



Statement of Performance Commitments 2021

23rd March 2021

Summary

Executive Summary

Introduction to the 2021 ASPC

As Ireland's national Irish language public service media organisation (PSM), 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 2021. Appendix 1 presents TG4's operating and capital budgets for 2021 along with other important operating metrics for the year.

The Strategic Context for 2021

This ASPC is presented in unprecedented circumstances, with the coronavirus pandemic having a deep and lasting impact on our everyday lives. None of us have seen a year like 2020, a year of sadness and hardship for many families, businesses and the economy, and this will continue in 2021 for some time to come.

But it was also a year of humanitarian and public service achievements and 2021 brings hope. 2021 is an important landmark for TG4 as we celebrate our 25th year on air. While 25 years ago there was opposition across Irish society to the establishment of Teilifís na Gaeilge, a quarter of a century has witnessed the emergence of TG4 as a real force for Irish language audio-visual innovation. TG4 has transformed the image of the Irish language and Irish language television and market research¹ shows that 82% of the public believe that TG4 is the most positive measure to promote the Irish language and give it prominence.

TG4's objective is to continue to build larger communities of audiences in Ireland and worldwide who are united by shared values and interest in the Irish language and culture. In doing so, we aim to continue to deliver value, not just for our audiences, but also for Irish society and for Ireland's regional creative industries and economy.

These objectives and outcomes frame TG4's priorities for 2021. Our priorities are also framed by the very significant challenges which face us as we operate in a global, highly competitive media market. A summary of the value TG4 delivers is presented in Figure 1 and described in brief thereafter, followed by an overview of the most significant challenges TG4 faces in the years ahead.

Figure 1: Summary of TG4 Value



¹ Ipsos MRBI TG4 Omnipoll Research, October 2020 (1,000 adults aged 15+).

TG4 Value

Individual

TG4 provides trusted, creative and unique content services. The breadth of our output includes: news and current affairs; educational programming: arts & drama; *Cúla4* and other children's content; national events of cultural significance including commemorations; live national sporting occasions free-to-air; documentaries of historical and cultural importance, and so much more. Our output is provided across linear and non-linear platforms ensuring we can deepen our audience connection on all devices of choice.

Public (Society)

TG4 creates societal value across many areas:

- TG4 promotes the self-identity and enrichment of Irish communities and plays a unique role in linguistic diversity and intergenerational Irish language transmission. In the Republic of Ireland, 1.76m people can speak Irish - almost 40% of the population. This number has increased 26% since TG4 was launched in 1996, despite an increasingly multinational and diverse population. Of the 1.76m who can speak Irish, 1.33m actually do speak it - either daily in education or daily, weekly and less often outside education².
- TG4's investment in content from the Irish independent production sector also provides opportunities for skilled, creative and technical employment in the Irish language and fosters an interest in third level Irish language media studies.
- TG4 is a free-to-air public PSM and is available online to the Irish Diaspora around the world. In essence, TG4 provides a worldwide platform to portray Irish arts and culture. TG4 has built a reputation for outstanding live events and provides a window on Irish music and cultural events for audiences worldwide, as well as in Ireland.

- TG4's investment in Irish sports broadcasting also creates societal value, particularly in Ireland's regions. Every year, TG4 provides extensive coverage of Gaelic games such as football, hurling and Ladies Gaelic Football Association (LGFA) fixtures. TG4 showcases younger and more regional games and has expanded Gaelic games broadcasting across age groups and communities, generally considered too niche for live television, helping to build stronger communities. Supporting diversity, TG4 has been pioneering the broadcast, and helping to increase the profile, of women's sport since its establishment in 1996.

Creative Industry and Economy

TG4 has particularly focused on sourcing content and services from companies in regional areas. Through TG4's expenditure with the Irish independent production sector and all of the other services we buy from Ireland's creative economy, TG4 supports the development of industry and production talent, regional jobs and incomes. TG4 is the single biggest provider of employment in the creative and cultural industries in the Irish regions outside Dublin/Wicklow. This brings significant economic benefits to these areas. It is estimated that in 2019, TG4's expenditures in Ireland made a contribution to national output of approximately €66m and supported approximately 1,023 full-time equivalent jobs³ (direct, indirect and induced). Of this, TG4's expenditures in the regions made a contribution to regional output of approximately €54.6m and supported 870 full-time equivalent jobs⁴ (direct, indirect and induced). For every €1 invested by TG4 in the creative industries in Ireland, it is worth €2 to the Irish economy.

Recognising the importance of talent and skills development, TG4 has also invested extensively in production sector training and development in conjunction with the Broadcasting Authority of Ireland (BAI), Screen Ireland, Údarás na Gaeltachta, Techféile, NUIG, Greásán na Mean and the independent production sector. TG4's schemes are vital for developing Irish creative talent and skills and every year, we also provide internship and apprenticeship opportunities for new entrants to the industry.

² Irish language speaker data is from the 2016 Census (CSO).

