



SA FM ANNUAL COMPLIANCE REPORT

MARCH 2020

2018/2019 ANNUAL COMPLIANCE REPORT

SOUTH AFRICAN BROADCASTING CORPORATION (SABC) BROADCASTING AS SA FM

Licence Period: 18 December 2008 – 18 December 2018

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.

This report is intended to give account of SA FM's compliance with the terms and conditions as set out in its license, for the 2017/2018 financial year. Aspects of compliance that are measured comprise of Geographic Coverage, Community Participation, Programming, Format, News and Information, Local Content Obligations, Language(s), South African Music Regulations, Regulations Regarding Standard Terms and Conditions.

2. BACKGROUND

SA FM is an Individual Public Sound Broadcasting Service Licensee of the South African Broadcasting Corporation ("SABC"). The radio station's mandate is to provide a full spectrum service to the following provinces: Gauteng, Mpumalanga, Northern Cape, Limpopo, Northwest, Western Cape, Kwa-Zulu Natal, Free State and the Eastern Cape. SA FM accesses its audience on the frequencies granted to it by the Authority as specified in its Radio Frequency Spectrum Licence. Its signal distribution is provided by Sentech (Pty) Ltd. The radio station broadcasts from its studio's situated at the SABC's premises in Auckland Park, Johannesburg, to the various regions throughout the country.

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

3. COMPLIANCE ASSESSMENT

3.1 Ownership and Control

Clause 1 of SA FM's licence provides that:

"1.1 Name of Company/Entity: The South African Broadcasting Corporation

1.2 Shareholders: The State 100%

*1.3 Ownership held by persons from historically disadvantaged groups:
N/A"*

SA FM forms part of the public service of the SABC and is 100% owned by the State.

The Licensee complies with clause 1 of its licence.

3.2 Geographic Coverage Area

Clause 2 of SA FM's licence provides that:

"The geographic coverage area is as defined in the map attached to the radio frequency spectrum licence."

In the year under review, the Authority did not receive reports or complaints indicating that the radio station has gone beyond its licence area.

The Licensee complies with clause 2 of its licence.

3.3 Language(s)

Clause 3 of SA FM's licence provides that:

"Principal Language: English"

The monitoring exercise found that the principal language of the Licensee is English.

The Licensee complies with clause 3 of its Licence.

3.4 Format

Clause 4 of SA FM's licence provides that:

"4.1 The service authorised by this licence forms part of the public service division of the Licensee.

4.2 The licensed service shall be a full-spectrum service."

The Licensee confirms that SA FM is a public radio station that forms part of the public service division of the SABC. The Licensee further confirms that the service offered is a full-spectrum service.

The Licensee complies with clause 4 of its Licence.

3.5 Local Content Obligations

Clause 5 of SA FM's licence provides that:

"In each year, the Licensee shall, within thirty (30) days of end of the quarter, submit to the Authority written records indicating the extent of:

- 5.1 the different genres; and*
- 5.2 the South African music content, in programming material broadcast on the service during that quarter, in each instance, distinguishing between the genres, providing the relevant details in relation to prime time and the period between 05h00 and 23h00 daily ("the South African broadcast period"), and expressing the relevant details both as an aggregate in minutes and as a percentage of the total of all such programming material."*

The SABC submitted its quarterly written records indicating the different genres, the South African music content and programming material for the period under review. The information contained in the quarterly reports was compared to the findings of the monitoring exercise and the conclusions thereof is outlined below.

The Licensee complies with clause 5 of its Licence.

3.6 General Programming Obligations

Clause 6 of SA FM's licence provides that:

"6.1 General

6.1.1 The Licensee shall ensure that its programming adequately reflects the diversity of South African religions."

The monitoring exercise found that the Licensee broadcast a program called *"Facts of Faith"*. The program tackles topics such as sexuality and religion, life after death, spanking your child, religion versus the law and the human behavior of leaders of faith. The structure of the program is in the form of a debate with various representatives of different religions, such as Christianity, Judaism, Islam and Hinduism amongst others, within South Africa.

