



IGAGASI FM ANNUAL COMPLIANCE REPORT

MARCH 2020

2018/2019 ANNUAL COMPLIANCE REPORT

RADIO IGAGASI 99.5 (PTY) LTD BROADCASTING AS IGAGASI FM

Licence Period: 18 December 2018 – 17 December 2028

1. PREFACE

The Independent Communications Authority of South Africa (“the Authority”) has a statutory mandate in terms of the Constitution¹, the ICASA Act² and the Electronic Communications Act³ (“ECA”) and the Broadcasting Act⁴ to regulate broadcasting activities in South Africa in the public interest. One of the main tasks of the Authority, is to monitor compliance by broadcasters with the terms and conditions of their licence, the three Acts and any relevant legislation and regulations.

The purpose of the report is to give an account of Radio iGagasi 99.5 (Pty) Ltd.’s (‘iGagasi FM’) compliance for the 2018/2019 financial year. Aspects of compliance that are measured comprise of Geographic Coverage, Language(s), Format, Training and Skills Development Equity, Staff Development and Employment Equity Plan, General Programming Obligations, Ownership by individuals from historically disadvantaged groups, Financial Year, Regulations Regarding Standard Terms And Conditions For Individual Licensees, General Licence Fees Regulations, Regulations In Respect Of Prescribed Annual Contributions of Licensees to the Universal Service Access Fund and South African Music Content Regulations.

2. BACKGROUND

iGagasi FM is an Individual Sound Broadcasting Service Licensee broadcasting to the Durban Metropolitan, Ulundi, Glencore, Port Shepstone, Greytown and surrounding areas in the Kwa-Zulu Natal Province. The Authority issued iGagasi FM with its licence on 18 December 2008. According to the Broadcast Research Council of South Africa, iGagasi FM is the seventh (7th) most listened to commercial radio station with listenership figures between January 2018 and December 2018 averaging at 1 608 000⁵.

¹ The Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996)

² ICASA Act, 2000 (Act No. 13 of 2000), as amended

³ Electronic Communications Act, 2005 (Act No. 36 of 2005)

⁴ Broadcasting Act, 1999 (Act No. 4 of 1999)

⁵ Appendix A: http://www.brcsa.org.za/BRC-RAM-Radio-Listening-Report-Jan18-Dec18_12-months_final

3. COMPLIANCE ASSESSMENT

3.1. Ownership and Control

Clause 1.1 of the licence provides that:

*"Name of Company/Entity: Radio iGagasi 99.5 (Pty) Ltd"*⁶.

The Licensee is Radio iGagasi (Pty) Ltd as stipulated in its service licence.

The Licensee complies with clause 1.1 of its licence.

Clause 1.2 of the licence provides that:

"Shareholders: Makana Radio Communications (Pty) Ltd (100%)".

The Licensee is 100% owned and controlled by Makana Radio Communications (Pty) Ltd.

The Licensee complies with clause 1.2 of its licence.

Clause 1.3 of the licence provides for:

"Ownership held by persons from historically disadvantaged groups:

Tsiya Radio (Pty) Ltd 41.48%

Victory Parade Trading 55 (Pty) Ltd 8.69%

Kagiso Media Investments (Pty) Ltd 14.39%

The Licensee complies with clause 1.3 of its licence.

3.2. Geographic Coverage Area

Clause 3 of the schedule to the licence stipulates that the geographic coverage area is:

"Durban Metropolitan, Port Shepstone, Ulundi, Glencore and Greytown as defined in the coverage map attached to the Licensee's radio frequency spectrum licence".

The Licensee confirms that the geographic coverage area remains as is defined in service licence and specified in the frequency spectrum licence.

The Licensee complies with clause 3 of the schedule to its licence.

⁶ Appendix B: iGagasi FM's Service Licence

3.3. Broadcast Language(s)

Clause 4 of the schedule to the licence states that:

"Principal languages are 50% isiZulu and 50% English"

The monitoring exercise confirmed that the Licensee broadcasts interchangeably in English and isiZulu. For example, presenters converse in English and then switch to isiZulu; during a news bulletin, a news reader will read the first story in English and the next story is read in isiZulu or a news bulletin is read in isiZulu with English sound bites. Comments left by listeners on the Licensee's Facebook page and recorded voice notes that are sent through by listeners on the WhatsApp line are mainly in isiZulu.

