Transforming the Media and Advertising Sector through Competition Remedies: A Review of the Economic Development Fund (EDF)

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ABSTRACT

In South Africa, competition law enforcement operates within a unique constitutional and developmental context. While its traditional focus has been on promoting market efficiency and consumer welfare, there is increasing recognition that competition policy must also advance inclusive economic transformation. The persistent exclusion of small, medium, and micro enterprises (SMMEs), particularly those owned by historically disadvantaged persons (HDPs), calls for more innovative and creative enforcement remedies that align legal mandates with the country's socio-economic realities.

Zooming into the Economic Development Fund (EDF), this paper explores the role of creative remedies in competition law enforcement as a tool to address structural market barriers, support the entry and sustainability of SMEs and foster broader economic inclusion.

1. INTRODUCTION

South Africa's economy remains characterised by concentrated markets, entrenched inequalities and barriers to entry for historically disadvantaged persons (HDPs). While the primary aim of competition enforcement is to preserve fair and efficient markets, South Africa's developmental challenges require remedies that also address exclusion, concentration, and inequality. It is in this context that competition law enforcement cannot merely be about curbing anti-competitive conduct.

South Africa's Competition Act, particularly following the 2019 amendments, explicitly mandates the competition authorities to consider public interest when evaluating mergers. These provisions recognise that market outcomes are not always neutral to address power asymmetries, exclusionary conduct and historical disadvantages. The South African approach has progressively incorporated public interest considerations aimed at achieving inclusive growth, ownership redistribution, and economic participation by historically disadvantaged groups.

Whilst these public interest considerations do not explicitly apply to the enforcement of anti-competitive conduct, it is widely recognised that traditional remedies in competition enforcement, such as administrative penalties are often insufficient to address the transformation objectives of the Competition Act and to correct the entrenched structural issues in South African markets. The structural inequalities in the South African economy calls for remedies that proactively reshape market dynamics and remove entry barriers for new participants.

Creative remedies in competition enforcement are not a deviation from core competition principles but are rather a necessary evolution of enforcement in a context like South Africa's. By strategically deploying creative remedies, the competition authorities can go beyond correcting market failures to contribute meaningfully to economic redress, inclusion, and transformation. As markets evolve, the role of creative, forward-looking remedies is becoming more vital in shaping inclusive and competitive markets.

This paper provides an assessment of the real-world outcomes of creative remedies by the South African competition authorities, focusing on the Economic Development Fund (EDF), administered by the Media Development and Diversity Agency (MDDA), within the South African media and advertising sector. As one of the most compelling examples of this approach, the EDF originated from a series of consent agreements following findings of cartel behaviour in the media and advertising industry. It was established as a remedial mechanism to compensate for market harm while promoting diversity, access, and participation in the media and advertising landscape. The fund has distributed close to R40 million to about 40 start-up and emerging media and advertising enterprises, with a deliberate focus on black-owned, women-led, and rural-based outlets. This paper evaluates how the EDF, born from competition enforcement, has contributed to transformation and small and medium-sized enterprises (SME) empowerment in the media and advertising sector. The implementation of the EDF presents a valuable opportunity to examine the practical impact of competition enforcement remedies as a tool for socio-economic redress and structural reform. Additionally, the implementation of the EDF offers an opportunity to assess not only the design of a creative and progressive remedies, but also its real-world outcomes.

This paper considers an alternative to punitive penalties to evaluate the broader transformative potential of creative remedies in achieving the objectives of the Competition Act. In particular, it considers how the EDF has advanced the equitable participation of SMEs in the media and advertising sector. This paper seeks to demonstrate how such remedies can serve as proactive instruments of structural change, achieving outcomes that go beyond deterrence to promote economic redress and participation.

The paper examines the inception, design, and impact of the EDF on SMEs, drawing on real-world examples to illustrate its effects.

The paper is structured as follows: Section 2 outlines the conceptual framework of competition remedies and their developmental role. Section 3 explores the legal and institutional background of the EDF. Section 4 presents the case study in detail, including the design, disbursement, and strategic intent of the fund. Section 5 evaluates the EDF's outcomes across quantitative and qualitative dimensions. Section 6 offers lessons learned from the EDF. The paper concludes with policy recommendations for future remedial strategies aimed at balancing competition enforcement with inclusive economic transformation.

2. REMEDIES AS INSTRUMENTS OF TRANSFORMATION IN SOUTH AFRICAN COMPETITION LAW

Before exploring the framework and implementation of the EDF, it is essential to contextualize the role of remedies in South Africa's competition law landscape, particularly their potential to serve as instruments of transformation and inclusive growth.

