

RISE FM ANNUAL COMPLIANCE REPORT

MARCH 2020

2018/2019 ANNUAL COMPLIANCE REPORT

RISE BROADCAST (PTY) LTD BROADCASTING AS RISE FM

Licence Period: 06 November 2018 to 06 November 2028

1. PREFACE

The Independent Communications Authority of South Africa (the Authority) has a statutory

mandate in terms of the Constitution¹, the ICASA Act², the Electronic Communications Act³

(ECA) and the Broadcasting Act⁴ to regulate broadcasting activities in South Africa in the

public interest. Among the responsibilities of the Authority is the task to ensure compliance

by broadcasting service Licensees with the terms and conditions of their licence and any

relevant legislation and/or Regulations.

The report is intended to give a detailed account of Rise FM's performance for the period

2016/2017. Aspects of compliance that are measured comprise of Ownership and Control,

Geographic Coverage, Language, Format, Local Content Obligations, General Programming

Obligations, Training and Skills Development Obligations, Complaints, South African Music

Content Regulations and Regulations on Standard Terms and Conditions for Individual

Licences.

2. BACKGROUND

Rise FM was granted a renewed Individual Sound Broadcasting Service licence on 06

November 2018 to broadcast in the Mpumalanga Province. The radio station has an adult

contemporary talk and music format which is supplemented by a mixture of urban and

contemporary pop music targeting adults within LSM 5 to 10. According to the Broadcast

Research Council of South Africa (BRC), the listenership figures for the last quarter of the

period under review was 27 000⁵.

¹ The Constitution of the Republic of South Africa, No 108 of 1996

² Act No. 13 of 2000, as amended

 3 Act No. 36 of 2005

⁴ Act No. 4 of 1999

⁵ https://brcsa.org.za/brc-ram-listenership-report-oct18-mar19/

3. COMPLIANCE ASSESSMENT

3.1 Licensee Details

Clause 1 of the service licence stipulates that:

"The licence is issued to:

- a. Name of Company/Entity: Rise Broadcast (Pty) Ltd
- b. Shareholders: Tiso Blackstar Group (Pty) Ltd = 100%
- c. Ownership held by persons from historically disadvantaged groups:

Times Media Group = 46.22%

There were no changes reported by the Licensee regarding the name and shareholding of Rise FM during the period under review. However, the Licensee has submitted a licence transfer application to the Authority which will result in a change of shareholding for the licensee, once approved. The application is still being assessed by the Authority's Licensing Division.

The Licensee complies with clause 1 of its licence.

3.2 Geographic Coverage

Clause 2 of the schedule to the licence provides that:

"Mpumalanga Province as defined in the coverage map attached to the Licensee's radio frequency spectrum licence".

The licensee confirms it's broadcasting in Mpumalanga Province utilizing a network of seven transmitter sites across the province. The licensee further states that using this network of seven transmitters is not without challenges as any break down to one of the transmitter sites affects the rest of the network. The licensee states that it is constantly in consultations with its signal distributor, Sentech and as a result, some improvements have been made.

The licensee reports that due to topography issues, its coverage to the areas of Kwa-Mhlanga and Bushbuck Ridge is poor. The Licensee also cites the unavailability of frequencies on relevant broadcast towers that is hampering the station from resolving the situation.

The Licensee complies with clause 2 of the schedule to its licence.

3.3 Broadcast Language/s

Clause 3 of the schedule to the licence stipulates that Rise FM's languages of broadcast are:

"English – 70%; isiSwati - 10%; isiNdebele - 5%; isiZulu - 5%; xiTsonga - 5% and Sepedi - 5%".

The Licensee submits that it broadcasts primarily in English and further state that it is struggling to achieve the rest of its language quotas, but it continuously encourages its presenters to utilize other languages as per its licence conditions. The monitoring exercise found that licensee only broadcasts in English. There were no instances where a show host would use any one of the languages as per the licence conditions. Although the station states that it encourages its presenters to include other languages, the monitoring exercise did not find evidence of this.

