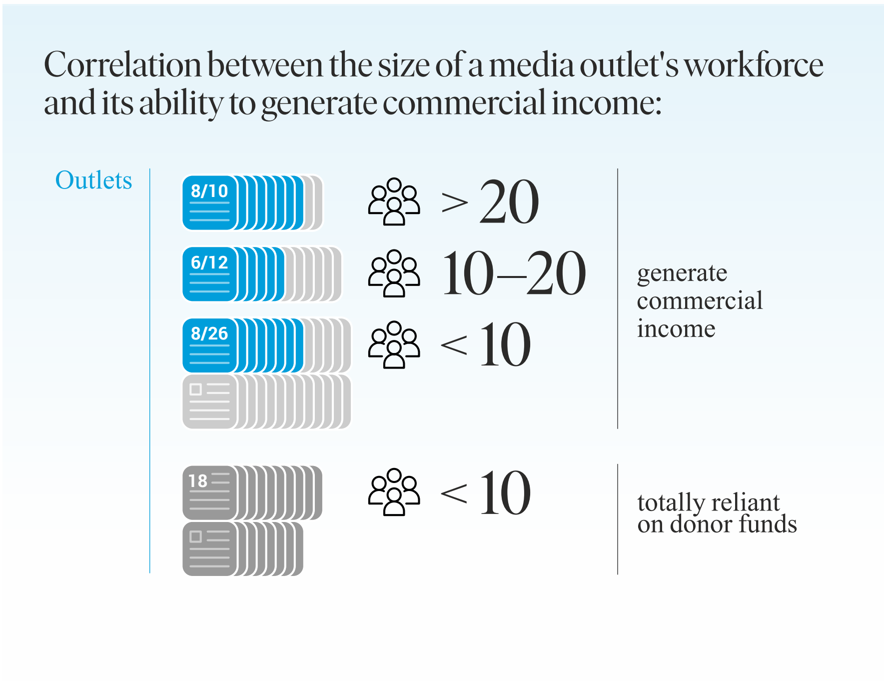
The data paint an encouraging picture. While 26 of the 48 outlets[62] consulted for this study (54 percent) still depend entirely on donor support, 22 outlets (46 percent) now generate income through various other activities.

Audience monetisation
The pursuit of audience monetisation – achieving self-sufficiency solely through content creation – remains a formidable goal for many media outlets in the MENA region. Independent public interest media face notable challenges in this regard. By their nature, these outlets challenge the prevailing opinions, particularly on social issues, aiming to improve human rights for marginalised groups amid deep polarisation over identity politics. This can initially limit their audience, as their content diverges from prevailing views.

The membership models adopted by some media outlets are not working well for most of them. Based on the outlets we consulted, they are still struggling to identify what they can offer readers that holds sufficient value. Feedback gathered from Facebook posts, used as part of the data collection process, reveals that many individuals willing to pay for independent public interest media content are looking for returns that benefit their professional work. In countries where multiple public interest media outlets are present, many in the sector are concerned that public interest content is interchangeable, which limits the possibility of asking readers to pay. If some outlets decide to lock their content behind a paywall, individuals may access similar content from other outlets that remain open. Furthermore, a common critique is that many public interest news outlets are primarily read by







62 This figure relates to the total number of outlets consulted during the study. 43 responded to the initial survey and a further five participated in subsequent interviews.

a niche audience, consisting mainly of the urban, educated middle class. One digital media platform, established in 2012 and covering MENA countries, observes that: "It seems we are unable to make an impact because we fall into echo chambers. We talk to ourselves. We address people who already know what they will find here." This narrow focus can limit their reach and impact, as it overlooks the interests and needs of a broader, more diverse audience, which affects the ability to monetise content.

Currently, awareness of alternative media outlets remains relatively low and significant effort is needed to change this. Unfortunately, some donors frequently dictate specific themes and approaches, constraining outlets' ability to develop a distinct voice and engage a wider audience with varied interests and perspectives.

Specialisation emerges as a crucial factor in audience monetisation. Tailoring content to the specific needs of well-defined audience segments proves more effective than pursuing broad appeal. Successful examples exist of monetised niche content catering to specific professional or interest groups. One media outlet monetises paid newsletters by compiling, analysing and summarising all major news from its country, targeting professionals interested in the region. Another outlet from a different country is adopting a similar approach, aimed at parents who regard paid, child-tailored content as beneficial for their family.

Diaspora audiences

The Arab diaspora represents a promising yet under-explored source of potential support. One outlet achieved success by raising $60,000 through targeted crowdfunding campaigns aimed at this demographic. Several other media organisations have also found a significant portion of their membership base within diaspora communities. Further exploration of this avenue could yield substantial results. One respondent emphasises the importance of involving diaspora communities, especially in Europe and North America: "Diaspora communities in these regions not only have access to new modes of consuming news and information, but they are also accustomed to contributing to the production of information and knowledge. So, involving them is essential for the development of a sustainable business model."

New forms of funding, financing and investment for media in the Middle East and North Africa

Harnessing entrepreneurship

The range of diversified revenues reported by the consulted outlets include: content production services (12), advertisements/sponsored content (11), training services (10), translation and editing services (9), donations (8), organising events (7), communication and marketing services (7), membership (5), subscription (4), revenues from social media platforms (4), technology services (3), selling merchandise (2), print publications (2), lease revenue (1), project management (1) and syndication (1).

Public interest media outlets in the MENA region have mostly relied on a potent strategy for financial sustainability: service-based revenue models. These models involve offering services to third parties and have emerged as a significant source of income. Notably, content production, technical services and training services stand out as the most successful examples. Remarkably, all four outlets generating over 50 percent of their income, and five of the seven that surpass 25 percent revenue generation, rely heavily on this service-oriented approach. Their success can be attributed to the effective utilisation of existing resources – leveraging the editorial and creative skills readily available within the team. The strength of this service-based model lies in its potential for continual growth. As one media professional states, communication is integral across every field. By leveraging their existing, in-house expertise and skills, these outlets position themselves for ongoing service opportunities across diverse sectors. Currently, public interest media successfully offering services tend to work mostly with limited niche markets, such as NGOs or international organisations, thereby restricting their income potential. Moving forward, there is an urgent need to diversify revenue streams and expand outreach to a significantly broader clientele.

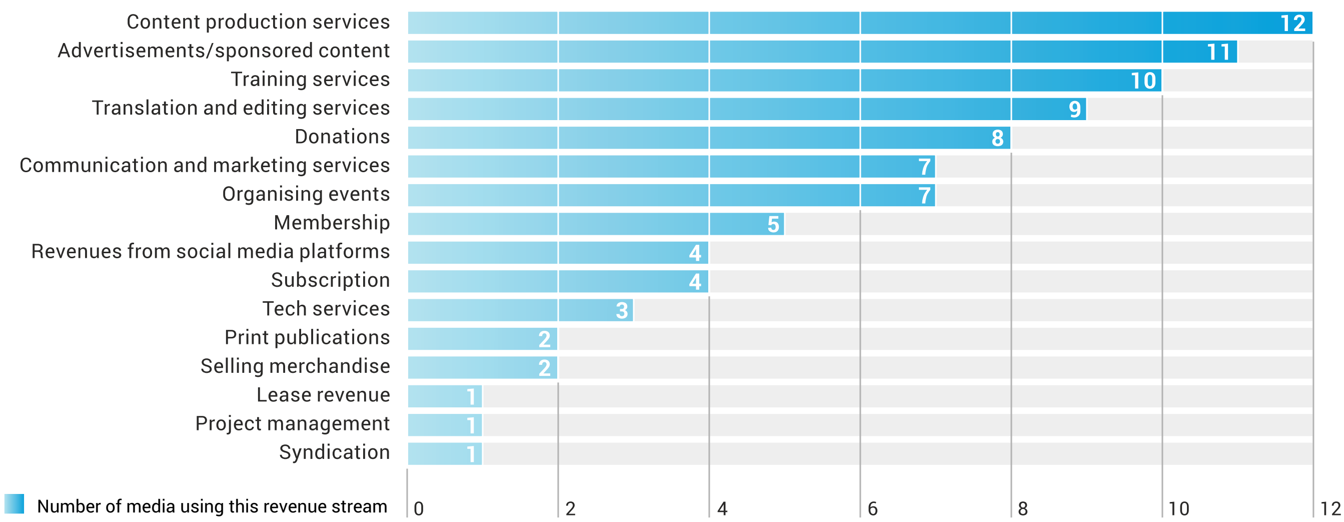
Scaling up for success

The analysis of the selected media outlets reveals a compelling correlation between size and revenue generation. Outlets with budgets exceeding $250,000 are more likely to generate revenue, with 13 of 18 demonstrating this trend. Similarly, employee count suggests a connection. Outlets with over 20 employees tend to generate revenue, as observed in eight out of ten cases, while smaller outlets (10-20 employees) display a mixed success rate, with six out of 12 generating commercial revenue. However, for the 26 outlets with fewer than ten employees, the situation is noticeable: only eight generate revenue, including four with negligible income, leaving the remaining 18 reliant solely on donor support.