In traditional competition enforcement, remedies have largely focused on structural or behavioural interventions, designed to either alter the composition of the market (e.g., through divestitures) or modify firm conduct (e.g., pricing rules or non-discrimination commitments). In numerous jurisdictions, particularly when addressing horizontal mergers, there is a prevailing preference for structural remedies over behavioural ones. Structural interventions, such as divestitures, are often viewed as more effective because they directly tackle the root of the competitive harm and generally require less ongoing oversight. However, competition authorities also recognise that behavioural remedies can be valuable in specific contexts, especially when used to supplement structural solutions.[1]

In South Africa, the use of remedies has evolved to support not just market efficiency, but economic transformation, especially in sectors with a history of ownership concentration and exclusionary business practices. A number of merger cases in South Africa illustrate the use of remedies explicitly aimed at promoting transformation and inclusive participation. Notable examples include the *Walmart–Massmart* merger, which led to the establishment of a Supplier Development Fund and employment protections. [2]

While transformative remedies have become increasingly visible in merger regulation, often tied to ownership, employment, or supplier development commitments, the EDF stands out as a rare and innovative example of a non-merger remedy with explicitly developmental intent. Unlike merger proceedings, where public interest conditions are routinely negotiated under section 12A of the Competition Act, the EDF emerged from consent agreements following cartel investigations. It was part of a negotiated settlement with firms implicated in the Media Cartel case, where the Commission had found price fixing and collusion in advertising discount structures. Rather than pursue only administrative penalties, the Commission sought a forward-looking remedy that would address not just the legal contravention, but the structural exclusion that underpinned the industry. The resulting EDF demonstrates how enforcement powers under section 49D and 58 of the Competition Act can be leveraged to craft remedies that go beyond deterrence, to actively promote inclusion, empower new market entrants, and disrupt persistent inequality in concentrated sectors. Recognising that financial penalties alone would be inadequate to address the long-standing exclusion of black-owned media and advertising firms, the Commission pursued an innovative remedy such as the EDF.

Rather than functioning merely as punitive restitution, the EDF was designed to structurally empower black-owned, community-based, and historically marginalized media enterprises. It responded to broader sectoral realities highlighted in industry reports such as *Who Owns Whom*, which found that less than 2% of advertising spend reaches black-owned agencies, and that the industry remains dominated by multinational conglomerates.[3] The EDF was

[1] OECD. (2011). *Remedies in Merger Cases*. OECD Policy Roundtables. Available at: https://www.oecd.org/daf/competition/RemediesinMergerCases2011.pdf

[2] Competition Tribunal Case No: 73/LM/Dec10; Note also The *Coca-Cola Beverages Africa* merger, which included the divestiture of Appletiser to a black-owned entity and a R400 million Supplier Development Fund (Case No: LM211Dec16); and the *PepsiCo–Pioneer Foods* merger, which resulted in a significant B-BBEE ownership commitment and the creation of a R600 million development fund (Case No: LM131Dec19). These remedies reflect an expanded role for merger regulation in addressing historical exclusion and enabling structural economic reform.

[3] Who owns whom report. Advertising Industry 2023.

therefore not only a response to the anti-competitive effects of collusion, but a remedy aimed at reshaping access to the media and advertising economy, supporting new entrants, and enhancing ownership diversity in a sector that had remained largely untransformed. In doing so, the EDF represents a turning point in the use of competition remedies — aligning enforcement with inclusive economic outcomes.

In South Africa, competition policy forms a key part of broader economic reforms aimed at reducing the concentration of ownership and promoting more equitable participation in the economy. It is often seen, as a tool to increase opportunities for black-owned businesses and address long-standing structural imbalances in market access and control.[4] The South African Competition Act states that its purpose is to promote and maintain competition in the country in order to promote economic development and employment; to advance the social and economic welfare of South Africans; to ensure that SMEs have an equitable opportunity to participate in the economy; and to promote a greater spread of ownership, in particular to increase the ownership stakes of historically disadvantaged persons. The last two objectives give the South African competition institutions a role to play towards achieving inclusive growth and development.[5]

Accordingly, the EDF is an important precedent for how enforcement can be linked to structural transformation in practice. This marks a departure from traditional notions of remedies being strictly backward-looking and corrective. Instead, the EDF reflects a forward-looking and redistributive logic, aiming to open-up a previously concentrated media market by providing resources to underrepresented players. Evaluating the outcomes of the EDF thus requires moving beyond basic compliance — whether firms fulfilled financial commitments — to assessing whether the remedy contributed meaningfully to structural transformation. Did it materially improve market access for black-owned or youth-led enterprises? Did it deliver sustained public interest value, such as capacity building and job creation? As similar remedies are increasingly employed in competition enforcement, the success of the EDF offers a valuable blueprint for the design and implementation of future remedies aimed at fostering inclusive economic outcomes.