The Licensee complies with clause 4 of the schedule to its licence.

3.4. Format

Clause 5 of the schedule to the licence provides:

"The Licensee shall have a programming format of music in an adult contemporary jazz format".

The monitoring exercise confirmed that the Licensee offers an adult contemporary jazz format (popular music) that includes, Rhythm and Blues with Rock influences, Soul, Pop and Easy Listening.

The following artists were featured: Rubben Stuttard *"Flying without wings"*, Khaya Mthethwa *"Settle for less"*, Ntokozo Mbambo *"Khululeka Moya Oyingcwele"*, Nothando Hlophe *"Yebo"*, R. City ft Adam Levin *"Locked Away"*, Rihanna *"Stay"*, Brandy *"Full Moon"*, Sun-El Musician ft. Simmy *"Ntaba Ezikude"*, Trin-i-Tee *"God's Grace"* and Geoffrey Golden *"Glory to the lamb"*.

The Licensee complies with clause 5 of the schedule to its licence.

4. GENERAL PROGRAMMING OBLIGATIONS

Clause 6.1 of the schedule to the licence stipulates that:

"The Licensee shall broadcast a minimum of thirty (30) minutes of news per day between 05h00 and 23h00".

The Authority's monitoring exercise confirmed that iGagasi FM broadcasts news bulletins on the hour from 06h00 to 18h00 during weekdays and from 07h00 to 17h00 on Saturdays and Sundays. The monitoring exercise also confirmed that each news bulletin is averaging between three (3) and four (4) minutes. On average, the Licensee broadcasts forty-five (45) minutes of news during the week and thirty-eight (38) minutes on weekends.

The following are some of the news items monitored:

- *"Umholi we DA u Mmusi Maimane uthi uhulumeni kuzawumele aqinisekise ukuxhasa osomabhizinisi abancane kuleli.*
- *UMaimane ukhulume kanjalo enkundleni yokuxhumana I Twitter. Uthi, ukuxhasa laba somabhizinisi yikho kuzosiza ukudala amathuba emisebenzi, uqhuba ngokuthi loko kuzosiza kakhulu abafundi abaphuma eMaNyuvesi ukuthi bathole kalula amathuba emisebenzi. The new heroes in South Africa is anyone who creates a job and for us I think they need a government that will work for them, a government that will remove red tape, a government that will make small businesses thrive, a government that will make sure there is infrastructure so that industries like tourism and manufacturing can thrive, a government that is not bloated that will be to size that will give appropriate tax incentives to people. This is crucial if we are going to make sure that not only do we create work but we make sure these young people who just finished their matric year are able to find work";*
- *"International Relations Minister Lindiwe Sisulu says rural people are still not given quality service delivery in the Country. Sisulu had been speaking at the unveiling ceremony of her Grand Father's tombstone Mokiwa Abraham Sisulu, she says during her stay at Quthubeni village in the Eastern Cape, people are still living under hardships and are lacking basic needs such as roads and electricity – And I was informed that this is what happens every time that it rains, whenever there is lightening there is no electricity in the rural areas and you can see the hardship that our people live under and you live it and understand it, it makes me understand so much better when I go to Parliament and I am saying we should make sure there roads in rural areas";*
- *"Usekela nobhala we SACP noyilungu le ANC u Solly Mapaila uthi, intlangano ebusayo izawuqinisekisa ukuthi amagama abakhethelwe ukuyimela e Phalamente ngabantu abangekhe bayithele ngehlazo, u Mapaila usho kanjengoba lentlangano ibinomhlangano ngempelasonto eMhlanga enyakatho ye Theku okudingida lamagama, uthi kuningi futhi okusezawbhekwa kubantu*

ngamunye namunye ukuthi amagama abakuloluhlu ngabantu abanjani – What the list process was seeking to do was not necessarily to defy the process of democratic processes of the structure, it was to endorse that particular process but each name will still come under that prism of criticism of integrity”;