The Licensee complies with clause 6.1.1 of its licence.

"6.1.2 The Licensee shall take reasonable steps to provide programming that reflects the cultural and traditional needs of its audience."

The monitoring exercise found that the Licensee broadcast *"The World Stage"* on Saturdays a show that reflects the various cultural and traditional needs of its audience. The program investigates topics such as arts and culture, traditional African systems, various cuisines and the history behind it and African music, amongst others.

The Licensee complies with clause 6.1.2 of its licence.

"6.1.3 The Licensee shall, during the South African performance period, provide programme material that caters and has due regard for the interests of all sectors of South African society and shall provide programming on health-related issues, gender issues relevant to all age groups."

During the period under review the monitoring exercise found that the programme material of the Licensee caters for the interests of all sectors of the South African society. The Licensee has programmes that cater to children such as *"Sharp Sharp"*, sports lovers with programmes such as *"Sport On"* and business enthusiasts with programmes such as *"SA FM Market update"*. Further, programmes such as the *"Jet Set Breakfast"* that covers various lifestyle, pop culture and entertainment topics. The religious sector of society is covered through programmes such as *"Facts of Faith."*

The Licensee complies with clause 6.1.3 of its licence.

6.2 News and Current Affairs

Clause 6.2.1 of SA FM's licensee states that:

"The Licensee shall broadcast at least sixty (60) minutes of news programming each day during the South African performance period."

Some of the news that was broadcasted by the Licensee include:

- *"ANC Women's League President, Bathabile Dlamini, has defended her inclusion on the ANC national list as a reflection of the will of the people. Dlamini who is also the Women's Minister in the Presidency was speaking on the sidelines at the Commission of the Status of Women in New York. Dlamini is on the top 20 list of the ANC."*

- *"The DA says it will sell presidential residences if it wins the upcoming general elections in May. DA leader, Mmusi Maimane, lead a picket outside the Bryntirion Estate in Pretoria this morning. The estate incorporates the President's residence Mahlamba Ndlopfu, the deputy president and the presidential guesthouse. Maimane says its unfair that such estates continue to serve only a few while millions of South Africans are struggling to make ends meat."*
- *"Gauteng Premier David Makhura says the province is currently investigating whether any officials were involved in granting contracts to controversial management facility company Bosasa unlawfully. The provincial government has terminated a 600-million-rand contract with Bosasa. This follows revelations from the inquiry into state capture that the company paid bribes in securing multi-million-rand contracts."*
- *"Retired Constitutional Court judge and human rights activist, Albie Sachs, says exposing corruption is one of South Africa's biggest gains in the 25 years of Democracy. He has referred to institutions such as the Commission into the enquiry into State Capture before which a number of witnesses have exposed corruption and have implicated people both in the public and private sectors. Sachs says that although whites remain privileged and massive unemployment still exists, he is convinced by efforts being made to fight corruption."*

The quarterly reports, as submitted by the Licensee, show that the Licensee on average broadcast of ninety (90) minutes of news during weekdays and eighty (80) minutes of news per day during weekends.

The monitoring exercise found that the Licensee broadcast and exceeds the minimum of sixty (60) minutes of news programming per day. Further, news is spread evenly throughout the performance period.

The Licensee complies with clause 6.2.1 of its licence.

Clause 6.2.2 of the Schedule to SA FM's Licence states that:

"The Licensee shall broadcast at least sixty (60) minutes of current affairs programming each day during the South African Performance Period."

The monitoring exercise found the following current affairs programming broadcast on weekdays by the Licensee:

- "First Take SA": broadcast between 05h00 and 06h00;
- "The Talking Point": broadcast between 09h00 and 12h00;
- "Update at Noon": broadcast between 12h00 and 13h00; and
- "The Viewpoint": broadcast between 20h00 and 22h00.