3. CASE STUDY: THE ECONOMIC DEVELOPMENT FUND (EDF) AS A TRANSFORMATIVE REMEDY

[4] The Role of Competition Policy in Promoting Sustainable and Inclusive Growth, at para 23.
[5] Ibid at para 37.

3.1. Origins and Purpose of the EDF

In 2011, the Competition Commission initiated an investigation into several major media companies for alleged anti-competitive conduct. By 2015, the scope of the complaint had expanded to include 24 additional respondents in the media and advertising sector. The Commission's investigation revealed that, through Media Credit Co-ordinators (MCC), the firms had collectively agreed on uniform discounts and payment terms for advertising agencies—offering accredited agencies a 16.5% discount and non-accredited ones 15%, both within 45 days. These terms were enforced using a third-party intermediary, Corex, which conducted risk assessments. The Commission concluded that this conduct constituted price fixing and the fixing of trading conditions, in violation of section 4(1)(b)(i) of the Competition Act.[6]

As part of the settlement agreements arising from the Commission's investigation, each respondent agreed to pay an administrative penalty amounting to less than 10% of their respective annual turnovers.[7] Importantly, the remedies extended beyond monetary penalties to include structural and public interest undertakings. Each respondent committed to offering qualifying small advertising agencies an additional 25% in bonus advertising space and/or airtime for every Rand spent, over a three-year period. To ensure transparency and accessibility, this commitment had to be publicly advertised in national media with sufficient reach to inform eligible agencies. Furthermore, respondents undertook to contribute 0.36% of their advertising turnover to the EDF over three years, thereby facilitating the development and empowerment of emerging media enterprises. The fund's stated objective was to support the development of black-owned, emerging, and community-based media and advertising enterprises, while also investing in human capital development through bursaries, training, and mentorship.

Under the terms of the settlement agreements that led to the creation of the EDF, the category of "qualifying beneficiaries" was explicitly defined to align with the EDF's redistributive and transformational objectives. The agreements identified black people as the primary beneficiaries, encompassing four key groups within the media and advertising value chain. These included students requiring bursaries to pursue formal qualifications in media or advertising at accredited tertiary institutions; individuals seeking post-qualification experience necessary to access employment opportunities within the sector; and those in need of financial support for mentoring or training in core business fundamentals such as working capital

[6] Case number: 2011Nov5779 and Case number: 2015Dec0695.
[7] Example, Settlement Agreement between The Competition Commission and CorpCom CR294Feb18/SA135Oct22.

management and human resources. Additionally, the definition extended to black-owned small media or advertising agencies requiring start-up capital and funding for sustainability, thereby ensuring that both individual and enterprise-level interventions were addressed. This targeted framing of eligibility reinforced the remedial function of the EDF as an instrument of inclusion, capacity-building, and market participation for historically disadvantaged groups.[8]

3.2. Administration by the MDDA

Following the establishment of the EDF, the Competition Commission formalized a governance framework through a Memorandum of Understanding (MoU) with the MDDA, appointing the MDDA as the fund's administrator and manager. The MDDA, a statutory body established under the MDDA Act of 2002, was appointed to administer the EDF based on its legislated mandate to promote media diversity, ownership transformation, and access to community media.

In terms of the MoU, the MDDA was tasked with several obligations critical to the transparent and accountable administration of the Fund. These included publishing the terms of the EDF's establishment in national media platforms to ensure outreach to eligible beneficiaries; appointing a dedicated manager responsible for daily operations; and commissioning an independent auditor registered with the Independent Regulatory Board for Auditors to conduct annual audits. Furthermore, the MDDA was required to submit audit reports to the Commission periodically.

The MoU further defined qualifying beneficiaries as black individuals and enterprises that fit the specific criteria defined in the consent agreements. To ensure ongoing oversight and alignment with the Fund's transformation objectives, the MDDA committed to submitting bi-annual progress reports to the Commission. This governance arrangement underscored the strategic intention of the EDF, to move beyond punitive remedies towards a model of developmental enforcement grounded in accountability, impact measurement, and structural inclusion.

3.3. Fund Structure and Design

The EDF was capitalised with R39,146,087.00 in total contributions from media organisations and advertising agencies implicated in anti-competitive conduct. In line with the MOU, the MDDA adopted a formal Funding Principles and Procedures Framework to ensure the coherent, fair, and strategic deployment of resources under the EDF. This framework served three primary objectives: firstly, to establish clear principles and procedures for the administration of bursaries in collaboration with tertiary institutions; secondly, to define the selection and funding criteria for both start-up and existing media or advertising agencies; and thirdly, to provide a structured approach to budgeting and resource allocation across all EDF-supported projects. These operational protocols were designed to align with the broader objectives articulated in the MoU between the MDDA and the Competition Commission, ensuring that funding disbursements were both transparent and transformation driven.