- *“I LadySmith Black Mambazo esingabanye babaculi esebephumele obala ukuthi bafune ukusebenzisana naloyo owayengu Mongameli u Jacob Zuma uma esekhipha icwecwe lakhe lezomculo. U Zuma kulindeleke ukuba akhiphe I album yakhe yomculo wezomculo wezombusazwe ngaphambi kokhetho luka zwelonke kulonyaka. Ekhuluma ne ENCA oyisikhulu esiphezulu kwezovakasha nokuthuthukiswa kwamaciko ngaphansi ko Maspala we Theku u Bonginkosi Ngcobo uziqinisekisile lezindaba. – There are a number of musicians that have sent messages, others have called directly to say can I please be part of this project. I’ve always wanted to have or to do something with the former President. LadySmith Black Mambazo who we had them by the way in our originals plans that together with the former President they were going to do certain songs, they have just called to say we want to make our contribution for free and our studios are available to be used. So, we are targeting the first week or second week of April and I must emphasize also, it is not his project but our project and we thank him so much for being willing to make a contribution to the richness and preservation of the heritage of the people of South Africa”.*

The Licensee complies with clause 6.1 of the schedule to its licence.

Clause 6.2 of the schedule to the licence states that:

“Should the Licensee source news material from a source other than itself the source(s) thereof shall be disclosed during the news broadcast”.

The Authority’s monitoring exercise confirmed the Licensee does disclose the source(s) of news material acquired elsewhere. The Licensee reported sources such as the social media platform Twitter and the twenty-four (24) hour news channel ENCA.

The Licensee complies with clause 6.2 of the schedule to its licence.

Clause 6.3 of the schedule to the licence provides that:

“The Licensee shall broadcast news for an average of six (6) minutes every hour between 06h00 and 09h00 on all weekday mornings. News shall be broadcast in English and isiZulu”.

The monitoring exercise confirmed that between 06h00 and 09h00, the Licensee broadcasts six (6) minute news bulletins broken down into five (5) minute on the hour and a one (1) minute headline. The Licensee broadcasts news in both English and isiZulu.

The Licensee complies with clause 6.3 of the schedule to its licence.

Clause 6.4 of the schedule to the licence stipulates that:

"In compiling news and information programmes, the Licensee shall reflect on news from the Continent".

The Licensee broadcasts news and information from mainly South Africa and the rest from the African Continent as per clause 6.4 above.

The Licensee complies with clause 6.4 of the schedule to its licence.

5. TRAINING AND SKILL DEVELOPMENT OBLIGATIONS

Clause 7.1 of the schedule to the licence stipulates that:

"The Licensee shall put particular emphasis on training and development of staff from historically disadvantaged groups".

During the period under review, according to the Licensee's submission, training and development of staff was in respect of people from historically disadvantaged groups. Training was undertaken in areas such as management, on-air presenting, news gathering and production, technical, sales, marketing and advertising⁷.

The Licensee complies with clause 7.1 of the schedule to its licence.

Clause 7.2 of the schedule to the licence provides that:

"The Licensee shall establish an employee training programme and shall spend a minimum of R500 000 (five hundred thousand Rand) over the licence period thereon".

⁷ Appendix C: ICASA Mar18 – Feb19

The Licensee reported in the submission⁸, that for the year under review it has spent one million two hundred thousand, four hundred and thirteen rand and thirty four cents (R1 200 413.34) on training over the licence period.

The Licensee complies with clause 7.2 of the schedule to its licence.

Clause 7.3 of the schedule to the licence stipulates that:

"The Licensee shall actively pursue the appointment of more women on-air presenters".

According to the Licensee's information⁹, there are twenty-six (26) male presenters and ten (10) female on-air presenters.

The Licensee complies with clause 7.3 of the schedule to its licence.

Clause 7.4 of the schedule to the licence provides for:

"The Licensee to regularly receive and train interns and students from tertiary institutions across South Africa".

During the period under review, the Licensee employed one (1) female intern.

The Licensee complies with clause 7.4 of the schedule to its licence.

6. REGULATIONS

6.1. ICASA South African Music Content Regulations, 2016

The ICASA South African Music Content Regulations, as published in Government Gazette No. 39844 dated, 23 March 2016, stipulates that:

"A holder of a commercial sound broadcasting service licence must ensure that after eighteen (18) months from the date of gazetting these Regulations, a minimum of 35% of the musical works broadcast in the performance period, consists of South African music and that such South African music is spread evenly throughout the performance period¹⁰".

