

INFO PACK | The Digital News Transformation Fund

The DNT Fund is an initiative of the Association of Independent Publishers (AIP) and Google to provide targeted, project-based funding for the sustainability and digital transformation of small and independent news publishers in South Africa.

The DNT Fund is expected to open its first round of applications by March 2025, and will run for three years.

• For more information about the **Digital News Transformation Fund**, including eligibility criteria, governance mechanisms, and updates about the application process, please visit **aip.org.za/fund**.

What will the DNT Fund support?

The DNT Fund's overall objectives are to strengthen local and independent news organisations to develop their digital operations, produce original public interest journalism, promote diversity and inclusion, and foster long-term sustainability. The DNT Fund will provide targeted support to eligible organisations for projects which:

- Support original public interest journalism.
- Ensure digital transformation and product development.
- Focus on financial sustainability and revenue development.
- Promote audience engagement.
- Are product-agnostic (DNTF-support projects do not need to make use of Google products and services).

When will applications open?

• The DNT Fund is expected to open its first round of applications by March 2025, following industry and stakeholder consultations on the DNT Fund's approach to funding and the finalisation of the Fund's structures and policies.

How much funding will the DNT Fund provide?

- It is envisaged that the DNT Fund will offer three tiers of support, depending on the needs, digital maturity and capacity of each applicant:
 - **"Build"**: Up to R380,000 per project, per year, for publishers with limited or no online presence to lay the groundwork for a solid digital foundation.
 - **"Grow"**: Up to R950,000 per project, per year, for publishers with basic digital products seeking to expand their audience reach, engagement and capabilities.
 - **"Engage"**: Up to R1,900,000 per project, per year, for digitally mature publishers looking to invest in new technologies to enhance their digital business models and data strategies.

Who can apply to the DNT Fund?

Applications to the DNT Fund will be subject to the following eligibility criteria:

- Beneficiaries must be local or independent news publishers who produce original public interest journalism, and who have existing or planned digital news products, *or* industry bodies who support the local and independent news media ecosystem;
- Beneficiaries do not need to be members of AIP, or to make use of Google products or services.
- Beneficiaries must be members of the Press Council of South Africa, to ensure a commitment to journalistic ethics, oversight, and transformation;
- Applications for funding may be made by standalone publishers ("individual beneficiaries") or consortiums and collectives ("collective beneficiaries") to enable industry-wide projects.
- Publishers who qualify for, or already benefit from, a Google News Showcase agreement are precluded from applying as individual beneficiaries.
- Publishers with more than one million unique monthly visitors to their website are precluded from applying to the DNT Fund as individual beneficiaries, <u>unless</u> they are ineligible for a Google News Showcase agreement due to language or other restrictions;
- Beneficiaries must display a genuine commitment to digital transformation, including a tangible technological or commercial goal, and to developing strategies to ensure the sustainability of their organisations.
- Beneficiaries may not be news aggregators, general interest magazines without a clear commitment to public interest journalism, or broadcasting services.

How will the DNT Fund be administered?

- The Fund has been established as a partnership between the Association of Independent Publishers and Google, to be administered independently by <u>Tshikululu Social Investments</u>.
- Oversight, governance, and day-to-day management of the DNT Fund will fall to several distinct structures designed to ensure its independence, transparency, fairness, and integrity:
 - The Fund Secretariat, housed within Tshikululu Social Investments, will manage the DNT Fund's day-to-day operations;
 - An Adjudication Committee, made up of five independent industry experts, will review and approve applications for funding;
 - A multistakeholder Oversight and Advisory Board will be constituted to provide overall strategic and fiscal oversight of the DNT Fund.
- The DNT Fund will be subject to robust transparency and reporting mechanisms, and a list of all beneficiaries, including the type of funding, the amount received, and the funding period, will be made publicly available.
- Members of the Oversight and Advisory Board will be subject to a conflict-of-interest policy.
- To ensure the independence of the DNT Fund, Google, as the primary funder, will not be involved in funding decisions and will not participate in any of the organs of the DNT Fund.

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