In accordance with the MoU, the Commission and the MDDA agreed on a detailed funding formula as follows; 10% of the Fund was directed towards the administration of the EDF, 30% towards bursaries and post qualification support and 60% was dedicated to the development of qualifying black beneficiaries.

Under this model, 40% of the 60% of the Fund was earmarked for start-up media and advertising agencies, targeting new entrants in the sector; 15% was allocated to support the sustainability of existing black-owned media agencies; 10% was reserved for individuals requiring assistance to gain critical post-qualification experience in the advertising industry; and 5% was designated to sponsor mentoring and training in essential business fundamentals, such as working capital management and human resources. This tiered distribution reflects a developmental approach that seeks to support the full lifecycle of emerging black professionals and enterprises in media and advertising—from education and early-stage growth to operational stability and long-term competitiveness.

To qualify, beneficiaries were required to meet transformation-driven criteria. Startup funding recipients had to be black-owned businesses in need of foundational capital and business development support, while sustainability funding required applicants to be majority black-owned, operational for at least two years, and fall within defined turnover thresholds.

Bursary and post-qualification support targeted black students and graduates pursuing media and advertising careers. This structured allocation reflects a deliberate strategy to embed inclusion, skills development, and long-term market participation at multiple levels of the industry.

The Fund was promoted nationwide in early 2022 through media campaigns on digital platforms, radio, and print. The MDDA received 231 applications in total—114 for start-up funding and 117 for sustainability funding. Following a rigorous evaluation process based on objective scoring against the published criteria, 37 beneficiaries were selected (19 in start-up and 18 in sustainability categories). Selection was intentionally non-discriminatory in terms of geographic region or media format, focusing solely on transformation potential and need.

3.4. Implementation and Disbursement Strategy

- **Bursary Disbursement and University Partnerships**

To implement its bursary programme effectively, the MDDA developed a set of funding principles that prioritized partnerships with historically disadvantaged universities located outside of Gauteng, the Western Cape, and KwaZulu-Natal, as well as institutions affiliated with the Association for Communication and Advertising (ACA). This dual-criteria approach aimed to ensure both geographic equity and alignment with specialized media and advertising training.

The MDDA ultimately signed Memorandums of Understanding (MoUs) with Nelson Mandela University, North-West University, and the Association for Communication and Advertising (ACA). These agreements established the framework for managing and distributing bursary funds to support undergraduate studies and post-qualification experience in media and advertising. Each bursary provided comprehensive support, including tuition, accommodation, books, a laptop, and stipends for full-time students. The MoUs with the tertiary institutions included defined timeframes with the option for extension and placed clear fiduciary responsibilities on the partner institutions. This arrangement ensured that all funding was utilised in accordance with the developmental goals of the EDF, particularly its focus on equitable access, skills development, and sector transformation.

This collaborative framework reflects the EDF’s commitment to cultivating a pipeline of skilled black media professionals by removing financial barriers and promoting institutional accountability in bursary management.

The selection process was embedded within each university’s own application procedures, with institutions tasked with identifying eligible students based on the MoU criteria. To ensure accessibility and transparency, partner institutions were required to publicly advertise bursary opportunities across their platforms, enabling eligible candidates to apply directly through institutional channels.

Ongoing oversight was integral to the administration of the programme. Partner institutions, including ACA, were obligated to monitor student progress throughout the academic year and submit bi-annual reports to the MDDA detailing academic performance and the disbursement of benefits. Continuation of bursary support was conditional on students maintaining a minimum pass rate of 60% in all modules annually.

To operationalise the disbursement, institutions submitted comprehensive documentation to the MDDA, including advertisement records, a full list of applicants and reasons for rejections, demographic details of successful candidates, academic records (where applicable), and verification of laptop and book purchases. Where receipts were unavailable, signed affidavits and justifications were accepted, ensuring accountability while maintaining inclusivity. This rigorous process reflected the EDF’s dual mandate: advancing educational access and upholding financial integrity.

- **Disbursement for Start-Up Funding**

The start-up funding programme under the EDF was designed to assist black-owned small media and advertising agencies in launching their operations. This initiative offered direct financial support to cover a range of foundational business needs. These included operational costs like stipends, salaries, and office rental, as well as essential infrastructure such as computer equipment, creative software, internet, and communication tools. In addition to financial assistance, the programme provided business consultancy and mentorship to help these enterprises build sustainable operations. Overall, the initiative aimed to enable new entrants to establish themselves in the sector and contribute to its transformation and diversification.