The Licensee does not comply with clause 3 of the schedule to its licence.

3.4 Format

Clause 4 of the schedule to the licence provides that:

"The Licensee shall have a programming format of talk and music in an adult contemporary format, which will be supplemented with a mixture of urban and contemporary pop music targeting adults within the LSM 5 to 10".

The license submits that it broadcasts an adult contemporary format, where in music, the station relies heavily on the genres RnB and Soul while incorporating pop music.

Artists that can be heard on Rise FM include *Adele; Joan Armatrading, Mlindo the Vocalist, India Arrie, Michael Bolton, Calvin Harris, Blackbox* and others. On the licensee's talk segment, current affairs show *RISEfmIN60Minutes* discusses various topics at length, including politics, sports and business.

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

3.5 Local Content Obligations

Clause 5 of the schedule to the licence provides that:

5.1 "The Licensee shall source and promote music from artists and/or musicians within the province", and

5.2 The Licensee must promote and develop South African music talent by airing music events, regular interviews with musicians and promoting new musicians from the Mpumalanga Province".

The licensee submits that in order to aim the station's playlist at the slightly more mature end of the market, it has decided to remove certain genres of music from the playlist. These include Kwaito, Gqom, House and the hard-edged Hip Hop.

This resulted in the realization that a majority of the music submissions by local musicians to the station fall outside of the licensee's format. The Licensee states that it continues to engage the local music community in search of music suitable to the format of the station.

With respect to promoting local artists and airing music events, the Licensee submits that, for the period under review, it conducted live interviews with local artists such as *Nduna Kamavovo; Themba Shobede and Afrikaan Roots*. Others who were interviewed were *Cici; Mandla Spikiri; Qness; Musa; Megga* and many others.

Further, the Licensee submits that it supported the following events through live reads, recorded station promos and lead-up interviews:

- Doek on Fleek Chaf Zar
- RISE FM 5th Birthday Wrap Party ZERO 13
- RISE FM 5th Birthday Launch Party News Café Emalahleni
- National Youth Development Agency Music Workshop
- NYE Mbombela
- PENREACH Play Day children's developmental workshop
- Inauguration of the Mpumalanga Premier
- Spin Invasion Chaf Zar
- Picnic Kuzin Kabokweni
- Miss Mpumalanga Communion Church, Mbombela

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

3.6 General Programming Obligations

Clause 6.1 of the schedule to the licence provides that:

"The Licensee shall broadcast Current Affairs between 06h00 and 19h00 during weekdays"

The monitoring exercise confirmed that the Licensee broadcasts a current affairs program called *RISEfmIN60MINUTES* on weekdays between 18:00 and 19:00. The show deals with

various topical issues ranging from media; mining; politics and labour. The show also includes a business segment and an in-depth sports segment.

Clause 6.2 of the schedule to the licence provides that:

"At least 20% of Current Affairs programming must be generated from the coverage area".

The monitoring exercise found topics discussed on the current affairs programme generated from the licensee's coverage area. These topics are dealt with in an in-depth discussion as well as through interviews with relevant persons who form part of the topics. For instance, an interview was conducted with NEHAWU's provincial secretary on the union's intention to conduct a shutdown of TVET colleges in Mpumalanga.

The Licensee complies with clauses 6.1 and 6.2 of the schedule to its licence.

Clause 6.3 of the schedule to the licence provides that:

"The Licensee must broadcast:

- a) forty-four (44) minutes of news (in the form of hourly bulletins between 06h00 and 18h00) each day,
- b) as well as ten (10) minutes of sports news each day from Monday to Friday and
- c) twelve (12) minutes of news on weekends.
- d) The duration of each bulletin will not exceed three (3) minutes."

