



# **Statement of Performance Commitments 2022**

*March 2022*

*Summary*

# Executive Summary

## Introduction to the 2022 ASPC

As Ireland's national Irish language public service media (PSM) organisation, TG4 is required by the Broadcasting Act 2009 to prepare an Annual Statement of Performance Commitments (ASPC) in accordance with its objects, strategy and public service statement. This report presents TG4's ASPC for 2022.

## The Strategic Context for 2022

Public Service Media is facing some of the most significant challenges in its history including global competition, technology disruption, funding scale, discoverability, prominence and many others including the transformation of the way we work, and talent shortages. For TG4, these challenges are magnified as an Irish language content provider operating in a global and predominantly English language media market.

The Covid-19 pandemic has in addition, been one of the biggest challenges over the past two years, impacting communities and businesses across the world. As a Publisher-Broadcaster, TG4 relies heavily on Ireland's independent production sector. Along with other creative industries, the sector has been badly affected by the pandemic, with companies and staff across the breadth of the creative sector feeling the effects of the crisis. This situation was also reflected in Europe where it is estimated that the cultural and creative economy lost approximately 31% of its revenues in 2020 alone<sup>1</sup>. Disruption of activities impacted the sector's income, cash flow and financial sustainability. As we emerge from the crisis, TG4 will play a part in supporting the Irish creative sector. We will also continue to support the Irish language, to help ensure it remains a living community language in Ireland. To do this, we have set out a new Post-Covid Vision for TG4 for 2022 - 2025<sup>2</sup>. This Vision reflects three strategic and creative priorities:

1. Properly serve and inspire, and increase our engagement with, younger audiences.
2. Serve Irish language audiences and the Irish-speaking communities & Gaeltacht even better.

3. Support regional creative companies to come through the Covid-19 crisis and play our part in the country's recovery.

These strategic priorities frame TG4's commitments for 2022. Our commitments are also framed by the major challenges we face, as summarised in Figure 1 overleaf.

The 2022 context is also set by the increase in our public funding for the year and TG4 is very grateful to the Government for the additional €4.2m. All of the additional funding will be allocated to fostering new talent, to upskilling and to creativity. We will deliver new commissioning rounds in 2022, with a development strategy to help companies in Ireland's regional creative economy to develop new talent and to open the door for new entrants to the industry.

Our investments in 2022 will also lay the foundation to deliver a key part of our Post-Covid Vision which is to *"ensure Irish language public service content remains important in a modern Ireland"*.

In addition to delivering our commitments in 2022, TG4 looks forward to the completion of the work of the Future of Media Commission. We engaged with the Commission on the radical reimagining of the media ecosystem in Ireland, particularly in relation to balance of funding scale and reform of its monolithic structure. The outcome of the Commission's review will influence the future of public service media for future generations and the future of TG4. We hope for a positive outcome of the review.

Transforming our scale and services as the media market evolves is fundamental for TG4 to: deepen our engagement with audiences; support the recovery and continued development of Ireland's regional creative sector; support the revival and preservation of the Irish language, building connection with young people who are growing up in a global media world.

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<sup>1</sup> Rebuilding Europe, January 2021 EY.

<sup>2</sup> TG4's Post Covid-19 Vision. Presented to the Department of Tourism, Culture, Arts, Gaeltacht, Sport & Media - June 2021.

Figure 1: Summary of the Key Challenges Facing TG4

**Funding Scale & Balance:**

- Ireland's PSM has been underfunded for decades. EBU research shows PSM funding was an average 0.16% of EBU countries' Gross Domestic Product in 2019 but was only 0.11% in Ireland - we ranked in the bottom third of 48 EBU countries surveyed. This deficit is now being addressed by the Government, with increases of €3.5m for TG4 for 2021 and €4.2m for 2022.
- Despite these increases, transforming TG4's funding scale remains fundamental to ensure the service can overcome the challenges facing Irish language media in the digital age - and create significant societal and economic value.
- There is also a need for better funding balance in Ireland's PSM ecosystem. As the two national PSMs, a public service funding ratio should apply to RTE and TG4. Its effect would be to promote diversity and plurality in Ireland's PSM sector, better balance in Ireland's audio-visual ecosystem and in its regional layout, as well as reflecting the importance of the Irish language. As the principal funder of the audio-visual sector in Ireland's regions outside of Dublin/Wicklow, increased funding scale for TG4 would directly translate into an increase in the scale of the regional audio-visual sector.

**Inter-generational Irish Language Transmission**

- Ireland is now a global, multi-cultural society and there is a significant proportion of the population who do not understand the role and significance of the Irish language.
- Irish is under considerable pressure at the level of inter-generational transmission in the Gaeltacht and throughout Ireland. For each successive generation, the rationale and motivation for raising children through Irish erodes.
- TG4 - and other Irish language media and arts organisations - play an important role in promoting the self-identity and enrichment of Irish communities and in supporting inter-generational transmission of the Irish language. Now more than ever, TG4 must grow the relevance of Irish language content, grow audience and "mainstream" TG4.
- Unless Irish language media is supported with adequate funding levels and given due prominence, it is at risk of losing relevance, particularly for younger Irish audiences who are growing up in a global media environment.