The Authority's monitoring exercise confirmed that on any given day, the Licensee plays between 45 - 48% of South African music. The music genres range from House, Classic Soul, Afro Pop, Gospel, Kwaito and Rhythm and Blues (Popular Music). The South African music

⁸ Appendix C: ICASA Mar18 – Feb19

⁹ <https://qagasiworld.co.za/dj-profiles/>

¹⁰ Appendix D: ICASA South African Music Content Regulations, 2016

played by the Licensee include, amongst others, Sfiso Ncwane "*Kulungile Baba*", DJ Sonnic "*Phakamani*", Khwesta "*Vurvayi*", Kanye West "*I love it*", Prince KB & Busiswa "*Banomoya*" and Cascades "*It's you it's me*".

The Licensee complies with the South African Music Content Regulations, 2016.

6.2. Regulations Regarding Standard Terms and Conditions for Individual Broadcasting Licences, 2010¹¹ as amended

No areas of non-compliance with the Regulations above were identified during the period under review.

The Licensee complies with the standard terms and conditions for individual licences.

6.3. Universal Service and Access Fund Regulations, 2011

Regulation 3(1) of the Universal Service and Access Fund (USAF) Regulations as published in the *Government Gazette* No. 34010 dated, 10 February 2011, provides that:

"Every holder of the licence granted in terms of Chapter 3, 4 and/or 9 or converted in terms of Chapter 15 of the Act, must pay an annual contribution of 0.2% of the annual turnover, to the Fund".

Regulation 3(2) further provides that:

"A BS Licensee who has paid an annual contribution to the MDDA must set off that contribution against its USAF contribution, provided that the MDDA contribution and the USAF contribution against which it is set off are of the same financial year"

The Licensee has paid its USAF contribution as required by Regulations 3(1) and 3(2) of the Universal Service and Access Fund Regulation¹².

The Licensee complies with Regulations 3(1) and 3(2) with respect to the prescribed annual contributions of the Universal Service and Access Fund Regulations.

¹¹ Standard Terms and Conditions for Individual Broadcasting Services, 2010 as published in *Government Gazette* No. 33294 dated, 14 June 2010 as amended.

¹² Appendix E: Recon of Payments

6.4. General Licence Fees Regulations, 2012¹³

Schedule 2 of the General Licence Fees Regulations provides for Individual Commercial Broadcasting Service Licensees to pay annually to the Authority a licence fee of between 0.15% to 0.35% of its gross profit.

Schedule 3(1) of the General Licence Fees Regulations provides for the format for submission of financial statements for the purpose of calculating licence fees.

Schedule 3(2) of the General Licence Fees Regulations provides that:

"All licence holders must submit within six (6) months of their financial year end:

- a) audited financial statements, or;*
- b) financial statements signed by the accounting officer of the Licensee where the Licensee is legally obliged to provide audited financial statements"*

Schedule 3(6) of the General Licence Fees Regulations provides that:

"All payments in respect of Annual Licence Fees are due annually"

The Licensee has submitted its audited financial statements that are signed by their auditor and has paid the required annual licence fees.

The Licensee complies with the General Licence Fees Regulations, 2012.

6.5. Compliance Procedure Manual - Form 12A

The Licensee is required in terms of the Compliance Procedure Manual Regulations to submit a Form 12A which reports on all complaints received in the course of each financial year. According to the Licensee's submission, they did not receive any complaints.

The Licensee complies with the above requirements.

7. CONCLUSION

The Licensee was found to be compliant with all of its terms, conditions and applicable regulations, which suggests that it takes compliance matters seriously.

¹³ General Licence Fees Regulations, 2012 as published in *Government Gazette* No. 36323 dated, 28 March 2013.

8. TERMS OF REFERENCE

- 8.1.** Appendix A: Service licence and frequency spectrum licence;
- 8.2.** Appendix B: BRC-RAM-Radio-Listening;
- 8.3.** Appendix C: ICASA March 18 – Feb 19;
- 8.4.** Appendix D: ICASA South African Music Content Regulations, 2016; and
- 8.5.** Appendix E: Recon of Payments.