Establishing a sustainable business model for public interest media proves challenging. Investment is necessary in business development expertise, which can be financially demanding and typically requires donor support. Nonetheless, enabling public interest media to scale up could profoundly reshape the landscape. As emphasised by a media professional, achieving sustainability hinges on financial success, which, in turn, necessitates scale and substantial financial resources. This reality presents a dilemma particularly given the limited available funds. Some media professionals, working in successful revenue-generating outlets, advocate for a long-term, high-investment approach from donors with only fewer “successful” partners to enable scaling. Meanwhile, others argue that smaller outlets are vital to the ecosystem and essential for diversity, asserting that donors have an ethical responsibility to support them.

Another way to secure the necessary funds for scaling up is to attract private investors who can inject capital to enhance the financial stability of media outlets. Some organisations are willing to engage with private investors who recognise the commercial value of their work. However, scepticism about private investment is widespread. In countries with restricted democratic space, public interest media – often labelled as anti-regime – face challenges in attracting such investors.

Revenue stream usage among 22 income-generating media outlets



Scaling up needs to happen on two fronts: production and staffing. Expanding production capacity enables public interest media to reach a broader audience for advertising and audience-based revenue. Additionally, growing team size and integrating business professionals both enhance the ability to offer services effectively.

Public interest media have yet to tap into the broad, unexplored field for generating income from gaming, raising concerns that a delay could lead them to work with types of games that no longer interest the younger generation. This is especially significant given that over 50 percent of the population in the MENA region is under 30 years old.

Advertising: A revenue source to explore

Some actors increasingly see the need to address the low returns from Big Tech through collective action, collective pressure and large coalitions, acknowledging that a single media outlet, or even two, cannot make a difference. In MENA countries, there has been little progress on this issue. It is unrealistic to expect public interest media outlets to make a significant collective effort against the tech giants because their audiences are relatively small and they lack bargaining power – due to the absence of movements and serious propositions to adopt laws that favour the interests of media. Yet the situation could shift in favour of media outlets as discussions progress on licensing agreements for integrating media content into artificial intelligence. According to one media development professional:

> **"With AI, the landscape is different; it is evolving rapidly, and it is hard to predict what might happen next. There is talk about licensing agreements with media outlets. As AI becomes a key part of search technology, having access to current news content will be crucial for its effectiveness. This development could give media companies more bargaining power in negotiations."**

While programmatic advertising offers low returns due to pricing dynamics dominated by Big Tech, direct advertising remains a substantial revenue source for independent outlets. This underscores the need to prioritise strategies to attract more direct advertisers.

Organising for income

One proposed strategy involves the formation of a powerful alliance, a consortium of independent outlets that could function as an ad agency selling space to various clients on behalf of public interest media outlets. This collective effort could attract major advertisers while maintaining a low profile to avoid conflicts with local authorities. The ambitious aim is to secure a significant share of the billion-dollar advertising market. Success, however, relies on increasing the combined audience reach and distribution capabilities of all participating outlets. According to the PwC Global Entertainment and Media Outlook, digital advertising spending in the MENA region, "accounts for 79 percent of the $7.6 billion total ad spend in 2022, and it is expected to outstrip global growth by 2027, with a 6.9 percent rise."[63] But most of this goes to social media platforms. Meanwhile, global market research company IPSOS offers a more conservative estimate, suggesting that digital advertising spending in the MENA region amounted to $2.37 billion in 2021.[64]

Another approach, already in practice, takes a different route. It focuses on attracting advertisers who share similar values to those of public interest media, fostering partnerships grounded in common principles. This strategy targets a more specific market, potentially limiting overall reach and revenue generation. However, it ensures alignment between advertisers' and media's core values. While promising, the long-term effectiveness of this approach remains to be seen.

Public funding to support journalism

Some states in the MENA region provide media support through public subsidies and advertising. However, the problem lies in governments viewing the media as a tool to promote their own policies, resulting in media capture. This approach leads to support for pro-government outlets while withholding funds from independent or opposition media. The exploitation of public funding to ensure media dependency – and thus undermine journalistic freedom – highlights the urgent need for independent national agencies to manage public funds allocated to the media.

In Morocco, in 2005, a public fund to support the press sector was set up. More than $110 million was awarded between 2005 and 2020. However, the Court of Accounts, in a 2018 report assessing aid to the sector, found that, "access to the fund and the size of grants were based on unclear ranking criteria and a calculation of running costs." The report highlighted that, "in 2015, almost a quarter of the aid benefited four major publishing companies (which have several titles), in a sector that numbered nearly 500 papers and over 250 online publications."[65]

Similarly, public advertising has traditionally been used to create media capture. In Tunisia, before the revolution, public ads were deployed by the Ben Ali regime to control the media, and, after the revolution in 2011, "continued to be distributed according to opaque conditions, with no legal framework or clear procedures, (while) pro-government media had easier access to these shrinking funds."[66] Another example is Jordan, where the distribution of governmental public advertising and legal announcements is, "arbitrary and not intended for public interest media or the private sector as a whole, but for a few privileged outlets."[67]

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63 Daoud, K., Khoury, C., Roeske, M., Sabbagh, M. and Sarkis, K. (2024). Building a vibrant news industry in the Middle East and North Africa. *Strategy& and Google News Initiative.*
64 Aoun, E. (2022, June 28). *MENA 2021 Ad Spend*. IPSOS.
65 Zaarour, S. (2022). Public Funding for Media in The MENA Region. BBC Media Action.
66 Ibid.
67 Ibid.

Recommendations on funding, financing and investment in the Middle East and North Africa

- Prioritise long-term core funding to public interest media, especially in critical contexts.
- Improve the transparency, consistency and inclusivity in the process of grant making, ensuring streamlined administrative processes and simplification of grant requirements.
- Focus capacity development on market and audience research and business expertise.

Donor support remains a vital lifeline for public interest media in the MENA region. All stakeholders interviewed, including executives from financially successful outlets, regard grants as essential for survival and foresee them remaining crucial in future. However, the current funding landscape falls short of need: 36 of 43 outlets surveyed report that existing grants fail to meet their requirements.

The dominance of project-based funding constrains long-term strategic planning. Outlets struggle to devise comprehensive growth strategies when their work depends on securing short-term projects and limited funds. They advocate for a **shift towards long-term core funding tailored to the media outlets' needs,** ensuring financial security and flexibility for strategic planning. Criticism of project-based funding centres on its sustainability and limitations. Its short-term focus restricts strategic planning and often imposes themes, potentially compromising editorial independence and overlooking audience needs. As one media professional points out, "This leads to an over-representation of certain topics that might not be very relevant", thereby jeopardising editorial freedom. Planning for long-term sustainability is complicated by the dynamic nature of the media landscape. Unforeseen changes could dramatically alter the current environment. The potential success of democratic transformation in the region offers a glimpse of a brighter future, though the exact ramifications remain unclear.

There is a need for **more direct and efficient fund distribution.** Localisation and decreased administrative procedures could be important steps in that direction. Diversifying funding sources would also be a key development to avoid over-reliance on certain public and private backers and to bring more resources to the field. Public interest media are committed to revenue diversification. Despite the significant challenges they face in the MENA region, a sense of optimism persists. Even amid the difficulties, 19 of 43 outlets surveyed express confidence in becoming profitable or self-sufficient within the next decade, with a focus on diversifying revenue streams. The sector needs to see an increase in funding for media to boost overall support and localise resources, directing a greater percentage of official development assistance and other financial resources directly to public interest media outlets.