The monitoring exercise confirmed that the Licensee broadcasts at least forty-four (44) minutes of news each day. These include a daily in-depth sports analysis segment for a duration of approximately ten (10) minutes. The following is a sample of news items broadcast by the radio station during the period under review:

• "Labour Union, Nehawu in Mpumalanga says it will enquire with the office of the premier on the suspension of the head of the provincial education department. Earlier this week the office of the premier confirmed to Rise FM News that Mahlasedi Mohlabane has been suspended pending an investigation. It is widely understood that the suspension is in connection with the alleged corruption, taking place within the school nutrition programme. Nehawu's provincial secretary says as a stakeholder, they are bewildered on the provincial government's silence on the matter – "there's no one that has confirmed with us, why must we enquire ourselves, a stakeholder in the provincial administration, we must be notified about what transpires so that we're able to clarify to our members..."

- Mpumalanga MEC for Human Settlements, Nora Mahlangu is today expected to handover title deeds to beneficiaries at Botleng township. Department Spokesperson Freddy Ngobe this is in a bid to restore property ownership and dignity to the people. "We as a department are continuing to issue several title deeds to low cost housing beneficiaries throughout the province, we are in Victor Khanye Local Municipaloty on Friday, where MEC Mahlangu is expected to issue over 1000 title deeds to deserving beneficiaries from Botleng township and she will continue the campaign to other parts province, Emalahleni, Steve Tshwete, Emakhazeni and others as they're being produced.
- Former Finance Minister Nhlanhla Nene has denied claims about his time at the Public Investment Corporation. Nene appeared before the inquiry into state capture for a second time yesterday to complete his testimony. Nene stands accused of helping a company named Indiafrek with PIC funding. Indiafrek's Ameer Mirza and Nene's son, Siyabonga, are linked, however Nene says his son did not benefit from the PIC.".

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

Clause 6.4 of the schedule to the licence provides that:

"The Licensee must broadcast 40% of news that has been generated from the coverage area"

The following is an example of news generated from the Licensee's coverage area:

- "Labour Union, Nehawu in Mpumalanga says it will enquire with the office of the premier on the suspension of the head of the provincial education department. Earlier this week the office of the premier confirmed to Rise FM News that Mahlasedi Mohlabane has been suspended pending an investigation. It is widely understood that the suspension is in connection with the alleged corruption, taking place within the school nutrition programme. Nehawu's provincial secretary says as a stakeholder, they are bewildered on the provincial government's silence on the matter "there's no one that has confirmed with us, why must we enquire ourselves, a stakeholder in the provincial administration, we must be notified about what transpires so that we're able to clarify to our members..."
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The Licensee complies with clause 6.4 of the schedule to its licence

Clause 6.5 of the licence provides that:

"The Licensee shall make use of SAPA for national and international news. The Licensee will also use its own news team and stringers as well as African Eye News service to source local news"

The Licensee submits that it follows the international trend of using various internet-based news sources.

The Licensee complied with clause 6.5 of the schedule to its licence.

Clause 6.6 of the licence provides that:

"News will be broadcast in English only"

The monitoring exercise confirmed that news is broadcast in English only.

The Licensee complied with clause 6.6 of schedule to its Licence.

Clause 6.7 of Rise FM's schedule to the licence provides that:

"The source(s) of all news material (other than news sourced from the Licensee) shall be disclosed during the news broadcast"

The Licensee submits that it credits the source during the news bulletin if the story was not self-generated internally. The monitoring exercise, however, did not find any sources credited for international news stories during bulletins.

The Licensee did not comply with clause 6.7 of the schedule to its licence.

3.7 Management, Training and Skills Development

Clause 7.1 stipulates that

"The Licensee shall ensure that 50% of the people employed in its senior management are black, of whom 30% will be black women within a five (5) year period. Furthermore, the

Licensee must ensure that it employs historically disadvantaged individuals from Mpumalanga." Table 1, below illustrates details about staff compliment at Rise FM.

Table 1: Staff details at Rise FM

		Local (SA Citizens)							Expatriates	
Staff category	African	Indian	Coloured	White	Male	Female	People	Male	Female	
Technical	1				1					
Non-technical										
Management	4			4	5	3				
Non-management	24			1	7	18				
Interns	3				1	2				
Total	32			5	14	23				

The licensee's submission indicates that at least 50% of senior management is black, and more than 30% of those are women. Furthermore, the licensee employs historically disadvantaged individuals from Mpumalanga, with the on-air talent sourced from that province.