**Globalisation & Competition**

- Global technology & media conglomerates are disrupting the competitive environment. PSM is facing increased competition for audiences as these conglomerates spend billions on new content.
- Audience behaviour, particularly young people's, is evolving as content options expand to include subscription video services, digital and social content.
- Covid has accelerated changes in audience behaviour, with migration to streaming and online content particularly affected. Irish household subscriptions to Netflix for example, have more than doubled in the last two years, increasing from 18% of TV households in 2019 to 41% in 2021. The percentage of households with Smart TVs has also increased from 45% in 2019 to 62% in 2021. Smart TVs with connections to the Internet now stands at 57%. This has a significant impact on the audience for live television viewing.
- While TG4 has shown itself to be resilient, these developments will continue to present significant challenges for all broadcasters. TG4 must have viable scale to maintain competitiveness and create connections and impact with audiences.

**Findability & Prominence**

- Emergence of platforms for curating content and services - many do not confer prominence to PSM. Global players are incentivised to support their own content or provide access to the highest bidder.
- Prominence of PSM content is critical - it impacts the ability to access the well-regulated, trustworthy, high-quality programming which traditionally defines public service content.
- There are additional linguistic reasons which make findability and prominence even more vital for TG4:
  - Although a national language, Irish functions as a minority language.
  - Irish language media has very little market power and exerts very little influence on commercial content platforms.
- TG4 must invest in platform development, analytics, marketing and curation to support discoverability of its content. From a policy perspective, PSM prominence must be safeguarded.

\* Nielsen Establishment Survey, 2019 (Jul-Dec) to 2021 (Sep-Dec). All TV Households in Ireland.

## TG4's Priorities for 2022

TG4's key priorities for 2022 include:

- **Investment in finding and growing industry talent:**
  - New commissioning rounds in 2022 with clear upskilling and talent development objectives, to build Irish language writing, directing and production skills in the independent production sector.
  - Investment in new film, drama and documentary shorts schemes in conjunction with Screen Ireland and Údarás na Gaeltachta, to grow Irish language talent and support internationalisation of Irish content.
  - One-year work placements in TG4 for new industry trainees.
  - Investment in new talent in TG4's children's, educational and archive services, to direct their vision and development.
- **Investment in Ireland's regional creative economy:**
  - €25.4m on creative services from companies in Ireland's regions including €24.4m with independent production companies in the regions.
  - A total of €30.24m spend with the independent production sector.
- **Strengthen TG4's focus on children's and younger audiences:**
  - Significant investment in content and services for children's audiences and for audiences in the 15-34 demographic, to ensure a deep reach into, and relevance with, these audiences - they will determine the future of Irish as a community language.
- **Focus on Gaeltacht and Irish speaking communities even more:**
  - A new strategy for TG4's Nuacht and current affairs service to strengthen the service under TG4's brand and become a multi-platform provider of distinctive news coverage and investigative current affairs.
  - Investment in TG4's educational resources, to provide audio-visual supports for Irish within the education system.
  - Considerable investment in Cine4 Irish language film and in Irish language drama, culture and the arts, creating status for the Irish language by stimulating cultural works of national significance.

In 2022, all of TG4's content commitments will incur an expenditure of €36m<sup>3</sup> (almost 10% increase on the target for 2021). Every year, TG4 ensures that the maximum amount possible is spent on Irish language content and in 2022, 79% of TG4's public funding<sup>4</sup> will be spent on Irish language content.

TG4's priorities and commitments for 2022 are presented in Table 1 below and described thereafter. Reflecting their fundamental importance for TG4, our 2021 priorities remain our priorities for 2022. Our commitments have been adjusted to reflect our investment and focus for the year ahead.

Table 1: TG4 Performance Commitments 2022	
Priorities	Commitments
Linear Audiences	1. Increase our share with national linear audiences.
Digital Audiences	2. Continue to grow TG4's digital viewing and audience.
Young Audiences	3. Invest in children's services and content for audiences in the 15-34 demographic, to strengthen younger audience engagement with TG4 and the Irish language.
Irish Language Communities & Gaeltacht	4. Serve Irish-speaking and Gaeltacht communities even better.
Regional Creative Economy	5. Support growth in Ireland's regional creative economy by investing in content and talent development.
Internationalisation of Independent AV Sector	6. Refresh TG4's strategy to support independent production sector internationalisation.
Internationalisation of TG4's Creative Cultural Footprint	7. Deepen TG4's global cultural and linguistic footprint.
Safeguard our Cultural & Linguistic Assets	8. Review and revitalise TG4's Digital Archive Strategy.
Findability & Prominence	9. Further develop the discoverability and prominence of TG4's content.
Sustainability	10. Continue to deliver more sustainable operations and greener production practices in partnership with the production sector.
Funding & Scale	11. Ensure TG4 is adequately funded for growth and that we deliver value from our public funding.
Diversity, Equity & Inclusion	12. Promote diversity, equity and inclusion in TG4, both on and off-screen.

<sup>3</sup> Including €2.448m of production staff costs in 2022. Spend includes Screen Ireland development funding.

<sup>4</sup> Current funding plus €2.2m capital funding for programming. Spend includes €2.448m of production staff costs.