More investment is needed in audience and market research to better understand the audience, determine whether to target a niche or broader audience and adjust business models accordingly. Public interest media can innovate content and formats by experimenting based on audience preferences.

Capacity development should be targeted to support medium-sized public interest media outlets to scale up, acknowledging that sustainability often requires a larger footprint. Support is needed – for media in establishing a solid business model – by investing in staff with business expertise and recognising this as a costly endeavour that requires donor support. **Prioritising business expertise** – by establishing a dedicated business department within media – is costly yet can be effective.

Finding funds despite political and criminal threats in Latin America

By Janine Warner and Laura Aguirre

Public interest media in Latin America continue to struggle with financial viability and unsafe working environments as political interference and organised crime muzzle and threaten the foundation of free and informed societies. Nevertheless, this chapter identifies more than 30 ways that independent digital media organisations earn revenue in five main categories and maps existing and new funding opportunities for public interest media in the region. These are the findings from extensive qualitative and quantitative research carried out between January and September 2024, including SembraMedia's own data accumulated through their work with public interest media across Latin America since 2015.

Challenges in the Latin American enabling environment

Latin America's political landscape has been complicated by extreme swings between left- and right-wing governments. In many countries, this has resulted in political instability, leading to the rise of authoritarianism and the weakening of democratic frameworks. These fluctuations, and the economic crises that often accompany them, contribute to the general instability of media business models, the erosion of advertising markets, and legal restrictions on international funding for journalism.

Some countries have maintained legal protections for free expression, such as Chile, Mexico and Costa Rica. However, the concentration of media ownership in the hands of a few wealthy families and business owners limits the diversity of voices and puts new public interest media at a financial disadvantage.

Post-pandemic hangover
In the early days of the Covid-19 pandemic, media advertising dropped off a cliff, but the international community responded with a significant increase in grant support. Audiences were also desperate for information, resulting in a dramatic but temporary increase in online traffic to media throughout the region. Emergency grants helped many media survive the pandemic but since those funds dried up, many have become even more vulnerable to new threats, such as the increasing danger posed by organised crime and authoritarian governments. This is compounded by the lack of ongoing general support, especially for journalists from high-risk countries such as Venezuela, Cuba and Nicaragua, many of whom have fled to countries where the cost of living is significantly higher.

Nonetheless, digital media entrepreneurs are still informing millions of readers and have transformed the way that journalism is conducted and consumed across Latin America. They are also promoting better laws, defending human rights, exposing corruption and fighting abuses of power.

Private and public donors leaving the region
Media development professionals have long lamented that, "there is a very small pond" of media funders in the region, but in the last two years, many public and private donors appear to have decreased or even stopped their support to media. Meta brought millions of dollars in grant funding to media, primarily in Mexico and South America. But in 2022, Meta abruptly cut off all new media funding in the region. Much of the support from the Open Society Foundation (OSF) is shifting to infrastructure and civic and human rights organisations. Having given founding capital to the International Fund for Public Interest Media (IFPIM), Luminate has also changed its focus to civic and human rights organisations. The Google News Initiative (GNI), which previously granted millions of dollars through its annual Innovation Challenge, has ended this programme and transferred funds to small local teams in Latin America, which can only manage a limited number of grants, significantly reducing direct funding.[68] This year, GNI launched the JournalismAI Innovation Challenge, dedicated to funding AI tools and projects that support journalism, signalling renewed and highly specific support for technology innovation.

Funders shifting focus to regions with greater conflict
Compared with other regions, Latin America enjoys relative stability, with many countries boasting democratically elected governments. According to Juan Pappier, Deputy Director of Human Rights Watch Americas, this may lead to a perception among some donors that more conflict-ridden regions should be prioritised. And yet Latin America has the world's highest rate of homicide and its organised crime kills more people than do conventional armed conflicts. "Latin America is difficult for the rest of the world to understand because it has achieved, for better or worse, a certain democratic consensus for 30 years," says Pappier. "The problem is that what we are seeing is a setback in its democracy."

Latin American countries experiencing the highest rates of conflict or democratic deterioration also have a greater need for public interest media. Yet support for journalism in these contexts can be misconstrued as external interference in the country's internal affairs – a narrative used primarily by leaders in countries like Nicaragua and Cuba to delegitimise the watchdog work of public interest media. This can damage the reputation of funding organisations and, in extreme cases, make them – and their grantees – targets of political attacks.

The U.S. Agency for International Development (USAID) – through strategic partners such as the International Research & Exchanges Board, Internews, the International Center for Journalists and other media development organisations – offers financial support to civil society organisations, primarily in countries where democracy is at risk. The National Endowment for Democracy (NED) is one of few donors that provides direct support on a significant scale. They have made hundreds of small grants to journalists and media organisations in some of the most challenging contexts in Latin America. NED also supports research through the Centre for International Media Assistance.

68 SembraMedia has received grants from GNI to create media accelerators and incubators in Latin America, most recently with Startups Labs in Argentina, Chile, Uruguay, and Peru in 2024.

While some donors have left the region, there are indications that U.S. and European donors are showing more interest in Latin American media as they face an increasingly adverse political climate. Our interviews reveal that the Rockefeller Foundation, Focus Foundation and Christian Aid have recently entered or strengthened their presence in the region. Similarly, recent opportunities offered by the European Commission suggest increased support for media in Latin America.[69]

Global funds combine support from multiple donors

There is a relatively new movement to create large global funds for media. The U.S. Press Forward initiative could eventually lead to some support for media in Mexico and Latin America that serve U.S. audiences. However, the International Fund for Public Interest Media (IFPIM) offers the greatest promise of new funding for Latin America media. Although much of its current funding comes from donors already supporting the media (including USAID, MacArthur, GNI, UNESCO, RSF and the Ford Foundation), the fund is working to recruit new donors. These big funds are a promising trend in new support but generally limited to assistance for large media ventures. At the time of this study, the smallest grant IFPIM could provide in Latin America was $75,000 and grants should not account for more than 30 percent of a media organisation's total budget, criteria that exclude most of the nearly 1,000 media organisations in SembraMedia's directory. These types of restrictions add to the perception that the largest funders are focused on more established public interest media outlets, leaving new or smaller outlets with few opportunities.

Investment or loans

Digital native media organisations in Latin America rarely qualify for private equity or financing from financial institutions in the way they do in larger economies. The Media Development Investment Fund (MDIF) has made some investments in Latin America but is more active in other regions. Current financial trends do not seem to be improving the situation.

> **"Money is expensive right now, and the currency fluctuations in the region are complicating investment opportunities. Investors are generally more interested in businesses that can scale, like fintech and AI."**
>
> Maria Catalina Colmenares-Wiss, former Latin American Director of MDIF.

In 2010, Startup Chile gained international attention by raising funds from the Chilean government to provide start-up investment to entrepreneurs throughout the world. They have invested in a few media organisations, including the AI company SharpShark, which went on to win the DW Akademie start-up award in 2023 for its innovative work using blockchain technology to protect intellectual property for journalists and photographers.

Audience research and data is lacking

Macro level audience research is expensive, and we found precious few studies in Latin America that can guide media leaders on audience trends or provide insights into reader behaviour. A notable exception is a 2020 audience research study conducted by Luminate Group to understand what might motivate potential subscribers to pay for news and at what financial cost. The study – which included a survey of more than 8,000 potential readers aged 18 to 65 in Argentina, Brazil, Colombia and Mexico – found that readers were more likely to subscribe to media that could demonstrate editorial and financial independence from political and business interests.

The growing number of journalists in exile

Hundreds of journalists are believed to have fled their home countries and are now working remotely, primarily in Costa Rica, Mexico, Spain and the United States of America. Data from the Fundación por la Libertad de Expresión y Democracia shows that, as of October 2023, there were 223 Nicaraguan journalists in exile, most of them in Costa Rica. Exiled journalists have also left Cuba, Venezuela and more recently Nicaragua, Guatemala and El Salvador. This trend is compounded by the increasing danger of organised crime organisations, notably in Ecuador where threats from drug traffickers are now more frequent. Meanwhile, journalists from El Salvador and Guatemala have left to avoid possible detention or incarceration. Journalists in exile face myriad challenges that sap their limited financial resources, including having to support themselves in countries with higher living costs, and to provide security for colleagues who remain in their home countries. This puts a significant strain on media sustainability and takes a toll on journalists' emotional and psychological wellbeing.

