
MEDIA RELEASE

NBC STATEMENT REGARDING MEDICAL AID ARREARS

**OFFICE OF THE DIRECTOR GENERAL
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FOR IMMEDIATE RELEASE

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The Namibian Broadcasting Corporation (nbc) has noticed with concern the recent communication on social media purporting to emanate from NMC announcing the suspension of medical aid services to the nbc by NMC with effect from **1 July 2017**. This is indeed an unfortunate situation as the nbc has not yet received any official communication in this regard from NMC.

nbc is a longstanding member of NMC and we have so far religiously contributed monthly towards the medical aid fund. It is true that the national broadcaster is challenged with arrears as regards the medical aid payments for the past few months which have accumulated to an amount of close to N\$15 million. However, as a responsible employer, we have met with NMC and highlighted the current challenges whereby we indicated that through our Board of Directors, we have been engaging our main shareholder via our line Ministry with the view to have this untenable situation averted. Equally we have committed ourselves to a weekly payment of N\$50K as we are looking to have a permanent redress through our shareholder. The latter position was/is aimed at showing our commitment and resolve in this matter.

During the most recent meeting held with NMC on 20 June 2017, we once again reiterated our commitment towards the said weekly payment. We also requested NMC to accommodate the nbc until the end of August 2017 to allow the necessary payment arrangements to come to fruition. NMC committed to referring our request to their Board of Trustees, hence our disappointment with the premature announcement of the suspension of the medical aid services through the social media platforms without prior official notice to our company. The casting of aspersions on the nbc is in this case laced with negativity given the national broadcaster's seemingly erroneous assumption that a relationship of equals reigns in this arrangement. It is equally true that the nbc may have to review its relations with entities that would seek only to stick around when business is good but appear not to be willing to bite the bullet in times of challenges - even just for a short period of time.

It's Ours

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The financial reality bestowed on us through means not of our doing is a far cry from what the nbc is attempting to achieve given its history of inadequate funding as a principle. It is equally true that all exertions aimed at correcting a past/history which was riddled with many challenges naturally dwarf noble efforts such as the nbc growing its own revenue with 21% from N\$84 million in 2015/16 to N\$102 million during the past financial year, 2016/2017. It is indeed very sad that the current recessionary economic climate and the unexpected reduction of the government subsidy to nbc from N\$252 million to N\$179 million with a cash value of N\$139 million for the same period is causing serious cash flow challenges which hamper our monthly commitments to our creditors, including the medical aid fund. The fixed cost structure of this entity in its current form naturally is not amenable to cuts hence the current cash flow strain. It is equally disheartening to note that the nbc has to experience these budgetary cuts despite its immense measures around cost-cutting, the DTT rollout and the addition of programmes as well as improvement in the quality thereof.

As management, we acknowledge the unfortunate situation and will remain steadfast in our efforts to engage our shareholder for assistance to remedy this unfortunate state of affairs.

END...../

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Director General

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ABOUT nbc (www.nbc.na)

nbc's Purpose is to become a leading Multimedia Public Broadcaster of Choice in the world. It is the only Namibian broadcasting house that runs radio broadcasting in ten (10) Namibian languages and three (3) Public Service TV channels. nbc offers local, SADC and international news, current affairs and entertainment programming and covers more than 74.5% of the Namibian population. It further broadcasts beyond the Namibian borders on the DSTV audio bouquet and online at www.nbc.na

ABOUT Digital Terrestrial TV (www.nbc.na)

Digital television is a new way of broadcasting television. Although digital terrestrial television changes the way pictures are sent to your TV, it won't change the way you watch television.

Since the beginning of television, we've been watching what is known as 'analogue television': TV signals are broadcast using radio waves, which are picked up by an aerial and sent down a wire to your TV, the analogue television receiver. Your set then changes the analogue signal into pictures and sound. nbc boasts altogether with Eight (8) channels on its DTT bouquet – nbc1, nbc2, nbc3, One Africa, TBN and EduTV (nbc4), Music on 5 (nbc5) and Kwese Free Sport on 6 (nbc6).