The EDF's start-up funding programme followed a structured selection and evaluation process grounded in the Fund's established principles. A public call for applications was issued on 31 January 2022 through various channels, resulting in 231 submissions from media and advertising agencies seeking start-up or sustainability support. The applicants had to be black-owned South African entities with at least two years of operational history, a minimum of two staff members, and annual turnover between R500,000 and R5 million. In addition to meeting these criteria, applicants were required to submit supporting documentation, including tax certificates, audited financials, and detailed business plans. Special consideration was given to agencies based in rural areas and those owned by women, youth, or persons with disabilities, reflecting the EDF’s broader goals of inclusion and transformation in the media and advertising sector.

- **Disbursements for Sustainability Funding**

The EDF’s sustainability funding programme was designed to provide direct financial support to qualifying beneficiaries to help maintain and grow their existing operations. Like the start-up funding stream, this support covered key operational costs such as salaries, office rental, and extended to specific needs like printing, distribution, programme production, and personal protective equipment. A mentorship and coaching subsidy was also included. The selection criteria mirrored those used for start-up funding, prioritising black-owned businesses, especially those led by women, youth and persons with disabilities, thereby reinforcing the EDF’s commitment to transformation and inclusivity within the media and advertising sectors.

- **Disbursements for Training and Mentorship**

The EDF mentorship and training programme was introduced in recognition of the limitations of grants alone in ensuring small business sustainability. To address this, 5% of the fund was allocated to provide mentorship and training support to beneficiaries, especially those receiving start-up and sustainability funding through partnerships with Ciber Digital and Tachfin Holdings. The programme's goal was to equip emerging black-owned media and advertising agencies with critical business skills, including financial management, working capital, HR processes, and operational planning, through a 12-month structured mentorship engagement.

Mentors were tasked with analysing business plans, developing strategic guidance, and tracking implementation. They were required to meet with mentees monthly, conduct at least two in-person sessions, and submit quarterly progress reports. This mentorship model underscored the EDF's holistic approach to transformation by coupling financial assistance with developmental support to build long-term resilience among black-owned firms in the sector. The EDF mentorship programme was purposefully crafted to address the multifaceted barriers—financial, economic, administrative, and behavioural—that often impede the success of small enterprises in the media and advertising sectors. At its core, the programme prioritised financial literacy, equipping beneficiaries with critical capabilities in budgeting, cash-flow and capital-cycle management, and the preparation and interpretation of financial statements. These foundational skills sought to ensure that supported enterprises were not only viable but resilient and investment-ready. Recognising that communication is the lifeblood of any successful media enterprise, the programme also supported the development of strategic communication skills aimed at helping enterprises amplify their impact and visibility. From crafting compelling brand narratives to engaging clients and positioning themselves in competitive markets.

4. OUTCOMES OF THE EDF: EMPOWERMENT THROUGH IMPLEMENTATION

4.1. Impact on Black-Owned Media and Advertising Enterprises

The implementation of the EDF, as detailed in the latest report by the MDDA,[9] demonstrates the tangible, transformative outcomes of the remedy. Beyond its legal function, the EDF has acted as a strategic instrument for economic empowerment, sectoral inclusion, and human capital development. According to the MDDA, the Fund has positively impacted over 37 SMMEs, of which 60% are youth-owned, while also advancing gender empowerment through deliberate support of women-led media initiatives. The Fund's investment in tertiary bursaries, described by the MDDA as a long-term strategy to cultivate leadership, innovation, and

[9] EDF Report-Media Transformation Initiative, 2025 https://mdda.org.za/press/EconomicDevelopmentFund(EDF)Report2025Web.pdf

systemic change, underscores its forward-looking design. Complementary initiatives such as start-up and sustainability funding, mentorship, training, and the provision of free advertising airtime further demonstrate the EDF's capacity to foster structural change and build a more inclusive media and advertising landscape. This section explores these outcomes, drawing on a few success stories to assess the EDF's developmental impact.[10]

Informed by the 2025 MDDA Report, one of the most transformative outcomes of the EDF has been its direct role in fostering job creation and enterprise growth among young black media entrepreneurs, both women and men. Through the EDF's sustainability funding stream, the MDDA undertook a rigorous evaluation of 117 applications and ultimately selected 18 high-potential media enterprises for support. These beneficiaries, many of whom were operating in underserved or rural areas, were not only equipped with financial resources but also provided with strategic mentorship and operational guidance, a holistic intervention designed to reinforce both sustainability and impact.

The result has been a measurable shift in capacity and resilience within the sector. With EDF backing, these media enterprises have expanded their teams, bringing in young and diverse talent that contributes to a more innovative and inclusive media environment. The infusion of new personnel has allowed for greater editorial diversity, improved community outreach, and a rejuvenated organisational culture. Additionally, beneficiaries upgraded their production and operational infrastructure to meet growing demands, using the funding to cover key costs such as printing and distribution, essential for both visibility and market penetration.