69 SembraMedia recently received a grant from the European Commission as part of an international cohort led by BBC Media Action. The funding will provide support in Colombia and Ecuador with a focus on strengthening the security and sustainability of media organisations that are being threatened by drug cartels.

Revenues at the organisational level for Latin American media

Record number of media closed in the last two years

There are inspiring examples of entrepreneurial journalists who have built sustainable business models with editorial independence, but most of the media outlets SembraMedia has studied continue to struggle with financial viability. In the last two years, SembraMedia has been concerned by the growing number of digital news outlets that have closed. Since the SembraMedia directory started in 2015, the organisation has identified and vetted 1,664 independent digital native media organisations that serve Spanish-speaking audiences. As of May 2024, 678 had been removed from the directory because they had stopped publishing for more than six months. Almost a third of those were removed in the last year. At the time of publication, there were 982 media profiles in the SembraMedia directory.[70] There has also been a decline in the number of new media launched in the region: down 60 percent in 2021-22, with only 46 new startups. Numbers were even lower in 2023.

Dramatic losses in advertising revenue

Advertising remains one of the primary revenue sources for most of the media organisations SembraMedia has studied. In the last decade, there were some promising indications that programmatic advertising[71] was bringing much needed revenue to digital media throughout the region, particularly in countries like Mexico where online media attracted millions of page views.

In countries like Nicaragua and Venezuela, where the local advertising market is nearly non-existent, programmatic advertising enabled media to capitalise on advertising delivered to diaspora audiences in the U.S. and Europe. For some, this was particularly lucrative during the Covid-19 pandemic. But in the last year, media leaders throughout Latin America have reported a significant drop in traffic, which they attribute primarily to changes in social media's algorithms – the computer codes that determine what people see in their feeds. Google also added AI to search results and changed its algorithm to favour better-known brands, which seems to be affecting smaller news outlets; a loss of traffic has decimated programmatic advertising revenues for many publishers.

Although local advertising does offer an important source of revenue in countries like Chile, Mexico and Uruguay, the concentration of traditional media ownership in the hands of a few wealthy business owners leaves many public interest media at a disadvantage, particularly in more authoritarian countries where local businesses often face retaliation if they advertise in media that the government has criticised.

Fighting changing algorithms and loss in traffic

"Over the last few years traffic has fluctuated", says Patricia Mercado, founder of Conexion Migrante, a digital news outlet in Mexico. But in the last year it dropped more dramatically than ever. By 2017, traffic had grown to more than one million page views per month. But when Facebook changed its algorithm in 2018, Conexion Migrante's traffic dropped 70 percent.

Vowing never to rely on social media again, Mercado started investing in her website and holding weekly training on search engine optimisation. "I became an SEO expert," she says, noting the effort paid off and traffic slowly rose back to more than 500,000 page views per month last year.

But at the end of February of 2024, she was alarmed by a precipitous fall in traffic. Over the next few months, it dropped from nearly 400,000 to only 48,000 page views per month. In March, she called her web designer for advice and he confirmed that numerous news sites in Mexico had also reported dramatic declines.

After reviewing traffic reports with Mercado, as well as with experts in analytics and media traffic trends, it appears that a combination of factors contributed to this situation. One of them may be that Conexion Migrante attracts nearly half of its traffic from the U.S. Hispanic market, where higher advertising rates are attracting growing competition from big newspaper brands from Spain and Latin America.

Another factor may be a content algorithmic update that Google made last September. Although Google has publicly stated that it is not trying to exclude news organisations from search results, some of its recent updates seem to favour bigger brands and may be contributing to the losses felt by smaller sites.

Mercado has been able to maintain her small team with a renewed effort in local advertising sales, grants, memberships and donations, but the loss of traffic has nearly eliminated the tens of thousands of dollars she was earning through programmatic advertising last year.

70 SembraMedia saves all media profiles for historical reference and adds them back to the public directory if they resume publishing.
71 The automated and individualised purchase and sale of online advertising space in real time.

Diversified revenue is key
When SembraMedia first started studying the sustainability of digital native media, entrepreneurial journalists were building teams and developing new kinds of revenue streams through training, consulting and other kinds of services. The organisation has identified more than 30 distinct revenue sources, which they have organised into five categories: advertising, grants, audience support, consulting and content sales.

Among non-profit media, the primary revenue sources are grants, followed by individual donations and membership. Among for-profits, the top sources are advertising, website subscriptions and grants. SembraMedia has consistently found that building a more diversified revenue model helps media become more independent and resilient. This is key to sustainability and editorial independence in a region well-known for corrupt financial interests, economic crises and media capture.

Broadly speaking, SembraMedia has identified two paths to diversifying revenues: either build a large audience with enough traffic to earn revenue from advertising or leverage the loyalty of a small audience to attract donations. Many also earn revenue through consulting, content, training services and events. While revenue diversity is key, SembraMedia also found that taking on too many projects at once can be counterproductive. Media organisations with the highest revenues generally report two to six revenue-generating products or services, but the capacity depends on the size and experience of the staff needed to run and market these services.

Most media featured in this report are driven more by their desire for social impact than for profits. Many complain they do not have the money to hire sales staff; a classic "chicken-or-egg" situation, but including business and salespeople in what are usually journalist-led teams clearly improves the bottom line. SembraMedia has consistently found that media employing sales and business development staff can earn revenues more than six times greater than those media that rely only on the founders for fundraising.

Limited audience support can make membership programmes costly
As advertising revenues dropped, many media leaders turned to subscriptions and membership to offset losses. The Membership Puzzle Project brought considerable attention to this trend with special grants and training, inspiring many digital media organisations in Latin America to start membership programmes.

Membership programmes have proven a valuable source of funding, especially in countries with relatively strong economies such as Chile and Colombia. But even the most successful membership models rarely attract support from more than ten percent of readers. And many media leaders report that the cost of marketing the schemes and retaining members can make these programmes unsustainable.

Donor requirements can strain small teams
Although grant funding can make all the difference for media in challenging contexts, its complicated financial and narrative reporting requirements can strain small teams that lack the necessary business and accounting experience. Many media leaders report that donors provide little training or advice in financial planning, impact tracking or reporting, and media outlets can lose funding as a result. Those that receive more than one grant are often burdened by donors' bespoke reporting requirements. The lack of coordination among donors can also result in media leaders facing conflicting requirements.

Access to funders is also a challenge. Many big donors choose to directly contact media outlets they wish to fund, often selecting media led by people they have met at conferences and events, or choosing outlets that have already won awards. This approach can exclude many promising new media organisations, especially those in countries where it is difficult to get visas to travel.

Investigative journalism grants
Many organisations, including The Gabo Foundation and The International Women's Media Foundation, have offered small grants for investigative journalism in Latin America and brought important recognition to journalists with their awards. While funds like these have led to stories with extraordinary impact, the small size of these grants (typically $1,000-3,000), and the ambitious expectations that come with them, can drain media with limited resources.

Content restrictions on grants limit sustainability

In 2023, a news organisation in Mexico won two investigative journalism grants worth a combined total of $6,000. In both cases, the conditions attached to the funds meant the outlet had to spend considerably more than the value of the grants to edit and produce the reports. "I don't think we'll apply for more investigative grants, it's not sustainable," says a representative of the news site. Investigative grants can also be restricted to specific topics that may be less relevant by the time grants are distributed. Study respondents in Ecuador told of one investigative fund that could only be used to cover the mining industry, but reporters thought it was more important to cover organised crime and drug trafficking.

The high cost of technology puts Latin American media at a disadvantage
Media leaders are continually investing in technology just to stay relevant. For the most part, Spanish-language publishers do not have the same access to tools, software and support as their English-language counterparts. This forces many Spanish-language media organisations to settle for less effective or efficient technology or to invest in expensive solutions they create themselves. That makes it harder for Spanish-speakers to learn about new technology, or to implement the best tools. Technology can be prohibitively expensive despite some regional pricing differences and non-profit discounts from organisations like TechSoup.