³ Analysis of TG4's 2019 operating & capital spend & funding in Ireland.

⁴ Excludes additional catalytic impacts (spill-overs) such as skills development, tourism etc.

The Key Challenges Faced by TG4

Funding Scale & Balance

Research from the European Broadcasting Union (EBU)⁵ shows that PSM has not benefited from economic wealth creation in Europe before the current pandemic crisis impacted in early 2020. Rather, it has been economically marginalised across the EBU and PSM funding is falling in the long-term. The last 15 years have seen a major global financial and economic crisis in 2008-2009, in conjunction with a major slump in advertising markets in 2009. When compared to growth in Gross Domestic Product (GDP), PSM funding is declining significantly. The GDP of the 49 countries included in the EBU research, increased by 9.6% between 2015 and 2019, compared with a decline in PSM funding of 0.1%. As a share of GDP, PSM funding represented on average, 0.2% of GDP in 2010 but had fallen to 0.16% by 2019.

This situation is mirrored in the Irish market, where Ireland's PSM funding suffers from a lack of sufficient scale. Ireland ranks in the bottom third of all EBU markets, in terms of PSM funding as a proportion of GDP. Funding declined from a 0.14% share of GDP in 2015 to 0.11% in 2019.

In addition to a lack of sufficient funding scale, there is a major imbalance in Ireland's public service media funding. TG4's current funding was just 17.4% of RTE's licence fee funding in 2019.

TG4 believes that a diversity and plurality of voices, views and sources must be available in the Irish market for Ireland's PSM ecosystem to work effectively. However, "balance of scale" in funding and reforming the monolithic structure of the current audio-visual ecosystem in Ireland, are both necessary for true plurality and diversity of voices and sources (including regional and linguistic diversity), to emerge.

The biggest challenge facing TG4 itself in the coming years is achieve 'first-class national funding scale' to allow the service to play a role of meaningful prominence in Ireland's media ecosystem and create meaningful resonance in Irish society.

⁵ Funding of Public Service Media 2020 (EBU 2020).

Globalisation

The media landscape is highly dynamic and over the past decade in particular, has changed beyond recognition. Digital technology, social media and connected devices have transformed consumption patterns to the extent that the lines between traditional broadcasters and global content intermediaries such as Amazon, Apple and Facebook, are converging.

Audience behaviour is evolving accordingly. The move from traditional linear television is ongoing, driven particularly by younger audiences as they are more connected and disposed towards non-linear content and social media from multiple sources. There is a move to Subscription Video On Demand (SVOD) services such as Netflix and to online, short-form and social media content. The dominance of a small number of major, global content intermediaries and their role in shaping audience's content choices is clear. As more content discovery is determined by algorithms based on consumption habits, "personalisation bubbles" become narrower and more difficult to penetrate. In particular, where global content intermediaries are vertically integrated, they have a clear incentive to draw audiences to content that suits their commercial interests. As the content market continues to globalise, these developments will increasingly pose a threat to Ireland's publicly-funded content, including TG4. To address this, TG4 must: have a viable scale to maintain competitiveness with audiences; continue to create impact with Irish audiences; and, put content for under-35s centre-stage.

Gaps in Irish Language Media Services

Irish language media and the Irish language creative arts have a very important role to play in promoting the self-identity and enrichment of the Irish language community and in supporting the intergenerational transmission of the Irish language. However, the gaps in audio-visual services for the Irish-speaking community are far greater than those for the English-speaking community, which is served by both public and commercial media. Some of the most significant gaps include: Irish language news and current affairs do not have the same resources as equivalent programmes in English; lack of a dedicated *Cúla4* channel (for Irish speaking children) equivalent to *RTÉ Junior*; insufficient entertainment / lighter content for under 35s audiences; insufficient coverage of national Irish language-based culture and events. While TG4 spends the majority of its funding

on Irish language content, the scale of funding to date, has been insufficient to address these particular gaps.

Findability & Prominence

When Ireland's publicly-funded content is easy to find, this helps to ensure it has the opportunity to reach Irish audiences and that it is universally available and accessible to all. However, how we watch content and how we find or choose what to watch, have changed significantly over the years. Today, content can be viewed on televisions and other devices such as tablets and phones. Viewers can choose to watch scheduled channels, to catch-up via Player services or watch SVOD services. This puts publicly-funded, and TG4's, content at greater risk of not being seen.

There are cultural and linguistic reasons which make findability and prominence of Ireland's publicly-funded content even more critical. The Irish media market sits between the two most powerful producers of audio-visual content in the world (the US and UK) and is driven by these two major media markets. For TG4, there are additional linguistic reasons which make findability and prominence absolutely vital. Although a national language, Irish functions as a minority language. Its habitual-speaking community continually face the danger of language shift and diminution. Irish language media has very little market power and, unlike Ireland's English language media, exerts very little influence on commercial content platforms. Unless Irish media is supported and given due prominence, it will lose relevance, particularly for younger Irish audiences who are growing up in a global media environment.