The MDDA report offers valuable insight into how start-up funding has been successfully leveraged by emerging enterprises. One notable example is Kgosikgadi Communications, an agency specialising in web development, SEO, paid advertising, and content creation tailored for small and medium-sized businesses across South Africa. With a vision to become a leading brand in digital marketing, the company is equally committed to fostering professional development by offering on-the-job training to young talent, creating a legacy rooted in innovation and empowerment.

Kgosikgadi Communications recognised early the potential of digital tools to level the playing field for small businesses, enabling them to compete with larger, more established players. Their ambition was to establish a robust production house with a strong digital footprint, and they turned to the MDDA and the EDF for support to realise this goal. Through the successful acquisition of start-up funding, the business was able to establish a professional workspace, acquire state-of-the-art production and marketing equipment, and gain access to the EDF mentorship programme. This strategic support not only enhanced operational capacity but also reinforced the company's mission to drive growth for its clients while developing the next generation of digital professionals.

Touch SA Marketing, a Johannesburg-based, black-owned enterprise, exemplifies the transformative impact of the EDF. Specialising in dynamic outdoor marketing solutions, including digital billboards and LED displays, the company is rapidly positioning itself as a pioneer in township-based advertising, with ambitions to scale nationally through multiple billboard installations and job creation.

The company's journey is rooted in the personal aspirations of its Co-Founder and CEO, *Suprise Sekgota*, whose early exposure to billboard advertising during cricket travels ignited a lifelong dream to enter the digital out-of-home (DOOH) advertising sector. Founded in 2016, Touch SA Marketing was built around a vision to increase visibility and brand recognition for clients using high-tech, strategically placed digital platforms. A turning point came when Sekgota learned about funding opportunities from the MDDA. A successful application to the EDF provided the capital needed to acquire billboard site rights, fund construction, and secure municipal approvals. This support proved critical in accelerating project timelines and ensuring delivery within budget.

Having managed over 150 sites and secured clients such as the Government Communication and Information System (GCIS), the company has made significant inroads in an industry valued at over R58 billion—one historically marked by limited black ownership. Today, Touch SA Marketing proudly owns and operates one of the first township-based digital billboards in Soshanguve, a landmark achievement underscoring the EDF’s role in democratising access to South Africa’s advertising economy.

Cardinal Blakq Ink, a 100% black female-owned digital media content company based in Gauteng, is an emerging player in South Africa’s growing digital creative space. With a commitment to producing compelling content and enhancing digital storytelling, the company has set ambitious goals including - achieving financial stability within two years and profitability within five. As they scale, their current focus is on deepening expertise in social media monetisation—a key growth area in the digital economy.

Like many small enterprises, Cardinal Blakq Ink initially struggled to secure traditional financing, with banks proving unresponsive. Undeterred, the team turned to the MDDA, where they found both support and opportunity. Through the EDF, they received critical start-up funding and access to targeted mentorship, enabling them to translate their vision into tangible results.

The funding empowered the business to establish a professional online presence, purchase essential equipment, and invest in industry-standard software. Salaries and operational costs were also supported, laying a strong foundation for sustainable growth.

Inside Education is a pan-African media platform dedicated to covering critical developments in the education sector through its print publications and digital channels. With a core mission to invest in youth and amplify education's role in driving inclusive growth across South Africa and the continent, Inside Education has become a vital voice in the media landscape.

Since its inception in 2016, the EDF has played a transformative role in the organisation's growth trajectory. With targeted support, Inside Education expanded its operational capacity, enhancing its printing and distribution infrastructure, modernising its office facilities, and growing its team from 12 to 15 permanent staff.

Importantly, the funding also enabled the recruitment of 15 interns, 90% of whom were black and 40% female, in line with the EDF's transformation objectives. These young professionals were not only offered practical experience but were also embedded in a newsroom committed to shaping education policy discourse across the continent. Investments in professional-grade office furniture and the establishment of a dedicated reception area signalled a new era of operational excellence for the organisation, further consolidating its role as a trusted educational news authority.

Page 1 Business T/A Metro News is a community-centred publication committed to amplifying local voices within the Mangaung Metropolitan area. Distributed free of charge, the newspaper was born out of a recognition that local news coverage was insufficient and disconnected from the communities it was meant to serve. The EDF, played a pivotal role in overcoming the publication's early barriers, particularly the prohibitive cost of printing and distribution. Following a successful funding application, Metro News was able to cover key expenses such as printing, logistics, and rent—enabling the publication to reach a broader audience and maintain operational continuity during its formative period.

However, like many in the print sector, Metro News faced ongoing sustainability challenges. The limitations of once-off funding and the broader decline of traditional print media necessitated a strategic pivot. In response, the team is now focused on transitioning into the digital space, including launching a robust online platform and developing a presence on YouTube and social media. This forward-looking strategy aims to diversify revenue streams, attract new advertisers and investors, and ensure the long-term viability of the publication. Metro News exemplifies how targeted support from the EDF can seed impactful community journalism initiatives while also illustrating the importance of adaptive, future-oriented business models in the evolving media landscape.