New forms of funding, financing and investment for media in Latin America

State support as a political weapon
In Latin America, there is a long history of the unethical use of government funds to control and influence the media, and many journalists suspect that most forms of government support to media would quickly be corrupted by political and business interests. In Cuba, for example, many would argue that government funding of the media is used only for media capture and propaganda. Several Latin American countries have governments that invest significantly in advertising, including Argentina, Mexico and Ecuador. However, governments tend not to allocate state advertising in a transparent or equitable manner, and advertising has often been used to influence favourable media coverage of political parties or to suppress critical coverage and investigative journalism. In December 2023, Argentina's new president Javier Milei announced the suspension of national government advertising, which negatively affected several public interest media outlets critical of the government. In Mexico, President López Obrador has been accused of using government advertising to support sympathetic media outlets.

Coordinating donors and attracting new funders
Mirte Postema, Senior Program Officer of the Independent Journalism Fund at the Seattle International Foundation, says that a monthly funder call – of nearly 20 donor organisations in Central America – has been set up to help coordinate their efforts and work more successfully with local organisations. "We try to emphasise the interconnection to show them how what happens in one part of the world is affecting others," says Postema. She highlights the seemingly contradictory reasons some funders have left the region: they either perceive that things have improved because countries like Guatemala and El Salvador have democratically elected governments, or they see countries like Nicaragua and Cuba on such a "downward spiral" that there is little they can do.

Postema does signal there may be a new crop of donors from the region, for the region. Seattle International Foundation is now receiving funding from the private foundation started by Duolingo's co-founder, Luis von Ahn, who lives in the U.S. but is interested in supporting work in his home country, Guatemala.

New fund for journalism in Brazil

Having received commitments from five philanthropic foundations, Brazil's Digital Journalism Association launched an independent fund to support public interest journalism in June 2024, with an initial purse of $2 million. The new fund took two years to plan, carrying out a public consultation to find out what journalists, members of journalistic organisations and associations, researchers and public and private managers thought its funding priorities should be.

Push back against Big Tech
Brazil is leading the dialogue on information integrity and continues to advocate globally for the democratic regulation of platforms, especially in combatting fraudulent and deceptive online advertising. Brazil's struggle to exercise regulatory control over the platforms, and Google's owner Alphabet in particular, is another area where media policy may be heading in a progressive direction. How Brazil resolves these legislative and regulatory conundrums, or how it comes to an alternative arrangement with Alphabet, Meta and other platforms – that avoids merely strengthening such powerful legacy publishers – could offer a more relevant model for countries like Indonesia, South Africa and Kenya than other examples from Australia, Canada and the UK.[72]

Growing support for media in exile
The growing number of journalists in exile are attracting increased support. In May 2024, more than a dozen organisations working with exiled media in Central America came together to improve coordination on this. Many organisations were providing similar kinds of support without realising it, in part because they wanted to protect the privacy of the media they worked with and rarely talked publicly about such projects. To date, there have been two meetings of representatives from the SIF, SembraMedia, Deutsche Welle Akademie, Thomson Reuters Foundation/TrustLaw, Internews, International Center for Journalists, Connectas, Free Press Unlimited, People in Need, Freedom House, Sociedad Interamericana de Prensa, Institute for War & Peace Reporting, NED, Foundation for a Just Society and the Ford Foundation.

72 Padania, S. (2023). Insights from the evolving funding environment for independent media and journalism. Internal briefing to IMS.

All these organisations support journalists in exile from countries like Nicaragua, El Salvador, Venezuela and Cuba. Multiple organisations provide emergency assistance, but there is little long-term help for journalists and media leaders who remain in exile for years. There are two “casas de periodistas” (houses for journalists) in Costa Rica, the most recent being set up by DW Akademie. At first, this seemed like duplication, but it turns out that the existing casa de periodistas was a place where journalists can stay when they first arrive, and the new facility, sponsored by DW Akademie, serves also as a meeting space and hub for support organisations. The group also found that multiple organisations were providing training programmes and psychosocial support, but few focused on building the organisational capacity of exiled media. It is hoped that more coordination among donors and such support organisations can help channel limited funds to address more effectively the needs of the journalists in the region.

Diversification of revenue helps public interest media build resilience and independence

While grants play a vital role in sustaining many journalistic media outlets, over-reliance can jeopardise long-term viability. Thus, we also look to the many examples of public interest media outlets in Latin America that have strengthened their resilience by developing diverse sources of revenue.

In Honduras, the award-winning digital media outlet Contracorriente earns revenue from communication and consulting services, as well as by providing fixers and translators for foreign journalists reporting in the small Central American country.

Developing revenue sources in exile

The Cuban digital media outlet, elTOQUE provides an example of how – even in exile – some media outlets are developing new revenue sources. José Jasán Nieves, founder and Director of elTOQUE, explains that in 2022, 90 percent of their funding came from public and private grants. In 2023, after launching an agency that provides design, finance and accounting services to clients, they were able to reduce that figure to 70 percent. They also offer consulting support to international funders that give grants to small organisations in Cuba, helping to ensure that grantees successfully complete their financial and narrative reports.

Revenue diversification linked to trust

Ecuador’s digital native media outlet Tinta Digital was founded in 2021 by two young political scientists keen to utilise new narrative techniques to explain complex events. They conducted research to understand Ecuador’s under-served audiences, to identify specific needs and to monitor the consumption of information. This enabled them to create a media company, editorial voice and content production system that responds well to the needs of their audience.

"Those of us who work at Tinta Digital speak through Tinta’s personality. It is rebellious, charismatic, non-binary and it generates trust. People believe in it," says founder María Rosa Zury in a case study. Zury says they started thinking about creating a business model before they launched. Three years later, they successfully reach young audiences with creative multimedia formats. Their revenue streams include consulting, workshops and training, content creation, advertising and research, as well as grants and other support from international foundations.

Recommendations for funding, financing and investment in the Latin America region

- Identify effective methods for measuring the impact of public interest media as part of a strategic approach to sustainability and to assist with advocating for journalism's ongoing financial support.
- Sustain and scale work to protect and defend journalists where possible.
- Support and develop comprehensive mapping tools for use in programming to evaluate and select from the broad range of actors in local information environments.
- Focus capacity development on market/audience research and business expertise by supporting journalism schools to teach entrepreneurship, business, technology and management skills.
- Build on best practices from existing local and regional accelerator-style programmes that combine grants, capacity development and peer-to-peer knowledge exchange.
- Build on local demand for coordination and collaboration by supporting shared technology and administrative services to help manage costs.
- Enhance coordination and transparency among the international donor community to avoid duplication of efforts and to reinforce long-term strategic programming of support to independent public interest media.
- Find ways to support exiled media and hybrid ways of working.
- Prioritise long-term core funding to public interest media, especially in critical contexts.

Our recommendations are based on what SembraMedia learned from its research and on interviews for this report, as well as nearly ten years of working directly with entrepreneurial journalists and other media leaders.

Public interest media, journalists and content producers **need help tracking their impact.** Media organisations that effectively monitor this are more likely to attract grants, new members and other types of support. They also understand better how their work serves their community, a point compounded by the fact that donors do not all agree on the best ways to measure impact. It is necessary to share impact tracking practices – across donor organisations – as well as investing in training and consulting support to help media leaders monitor their impact more consistently and to communicate this more effectively.

Digital media leaders should connect with organisations **that protect and defend journalists.** Many journalists are fiercely self-sufficient. Their independence is what enables them to report issues that others will not or cannot cover, but it can also leave them isolated and vulnerable. Matchmaking programmes or outreach support should be offered to help promote pro bono legal services such as TrustLaw for journalists at risk. Similarly, providing resources to legal support organisations could help them identify media that should qualify for legal, technical and business support services.

Mapping the landscape can assist funders and investors in finding new partners with whom to work and can help media leaders connect and partner with each other. More and more digital media are covering news deserts and communities underserved with essential information. Mapping this "long tail"[73] would enable funders to avoid focusing on the same outlets. Consistent mapping also allows some media to wither and others to spring up while still delivering on communities' informational needs. It also provides a bedrock for organising activities, such as unions, associations and shared services, that shape the dialogue with Big Tech, as well as new revenue arrangements and more. Project Oasis and the mapping of news deserts by Atlas de Noticia are notable examples.