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

3.8 Ownership and Control Obligations

Clause 8 of the licence stipulates that:

8.1 The Licensee must ensure equitable representation of women on its board and management structures.

According to the licensee's submission, there is one-woman representative out of four board members.

8.2 Directors of the Licensee shall retain control and responsibility for the running of the station.

The Licensee submits that the directors have oversight and control for the station.

The Licensee complied with clause 8 of the schedule to its licence.

3.9 Developing the on-air Talent of Local Community Sound Broadcasters:

Clause 9 of the licence stipulates that:

- 9.1 The Licensee shall offer ongoing on the job training support to community sound broadcasters broadcasting within the coverage area by:
- 9.2 Offering individual on-air presenters of such community sound broadcasting services the opportunity to volunteer as guest presenters on the early morning show of Rise FM; and
- 9.3 Offering news staffers of such community sound broadcasting services the opportunity of engaging in job-shadowing in Rise FM's news department.

For the period under review, the Licensee submits that it was not able to execute the obligations contained in clause 9 of its licence and that they are addressing the matter going forward.

The Licensee does not comply with clause 9 of the schedule to its licence.

4 REGULATIONS

4.1. South African Music Content Regulations

Regulation 3(2) of the Regulations on South African Music Content as published on 23 March 2016 provides that:

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

The monitoring exercise found that the Licensee broadcasts at least 35% of SA Music Content. Artists featured on the licensee's playlist include: Sjava; Stimela; Lazy Zamar; Zano; The Soil and many more.

The Licensee complied with the South African Music Content Regulations.

4.2. Regulations regarding Standard Terms and Conditions for Individual Broadcasting Licences

During the year under review, the Authority did not identify any non-compliance by Rise FM with the Standard Terms and Conditions for Individual Licensees.

4.3. General Licence Fees Regulations

Regulation 3(1)(a) of the General Licence Fees Regulations provides that:

"The annual Licence fees prescribed in these regulations and as set out in Schedule 2 apply to holders of Individual and Class ECS Licences, Individual and Class ECNS Licences and Individual Commercial BS Licences".

Schedule 2 under Annual Licences Fees provides that:

"Individual Commercial Broadcasting Service Licensees to pay an annual licence fee of 1.5% of gross profit to the Authority".

Schedule 3(4)(b) and (c) provides that:

"(b) in respect of payment, such are due and payable within 6 months from the end of the Licensee's financial year;

(c) may only be paid by way of an electronic transfer or via direct deposit into the Authority's bank account"

Rise FM has paid their annual licence fees in accordance with the applicable Regulations.

The Licensee complies with the General License Fees Regulations.

4.4. Universal Service and Access Fund (USAF) Regulations

Regulation 3 (1) of the prescribed annual contribution of licences to USAF regulations published on 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) stipulates 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 for the same financial year".

Rise FM paid their USAF contribution within the stipulated period in accordance with the applicable Regulations.

Rise FM complies with the Universal Service and Access Fund Regulations.

5. COMPLAINTS

For the period under review, there were no complaints against Rise FM escalated to the Authority or an industry representative body.

6. CONCLUSION

The Licensee has generally complied with the terms and conditions of its licence and in instances where there was non-compliance, the Authority will raise the areas concerned, with Rise FM, so they may attend to all of that.

7. TERMS OF REFERENCE

- **7.1.** Attachment A: Rise FM's Broadcasting Service Licence;
- **7.2.** Attachment B: Rise FM's Frequency Spectrum Licence;
- 7.3. Attachment C: Rise FM Compliance Submission;
- 7.4. Attachment D: The Licensee's Music Report;
- **7.5.** Attachment E: Standard Terms and Conditions Regulations (individual);
- 7.6. Attachment F: Universal Service and Access Fund Regulations; and
- **7.7.** Attachment G: General Licence Fees Regulations.