These developments are particularly notable given the challenges posed by the COVID-19 pandemic. Like the start-up recipients, sustainability beneficiaries demonstrated remarkable adaptability, using EDF support to stabilise and reorient their businesses in a rapidly changing landscape. More than just a recovery tool, the EDF has enabled these enterprises to thrive post-crisis, anchoring them as contributors to both the community media sector and the broader South African economy.

Through its sustainability funding stream, the EDF supported 18 established black-owned media enterprises, enabling them to upgrade facilities, cover core operational costs, and expand content production and staffing capacity. These beneficiaries represented a diverse mix of community radio stations, local newspapers, and online platforms, many operating in rural and township areas with historically limited access to advertising markets and investment capital. The funding was critical in the post-COVID recovery period, allowing businesses to retain existing jobs, create new employment opportunities, and improve service quality through enhanced production facilities and digital tools. Several enterprises reported tangible growth in advertising revenue and audience reach following infrastructure upgrades and the addition of skilled personnel.

4.2. Impact on Black Students Pursing Studies in Media and Advertising

A central pillar of the EDF's transformational strategy has been investment in education and skills transfer. More than 80 students were awarded comprehensive bursaries covering tuition, laptops, books, accommodation, and transport. These bursaries were administered in partnership with the Association for Communication and Advertising South Africa (ACASA) and its affiliated Red & Yellow School, North-West University, and Nelson Mandela University. In several cases, institutions adapted their curricula to include specialised advertising and media modules, ensuring that graduates entered the market with industry-relevant competencies.

A further 10% of the EDF was dedicated to post-qualification experience, offering recent graduates structured work placements and mentorship opportunities to bridge the gap between academic study and professional practice.

4.3. Geographic and Demographic Impact of the EDF

The demographic footprint of the EDF demonstrates its intentional role as a tool for inclusive transformation. 60% of all funded enterprises were youth-owned, placing younger entrepreneurs at the forefront of reshaping South Africa's media and advertising industries. More than 50 women-led businesses benefitted directly, contributing to gender parity in a sector where women's participation in leadership has historically been low. Importantly, EDF funding reached all nine provinces, with a strong focus on rural and peri-urban areas often excluded from mainstream advertising revenue flows.

The geographic diversity of beneficiaries highlights the Fund's redistributive function, strengthening local media ecosystems and ensuring regional voices are represented in the national discourse. This approach has not only addressed structural market exclusion but has also stimulated local economies, with several businesses reporting increased local hiring and the creation of indirect economic opportunities within their communities.

5. LESSONS LEARNT FROM THE DESIGN AND IMPLEMENTATION OF THE EDF

- **Partnership as a Pillar of Impact**

The EDF stands as a compelling example of the power of collaborative implementation. At the heart of this initiative lies the strategic partnership between the Competition Commission and MDDA, whose shared vision of economic empowerment and industry transformation created a remedy that extends well beyond traditional sanctions.

The MDDA brought to the EDF a wealth of experience in supporting small commercial and community media, backed by years of administering grant funding, advancing capacity-building programmes, conducting research, and advocating for diversity. Through the EDF, the agency expanded its impact, reaching a broader array of beneficiaries across all nine provinces with a focused mandate on market access, skills development, and sustainability. The partnership illustrates how aligning regulatory enforcement with development expertise can deliver meaningful socio-economic outcomes.

The data is indicative: 37 enterprises supported, 60% youth-owned, and over 50% women beneficiaries, milestones that reflect deliberate and inclusive remedy design. Importantly, the success of this partnership sets a benchmark for future enforcement actions, affirming that regulatory remedies can—and should—advance social justice and inclusive economic participation.

- **Investing in the Next Generation**

Perhaps one of the most enduring legacies of the EDF is the establishment of its bursary programme. With **over 80 students** supported at institutions such as Nelson Mandela University, North West University, and Red & Yellow, the programme has evolved into a long-term investment into the human capital of the media and advertising sectors.

The bursary programme went beyond financial support, it created pathways for historically excluded individuals to access tertiary education, obtain post-qualification work experience, and build careers in a high-barrier industry. The Competition Commission has rightly recognised these students as the future leaders and innovators of the media ecosystem, capable of shaping not only sector dynamics but also contributing to broader economic development.

- **EDF as a Blueprint for Transformation**

More than a funding mechanism, the EDF serves as a catalyst for systemic transformation. By supporting black-owned media enterprises with startup and sustainability capital, complemented by intensive mentorship, the fund has directly facilitated job creation, business development, and industry diversification. Beneficiaries such as *Touch SA Marketing*—which established the first digital billboard in Soshanguve—demonstrate the EDF's ability to unlock innovative capacity and disrupt historically monopolised spaces.