Support and encourage journalism schools to teach entrepreneurship, business, technology, and management skills. There are recommended curricula and a variety of materials and rubrics that professors can use in capacity development courses. More outreach, support and training for professors could help expand this teaching and ensure that today's journalism students are better prepared to lead media organisations in the future.

Support media acceleration programmes. Public interest media organisations are most vulnerable in their first few years of operation. One of the best ways to help media leaders grow from start-up to sustainability is to put them through a media acceleration programme. This combines direct funding with training and consultancy services and helps them build organisational capacity in management and leadership, financial planning and accounting, audience development, innovation and technology and ultimately revenue and product development. Participants also benefit from many peer-learning opportunities along the way.[74]

73 Anderson, C. (2006). The Long Tail: Why the Future of Business Is Selling Less of More. Hachette Books.

74 SembraMedia has completed media acceleration programmes, thanks to the support of four different donors: Luminate, Meta, GNI, and USAID (through sub-grants from International Center for Journalists and Internews).

Create shared technology and administrative services that help media outlets manage their cost. We recommend that this be developed and staffed with a team of technology experts in Latin America, so that the costs can be set at a level relative to the revenue opportunities in the region. There are some examples from other regions that might serve as models. These include the Newspack, a solution for media using the WordPress content management system, and Indiegraf, a Canadian organisation that provides technology and services to more than 100 media organisations in the U.S. and Canada. In addition to providing the kind of technology support that Newspack provides, Indiegraf also provides an integrated email newsletter system and ad server. Both companies are interested in expanding to Latin America, but their prices are currently prohibitive to most media in the region. Lower prices may be achieved through shared services provided by local teams in Latin America. Similarly, there are now numerous media support and research organisations working with artificial intelligence. Coordinating those efforts more effectively could increase impact and help reduce redundancies.

Increase coordination among donors and simplify grant requirements. Organisations such as the Global Forum for Media Development, the Seattle Foundation, IFPIM and others are already working to improve coordination among donors and simplify the application and reporting processes. But more could be done. If funders could share more information about their funding priorities and activities, they could help avoid duplication and maximise impact. Streamlining grant application and administrative procedures can significantly improve the accessibility of support. Shorter forms, localised language support and flexible reporting requirements would all help.

Media support organisations and donors could **help exiled media by providing direct financial support** for housing and other living expenses in the countries where exiled journalists reside, or financial support for the local teams and citizen journalists still in the home countries. Journalists working in exile or high-risk environments face unique challenges when it comes to financial sustainability. Traditional funding models, such as advertising or subscriptions, may be impractical or even dangerous. Using secure communication and funding channels is also important. Likewise, encrypted communication tools and anonymous donation platforms can safeguard the financial activities of journalists who risk being accused of money laundering for accepting international support. Building durable partnerships with media leaders in exile through long-term support and multi-year grants can help journalists in exile as well as those in their home countries.

Media support organisations and donors could also provide **legal support to hybrid media outlets.** Many exiled media operate as **hybrid organisations** in different countries. This creates myriad challenges, including acquiring legal status, managing financial transactions (including taxes and payments), managing teams across borders and building new sources of revenue. Legal support helps hybrid media who require training and resources to navigate the legal complexities of their new operational environment. Recommended support includes workshops and consultations on: registration and legal status; obtaining legal recognition in the host country (crucial for conducting business and protecting journalists); financial regulations including training on managing payment systems, tax implications and currency exchange (essential for financial stability). Digital security tools are also needed to help media leaders who communicate with team members in high-risk environments. Furthermore, training and legal support is needed to help ensure journalists understand their rights and limitations under the host country's press freedom laws.

Building sustainability takes time and core support is needed. Foundations should provide grants not just for reporting, but also for core organisational support. Cutting funding too abruptly can have devastating effects. Some foundations that supported media for years have abruptly ended their support – sometimes with just a few months' notice. Media leaders need at least one year's notice before funding is cut. To provide a longer runway – and thereby a softer landing – consider offering extra money in a final grant to help media outlets build economic independence.

Methodology

This section outlines the methodologies used by the four regional research teams to investigate and uncover forms of funding, financing and investment for public interest media in Asia, Africa, MENA and Latin America. The research combined a variety of primary[75] and secondary[76] sources.

Each regional team was responsible for designing a methodology best suited to their respective context, given the differences between the four regions and the practical need to have separate teams working in each region. Editors then looked for similar themes emerging from the teams' regional reports for trends and recommendations.

The research team hoped to identify modalities suited to countries with similar political and economic characteristics. We designed an overview framework which described countries as functioning, opening, restricted, closing and conflict. These were based on holistic understandings of the democratic and economic perspectives accompanied with Gross Domestic Product and Press Freedom Index 2023 rankings. However, these were only used as a guide. The wide permutations of factors in different countries – and the subjective nature of ranking them – made this difficult to apply across regions. Instead, each regional team clustered countries in ways they thought best suited their respective contexts.

Terminology also varied across the regions. To assist the reader, we have tried to standardise terms used throughout the report while remaining true to how these terms might be used and understood in each context.

Regional teams collected and analysed data between November 2023 and September 2024 through a mixture of in-person and online interviews, surveys, workshops, desk research and conferences. All participants in the studies were guaranteed confidentiality if preferred, as well as the option to approve any direct quotation or reference in the teams' final reports. The regional teams recorded interviews if permitted by the interviewee; transcripts, notes and interviews were securely stored in accordance with data storage regulations for both Europe and the countries in which the researchers were based. Tools such as surveys used in the process may be available on request. The chapters presented in this study are summaries of in-depth briefings from each region.

75 Primary sources were by and large representatives of a variety of media outlets and other organisations with an interest in sustaining public interest journalism.
76 Both peer reviewed research and grey literature.

Asia

Asia has more than four billion inhabitants and given the regional diversity and complexity of the region, the research took a structured qualitative approach informed by secondary research. This adopted a three-stage research process:

1. Creating a region-wide landscape of the media funding environment using secondary sources, which helped identify five key regions for more detailed analysis: Taiwan, Indonesia, the Philippines, Pakistan and exiled media (with a focus on Myanmar and Afghanistan). These markets represent a range of media environments from advanced (Taiwan) to developing (Pakistan), and exhibit varying levels of government support, media philanthropy, investment restrictions, advertising viability and digital platform presence. The landscape research focused on six factors critical to understanding the media environment: market dynamics, government perspectives on media, media philanthropy, investment environment, advertising environment, and platform presence in the selected five markets for more in-depth analysis:

2. A one-day roundtable in February 2024 in Kuala Lumpur with media executives, investors and funders from across the region to discuss the major challenges and opportunities for media funding in the next decade. The insights gained from this discussion informed the third stage.

3. Structured interviews with media professionals, investors and funders to assess the situation in the selected regions. Interviewees were chosen to represent a cross section of traditional and new media outlets and media support organisations.

In total, 42 interviews were conducted: 29 with media organisations, five with funders or investors, three with advertising professionals and the remainder with media development organisations such as Media Matters for Democracy in Pakistan and the Google News Initiative. In-person interviews were conducted with Myanmar exiled media organisations domiciled in Thailand and with media organisations in the Philippines. The remainder of the interviews were conducted virtually through Zoom conference calls.

Summary of Selected Research Markets

	Taiwan	Indonesia	Philippines	Pakistan	Exiled Media
Market Dynamic:	Advanced	Emerging, Large	Emerging, Large	Developing	—
Media Support:	Supportive	Supportive	Indifferent	Indifferent	—
Philanthropy:	✓	✓	✓	✓	Varies
Investment:	Yes	Some restrictions	Some restrictions	Some restrictions	Varies
Advertising:	✓	✓	✓	✓	—
Platform Presence:	✓	✓	✓	✓	—

Africa

The research took a qualitative approach to gain a comprehensive understanding of media sustainability across Africa, combining a literature review, semi-structured interviews and case studies to examine the continent's diverse and complex media environments. The report sought to look at a breadth of countries that fairly represented the spectrum of press freedom rankings and size of media markets, while also considering unique and interesting developments that could provide further insights.