To address these issues, TG4 must continue to invest to attract and retain audiences and to maximise discovery and consumption of our content. From a policy perspective, there is also a requirement for the discoverability of Ireland's public service content to be safeguarded. PSM prominence sends a clear signal regarding the role and relevance of PSM and that Ireland believes in its value. Without prominence, the public value-for-money of Irish publicly-funded content is at risk. It also runs contrary to the principle that PSM content should be universally available and accessible to all.

Sustainability

Climate change and the serious impact it is having on our global environment requires all of us to profoundly change the way we use resources. For its size, the television and film production industry produces significant emissions and it must reduce its carbon footprint and promote greener production practices. As a publicly-funded organisation, TG4 has an obligation to ensure we are doing everything possible to reduce our environmental impact and we want to play our part in achieving the targets set by Ireland's Climate Action Plan.

Focus of TG4 Investment in 2021

TG4 is very grateful to the Government for the additional €2.5m in current and €1m in capital funding. We will spend all of the additional funding on creative services from companies throughout Ireland's regions, particularly regional independent production companies. Key initiative in 2021 include:

- 20% increase in spend on creative services from companies in Ireland's regions including a 23% increase in investment in original Irish language content from the independent production sector;
- Doubling of TG4 investment in Irish language non-linear / digital content;
- Significant development of our *Cúla4* children's services. We will: prepare *Cúla4* for launch as a dedicated children's channel in early 2022 (building channel infrastructure, content and distribution in 2021); continue with *Cúla4 ar Scoil* to support learning from home; and, curate and expand *Cúla4* to grow use in primary schools/learning environments.
- Significant increase in investment in content for younger audiences;
- 15% increase in investment in training and development supports for the Irish independent production sector.

TG4 will continue to deliver the most value possible from our public funding to meet audience demand and strengthen TG4's brand. Of importance for TG4 in 2021, is that we work to convince the Future of Media Commission that the media ecosystem in Ireland should be radically reimaged from 2022 onwards. To ensure Ireland's public service media ecosystem works effectively, "balance of scale" in funding and reforming its current monolithic structure, are required. TG4 must achieve 'first-class national funding scale' to

allow us to have meaningful prominence and create meaningful resonance in Irish society.

TG4's Priorities for 2021

TG4 has agreed 12 priorities for 2021:

1. Linear audiences.
2. Digital audiences.
3. Young audiences.
4. Irish language communities & Gaeltacht.
5. Regional creative economy.
6. Internationalisation of the independent audio-visual (AV) sector.
7. Internationalisation of TG4's creative cultural footprint.
8. Safeguarding our cultural & linguistic assets.
9. Findability & Prominence
10. Sustainability
11. Funding & Scale
12. Diversity, Equity & Inclusion

These priorities provide the basis for TG4's **12 commitments** for the year as listed in Table 1 opposite and described thereafter. Reflecting their fundamental importance to the service, some 2020 commitments remain central to our priorities for 2021.

In 2021, TG4's content commitments will incur an expenditure of €32.8m⁶ (a 13.5% increase on the target for 2020). We ensure that the maximum amount possible is spent on Irish language content and in 2021, 80% of TG4's public funding⁷ will be spent on Irish language content. This is a 4% increase on the percentage target for 2020.

Table 1: TG4 Performance Commitments 2021	
Priorities	Commitments
Linear Audiences	1. Maintain our audience share and resonance with national linear audiences.
Digital Audiences	2. Deliver significant growth in TG4 digital viewing.
Young Audiences	3. Invest more in creative, younger audience focused content and services, to grow TG4's reach with children and younger audiences.
Irish Language Communities & Gaeltacht	4. Continue to strengthen TG4's ties with Gaeltacht and Irish speaking communities.
Regional Creative Economy	5. Through more collaboration and more investment in content and talent, support jobs and growth in Ireland's regional creative economy.
Internationalisation of Independent AV Sector	6. Continue to provide a platform for the internationalisation of the Irish independent audio-visual production sector.
Internationalisation of TG4's Creative Cultural Footprint	7. Deepen TG4's global cultural and linguistic footprint.
Safeguarding our Cultural & Linguistic Assets	8. As a custodian of Irish language broadcasting legacy, TG4 will continue to build its Digital Archive.
Findability & Prominence	9. Ensure TG4's content is discoverable through marketing, technology and prominence rules.
Sustainability	10. Create a sustainable working environment in TG4 and promote greener production practices in partnership with the independent sector.
Funding & Scale	11. Achieve "first-class national funding scale" and deliver value-for-money from public funding.
Diversity, Equity & Inclusion	12. Promote diversity, equity and inclusion in TG4, both on and off-screen, in partnership with key stakeholders.

⁶ Including €2.3m of production staff costs.

⁷ Current funding plus €2m capital funding for programming. Includes €650,000 Screen Ireland development and commissioning funding.