This success has revealed that the EDF is not merely a once-off intervention, but a scalable and replicable model. Its architecture, rooted in accountability, cross-sectoral cooperation, and targeted developmental outcomes, offers a blueprint for designing competition remedies in other sectors facing similar structural exclusion. The emphasis on economic participation, innovation, and sustainability points to a forward-thinking remedy design that aligns legal enforcement with national transformation objectives.

In conclusion, the EDF has proven that remedies, when grounded in effective partnerships and purpose-built for inclusion, can serve as engines of both justice and innovation. Its success challenges the traditional boundaries of competition enforcement, offering a powerful case study in leveraging law for inclusive economic growth.

6. RECOMMENDATIONS FOR FUTURE FUNDING INSTRUMENTS AND IMPLEMENTATION ENHANCEMENTS

Drawing on the experiences and lessons learned from the implementation of the EDF, several key recommendations emerge that could significantly enhance the effectiveness, sustainability, and developmental impact of future remedial or public-interest funding mechanisms:

- **Front-Loaded Mentorship and Business Readiness Support**

One of the most consistent themes from beneficiary feedback was the need for structured mentorship and business training prior to the disbursement of funds. Many small, black-owned media enterprises indicated that receiving guidance in areas such as business strategy, financial planning, marketing, and operational systems before accessing funding would have enabled more efficient use of resources, improved implementation readiness, and strengthened overall profitability. Instituting a pre-funding incubation phase would ensure that beneficiaries have well-developed business cases and robust internal systems in place, thereby accelerating development outcomes and reducing the risk of misapplication.

- **Linking Funders and Beneficiaries for Cross-Learning**

An innovative approach to enhancing the long-term value of remedies would involve leveraging the expertise of companies that contributed to the fund (i.e., those subject to settlement agreements). While politically sensitive, facilitating partnerships between contributors and beneficiaries, such as mentorship, skills transfer, or access to established systems, could yield significant developmental benefits. SMEs could gain valuable exposure to industry best practices, while contributors would demonstrate a proactive role in inclusive growth, potentially enhancing reputational outcomes.

- **Integrated Learning Pathways for Students**

The bursary component of the EDF has shown significant promise; however, its impact could be deepened by integrating work-based learning opportunities within the ecosystem. Future instruments should consider embedding internship or work-integrated learning placements for funded students within media and advertising entities, especially those that contributed to the fund. This would foster a full-circle model of sectoral transformation, enabling knowledge transfer, practical experience, and improved graduate employability.

7. CONCLUSION

The EDF stands as a landmark example of how competition enforcement can be reimagined as a catalyst for inclusive economic transformation. Emerging from cartel conduct in the media and advertising sector, the EDF was deliberately designed to go beyond punitive sanctions and instead channel resources into structural empowerment, capacity-building, and market participation for historically disadvantaged groups. Administered by the MDDA, the EDF's blend of financial investment, capacity-building mentorship, and demographic inclusivity has yielded measurable outcomes - 37 black-owned enterprises supported, more than 50 women-led businesses empowered, 60% youth ownership, and over 80 students funded for industry-relevant qualifications. By coupling resource allocation with skill development and market access, the Fund has proven itself as a model of a forward-looking competition remedy—capable of driving sectoral transformation, fostering equitable growth, and reducing historical disparities in ownership and participation.

Crucially, the EDF illustrates that remedies can achieve both corrective and redistributive functions when aligned with South Africa's transformation mandate under the Competition Act. Its multi-stream design, encompassing start-up and sustainability funding, bursaries, and mentorship, has addressed barriers across the enterprise lifecycle, from market entry to long-term operational stability. By reaching all nine provinces, prioritising rural and township-based media, and integrating skills development, the Fund has reshaped ownership patterns in a historically concentrated sector.

The case study affirms that the success of such initiatives hinges on effective institutional partnerships, rigorous governance, and a strategic focus on public interest objectives. The MDDA's sectoral expertise and the Commission's enforcement mandate combined to create a remedy that was both targeted and scalable. Moreover, the EDF's outcomes show that competition remedies can deliver systemic transformation when they embed forward-looking developmental objectives alongside market correction.

As South Africa and other jurisdictions consider the future of competition enforcement, the EDF provides a replicable blueprint for integrating socio-economic transformation into remedial design. Its experience underscores that well-crafted remedies can serve as engines of innovation, empowerment, and ownership diversification, ensuring that competition law contributes not only to fair markets but to a more equitable economy. The challenge ahead lies in institutionalising such models, refining implementation through lessons learned, and applying them to other sectors marked by structural exclusion, thereby extending the reach of developmental competition law.