The literature review synthesised existing studies on global media development funding, media viability in Africa, media capture, audience revenue models and news bargaining codes. This review helped to identify gaps in current research, which the researcher then explored through in-depth semi-structured interviews with 31 representatives of a diverse group of stakeholders from nine African countries (Ghana, Kenya, Mozambique, Namibia, Nigeria, Senegal, Sierra Leone, South Africa and South Sudan), including editors, broadcasters, media managers, representatives of journalist associations, media development advisors and an academic. In addition, IMS programme staff working in the Sahel (Burkina Faso, Mali and Niger), Ethiopia, Somalia and Tanzania were also interviewed about the state of the media in these countries and the gaps in sustainability efforts. The data gathered was subjected to qualitative thematic analysis to uncover key themes and insights.

The sampling process was designed to capture a representative cross-section of media organisations, encompassing commercial private news outlets, community and small commercial media, not-for-profit organisations and public broadcasters. In some instances, where large media houses did not respond to interview requests, we used publicly available information about their business models and audience sizes.

South Africa was selected as a primary case study owing to its large advertising market, the ongoing conflict between media and Big Tech and its mix of community and commercial media. The South African case study also sought to identify causal factors explaining the development or absence of certain conditions, providing insights into the dynamics of media sustainability.[77]

Middle East and North Africa (MENA)

The methodology employed a combination of online consultations, in-depth interviews and comprehensive desk research. Thirteen countries were categorised according to their political and economic contexts, to indicate how these contexts influenced the situation of public interest media and their access to financial means. Lebanon[78] and Jordan fell into the category of countries with opening democratic spaces (the research took place before the escalation of the Gaza conflict during 2024); Algeria, Iraq, Morocco, Tunisia as countries with restricted space; Egypt as a country with a closing space; Libya, Palestine, Sudan, Syria and Yemen as countries in conflict.

Given the lack of comprehensive studies on independent public interest media in the MENA region, the methodology aimed to capture both qualitative and quantitative data using two main methods:

1. A 44-question Google form was distributed to 90 leaders of public interest media outlets within the research team's trusted network, of whom 43 media representatives across 13 countries responded. The survey explored challenges and opportunities in the media's economic environment, organisational revenue models and various forms of funding, financing and investment in media.

2. In-depth interviews were conducted with individuals from 14 media outlets across Egypt, Iraq, Lebanon, Tunisia, Yemen and Jordan. These countries were selected for their diverse representation in the MENA region. A further 14 individuals working outside media were also interviewed. Of these, 12 worked for media development organisations and entities that provided financial support to public interest media in the MENA region, while one was an expert in gaming and new technology and one was a political activist.

In all, 48 media outlets are represented in the report's data gathered either through the questionnaire or interviews, with some media outlets participating in both. Further informal, supplementary data was collected from a Facebook post on two trusted accounts asking whether users would subscribe to public interest media outlets if a paywall were to be implemented. This post received around 450 comments, offering informal insights into public opinion on the issue.

The research focused on public interest media and primarily consulted individuals in leadership roles. Future studies of a similar nature may benefit from including more junior employees who may offer insights previously overlooked, as well as a wider variety of media outlets to understand in more detail the various business models and different audience dynamics.

77 The research drew on the work of the South African National Editors Forum, which has engaged in extensive consultations on media sustainability and additionally from the Media and Digital Platforms Market Inquiry by the Competition Commission, which allowed the researcher to access SANEF's submission documents and follow the live proceedings.

78 Data was gathered before fighting between Lebanon and Israel escalated towards the end of 2024.

Latin America

The methodology employed qualitative and quantitative data to gain an understanding of current and emerging forms of funding, financing, and investment for public interest media in Latin America.

The qualitative data was gathered through research and interviews conducted in the region in early 2024 to address specific questions for this report. Quantitative data came from the SembraMedia Directory[79] of independent digital native media and other previous research. In 2015, SembraMedia launched an ongoing research project focused on independent digital native media publishing in Spanish across Latin America, the United States of America, Canada and Spain. This research, including the SembraMedia directory, provided insights on the evolving media landscape, trends, opportunities and challenges in the Spanish-speaking world. It also guided the approach for this chapter, influencing country selection and interviews conducted.

Latin America is made up of more than 30 countries. Although they share many common characteristics, the economic, political and cultural differences mean that opportunities and challenges for media vary across the region. The countries in this report have been grouped according to their level of democratic development and how this affects general freedoms and the media environments. These groupings are:

- Opening countries in South America: Argentina, Uruguay and Chile are middle-income countries with relatively open and diversified economies. Despite shared characteristics, these countries exhibit varying levels of development and specialisation which affect the media environments.

- Functioning countries affected by organised crime: Mexico, Colombia and Ecuador face security threats posed by organised crime. This environment creates a risk for journalists and their ability to practise independent journalism and build sustainable organisations.

- Restricted countries in Central America: This subregion presents contrasting political realities. Honduras, El Salvador and Guatemala grapple with authoritarian tendencies and high levels of inequality, while Costa Rica and Panama boast more stable democracies and economies.

- Closing environments: Nicaragua, Venezuela and Cuba represent the most challenging contexts for media, characterised by severe restrictions on freedom of expression and access to information. They exhibit a pattern of journalist persecution and imprisonment, leading to a high number of exiled media professionals.

The research team conducted semi-structured interviews with three key respondent groups: media leaders (founders and directors of media organisations); SembraMedia ambassadors (five ambassadors with key knowledge of specific country media landscapes); and media support organisations. They were interviewed on topics such as economic and political factors influencing the media landscape in Latin America, financial sustainability of public interest media, international and philanthropic support and strategies for media viability.

This research focused on digital native media organisations that began online and have emerged in the internet era. These media ventures – some only recently launched, others more than 20 years old – are listed in the publicly available SembraMedia directory. As of 2024, the directory includes 982 media organisations from more than 20 countries, ranging from small, volunteer-led outlets with minimal revenue to large international ventures earning millions of dollars annually.

79 In 2015, SembraMedia hired local researchers from the region to conduct interviews with independent digital native media to understand the fast-changing digital media landscape and study them as they evolved. From this, the public-facing SembraMedia directory was created to make these new media players more visible and connect with each other and funders.

Conclusion

This report's deep analysis of funding, financing and investment available to public interest media in Asia, Africa, the MENA region and Latin America reveals a plethora of opportunities and challenges. The needs of individual media outlets in different contexts tend to vary, requiring a broad and flexible range of modalities tailored both to the type of media and their context.

Nevertheless, notable trends surface across the regions covered by the report. There are three broad types of income generated by public interest media in the four regions: advertising, income from audiences (sales, subscriptions, membership and donations from individuals) and income from adjacent products and services (such as events, consultancies, commission and the sale of products like books and merchandise). Most public interest media also derive income from grants, which some outlets combine with loans and investments. This income often entails capacity development in areas related to business and management skills.

Public interest media in countries like Brazil, with relatively developed economies, have implemented successful membership schemes and programmes for raising donations from individual supporters. These can also work for media that serve diaspora audiences in relatively wealthy countries. However, these schemes are typically small and require significant investment in technology and audience data, which can make them counterproductive for small media operations and media in less affluent economies.

In countries with middle ranking economies, some digital startups have built substantial audiences that drive both advertising and subscription revenue streams. Creator-led public interest content channels on platforms such as YouTube can also attract substantial audiences and revenues. Another viable revenue stream in such markets is sponsored and native advertising aligned with the missions and values of individual media outlets. Partnerships with regional subscription-based media or international titles may also be possible.

However, grant funding remains critical to the survival of most public interest media covered by this report, particularly those operating in lower-ranking economies, as well as those that are exiled from their home markets or based in societies with restricted democratic spaces. These media require long-term development funds to deliver a specific strategic impact for local communities.

Within these different contexts, the requirements of for-profit and non-profit media also differ, and there is a need to research and pilot a more diverse portfolio of funding, financing, and investment tools if we wish to spread the risk associated with these different types of media and with managing the often-low returns from investments in public interest media in general. Some areas have seen the emergence of local, national, and regional funds for journalism and media. These could provide a conduit for philanthropists and other civic-minded funders looking to have social impact. There are also opportunities to incentivise donations and investments from diaspora audiences and to stimulate new forms of revenue, such as crowdfunding and platforms that match local donors with social impact enterprises like public interest media.

The report raises some key strategic questions for the media development sector:

- How does the sector relate and respond to shifts in geopolitical power, as well as to the demand from partners and other stakeholders to localise and decolonise support?
- As regards our respondents' concerns about the sector's lack of long-term strategy and co-ordination:
    - What would it take for the sector to have a shared model for media development that guides the work of everyone in the sector?
    - Are there key areas that the media development sector should drill deeper into, while leaving other areas to stakeholders better equipped to deal with them?
    - What would it take to simplify and streamline grant management procedures to make them less burdensome for grant recipients?
- Should the sector's support to public interest media be focused on niche or on scale, in terms of audiences and coverage?
- Should the support for accelerators and incubators be a strategic priority, or will this divert resources from core funding for media outlets? If they are not already doing so, should accelerators work together with journalism and media funds and, if so, how?
- How to revitalise public interest media leaders who, having had to adjust to seismic changes in both the industry and their respective contexts, seem to be nearing burnout?
- What, if anything, can the sector do to embrace and encourage philanthropists who might be interested in funding public interest media? And how should the sector respond to recent, adverse changes in the funding approaches of major donors?

The findings of this report encourage reflection on what the media development community can and cannot influence, and on where efforts can be prioritised based on the impact that the community wants to have in the next decade.

Recommendations

International donor community

1. Enhance coordination and transparency within the international donor community to avoid duplicating efforts and reinforce long-term strategic support to public interest media.

2. Work with private sector investors and local philanthropists to research and pilot a diverse portfolio of funding, financing and investment tools suited to the different stages of growth of public interest media.

3. Involve both the public and private sectors in finding ways to spread the risk of investing in public interest media and of managing the often-low returns from such investments.

4. Support advocacy, lobbying and constructive dialogue aimed at creating enabling environments for public interest media through, for example, media finance legislation and the relationship between Big Tech and public interest media.

Media development sector

5. Enhance coordination and transparency among media development actors to avoid duplicating efforts and reinforce long-term strategic support to public interest media. Improve transparency, consistency and inclusivity in grant-making processes, while also streamlining administrative procedures and simplifying grant requirements.

6. Support and develop comprehensive mapping for use in programming to evaluate and select from the broad range of actors in local information environments.

7. Build on best practices from existing local and regional accelerator-style programmes that combine grants, capacity development and peer-to-peer knowledge exchange.

8. Prioritise long-term core funding to public interest media, especially in critical contexts.

9. Focus capacity development on:

    a. Market and audience research, and on developing business expertise.

    b. Developing the expertise needed to support local organisations as they explore new opportunities with local financial institutions.

10. Facilitate and coordinate support for new and existing local, national, and regional funds as their multiple stakeholders navigate the phases of scoping, inception, prototyping, launch, and growth. This is to ensure these funds' functional, independent, and transparent governance and operation.

11. Build on demand for shared services and platforms by supporting coordination and collaboration.

12. Work with local organisations to strengthen advocacy and lobbying for transparent and non-partisan policies in the allocation of government advertising. Monitor the implementation of these policies and any indirect measures used to discourage third parties from advertising in public interest media.

Private sector investors and local funders

13. Build on the considerable entrepreneurialism on display in the digital media sector to yield new ways of producing and resourcing public interest journalism, particularly innovative approaches that contribute to improving local communities and services.
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14. Work with the international donor community to research and pilot a diverse portfolio of funding, financing and investment tools in a blended approach best suited to the different growth stages of public interest media.
15. Explore entry points for investment in technology that enhances the revenues and operations of public interest media working in multiple languages and contexts. This technology might include developments such as payment gateways, social listening, artificial intelligence-driven workflows, shared advertising platforms and analytics.
16. Build on corporate social responsibility funds or partnerships with media to create new openings for public interest journalism, especially around topics such as poverty alleviation and the climate crisis.
17. Develop and launch targeted initiatives to improve marginalised groups' access to capital, including women media owners and those working with minority languages.

Public interest media

18. Continue to diversify revenue streams. Achieving sustainability may require the development of adjacent products, services or spin-off businesses, and/or identifying new strategic target groups, such as diaspora audiences.
19. Work to improve access to/use of local data that drive audience and community engagement and inform viable business models.
20. Identify and use effective methods for measuring the impact of public interest media as part of a strategic approach to sustainability and advocacy for the financial support of public interest journalism.

Policymakers

21. Design and implement policies to help people find public interest journalism online.
22. Streamline legal and administrative processes for establishing media that are forced to relocate because of persecution and insecurity in their home countries.
23. Research policies and legislation that enhance the availability of financing for public interest media.
24. Avoid ambiguous measures that, on the one hand, aim to limit harm done by major technology platforms, yet also conflict with free expression, media freedom and public access to information.

Researchers

25. Undertake and support coordination and research that bring reliable localised audience data to public interest media so they can be more strategic in their operations.
26. Evaluate the effect on public interest media of Alphabet and Meta's shift towards supporting programmes run in partnership with local companies and foundations.
27. Generate and analyse data on what causes public interest media outlets to succeed and fail, with a view to establishing evidence-based indicators that foster sustainability.
28. Continue to map funding, financing, and investment mechanisms matched to media typologies to indicate which modes of support are best suited to public interest media in particular contexts.

About the authors

Asia

Ross Settles is an independent researcher focused on the dynamics of technology change and media business models. He was a faculty associate at Harvard's Berkman Klein Centre for Internet and Society during the 2022-2023 academic year. From 2018 through 2022, he was adjunct professor at Hong Kong University's Journalism and Media Studies Centre, focused on developments in digital media and media business models. He has worked as an executive and advisor with media companies and investors since the 1990s.

Africa

Chris Kabwato is founder-director of Digital Arts Africa, a media research and communications company based in Johannesburg. For over 15 years he was the director of the Highway Africa Conference at Rhodes University, South Africa. Chris is a past director of the South African National Editors Forum, and former Group Head of Communications for ICT-company, Altron. He holds a Master's degree in Journalism and Media Studies (Rhodes University) and has consulted for various local and international organisations. Chris is the convenor of the annual Sanlam Summer School for Financial Journalists.

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Hassan Abbas is a Lebanese journalist with more than 15 years' expertise in digital media and the MENA region's public interest media landscape. He previously led Raseef22, a prominent, independent pan-Arab platform, as Co-Editor-in-Chief (2019-2023). Alexandre Goudineau, Co-Director-in-Charge of Business and Operations at Febrayer Network, has a background in economics and social sciences in France. He worked in business development and journalism in Algeria, Egypt and the United States before co-founding Mada Masr in 2013. Alexandre became Co-Director-in-Charge of Business and Operations in 2017 until 2023. He co-founded the Febrayer network in 2020 and has held his position there since 2023. Both authors are a part of the Febrayer network, a non-profit organisation and alliance of leading media organisations in the Middle East and North Africa working to strengthen public interest media in the region.

Latin America

Janine Warner is co-founder and executive director of SembraMedia. Laura Aguirre is development director of SembraMedia. SembraMedia is a U.S non-profit organisation with offices in the United States and Argentina. Its journalists, consultants and academics have conducted extensive research in more than 60 countries and run tailored training and media acceleration programmes. SembraMedia's mission is to improve media sustainability so that journalists can publish vital information with greater editorial independence and impact in their communities. Their roots are in Latin America, where their international team first began mapping and studying journalism entrepreneurs in 2015.

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Dr Clare Cook is the Head of Journalism and Media Viability at IMS (International Media Support). Through her extensive international networks, Clare continues to be hands-on in newsroom innovation and strategic development and is an active business viability advisor at IMS. She is an experienced researcher who has published in many international media management and business journals. She is lead researcher on the Public Interest News Foundation Index and contributes to numerous international research projects, including co-authoring the Media Viability Manifesto. Her expertise is primarily focused on media sustainability, through the lens of revenue models and her PhD is on the revenue model of web natives. She is a senior lecturer at the University of Central Lancashire, UK.

IMS

Good Journalism. Better Societies

IMS is a non-profit organisation working to support local media in countries affected by armed conflict, human insecurity and political transition.

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