The monitoring exercise found the following current affairs programming broadcast on weekends by the Licensee:

- "Weekend View": broadcast Saturdays between 06h00 and 07h00; and
- "Weekend View": broadcast Sundays between 06h00 and 07h00.

The quarterly reports, as submitted by the Licensee, show that the Licensee on average broadcast of one hundred and twenty (120) minutes of current affairs during weekdays and eighty (60) minutes of current affairs during weekends.

The monitoring exercise found that the above-mentioned programming culminates to the Licensee meeting and exceeding the minimum broadcast of an average of sixty (60) minutes of current affairs programming per day.

The Licensee complies with clause 6.2.2 of its licence.

Clause 6.2.3 of SA FM's licence states that:

"The Licensee shall in its production of news and current affairs programming:

(i) Exercise full editorial control in respect to the contents of such programming;

(ii) Include matters of international, national, regional and where appropriate, local significance;

(iii) Meet the highest standards of journalistic professionalism

(iv) Provide fair, unbiased, impartial and balanced coverage independent from governmental, commercial or other interference; and

(v) Provide a reasonable opportunity for the public to receive a variety of points of view on matters of public concern".

The SABC's editorial policy stipulates that full editorial control vests with the Licensee. Further, the policy indicates that emphasis is placed on meeting the highest standard of

journalistic professionalism and that coverage should be fair, unbiased, impartial and balanced without any governmental, commercial or other interference.

The monitoring exercise found that the news and current affairs programming as broadcast by the Licensee is in line with its editorial policy.

The Licensee complies with clause 6.2.3 of its licence.

6.3 Programming targeted at Children

Clause 6.3.1 of SA FM's Licence states that:

"The Licensee shall, in the provision of the licensed service, broadcast at least one (1) hour of programming targeted at children (as contemplated in section 10 (1)(g) of the Broadcasting Act) per week during the South African performance period."

The quarterly reports as submitted by the Licensee show that the Licensee broadcast an average of sixty-five (65) minutes of programming targeted at children, per week during the South African performance period.

The monitoring exercise found that the Licensee broadcast the following programming targeted at children:

- "Nali Bali"; and
- "Sharp Sharp".

The above-mentioned programming alternates weekdays at 13h50 for a total broadcast duration of ten (10) minutes each. The monitoring exercise did not find any children's programming broadcast during the weekend and that an average of fifty (50) minutes of programming targeted at children is broadcast per week.

The Licensee does not comply with clause 6.3.1 of its licence.

Clause 6.3.2 of SA FM's licence states that:

"In the production and presentation of its children's programming, the Licensee shall ensure that such children's programming is:

- (i) broadcast at times of the day when children are available to listen;*
- (ii) target at and appropriate for children between the ages of naught (0) and six (6) years and seven (7) and twelve (12) years, respectively; and*

(iii) educational and is made from children's point of views."

The monitoring exercise found that the children's programming identified in paragraph 6.3.1 is broadcast at times of the day when children are available to listen, is targeted at children between the ages of naught (0) and twelve (12) years and is educational whilst being made from a child's perspective.

The Licensee complies with clause 6.2.3 of its licence.

6.4 Educational Programming

Clause 6.4 of SA FM's licence states that:

"The Licensee shall broadcast at least five (5) hours of educational programming (as contemplated in section 10 (1)(e) of the Broadcasting Act) per week within the South African performance period."

The monitoring exercise confirms that the Licensee broadcast the following educational programming:

- "The Headspace" is broadcast daily on weekdays at 22h00 for an average duration of fifty (50) minutes. The programming covers subjects such as politics, religion and economy. It is facilitated through interviews with experts in the field and debates.
- "The Jet Set Breakfast" is broadcast on Saturdays between 07h00 and 10h00 with an average duration of one hundred and twenty (120) minutes. The program touches on subjects relating to the 4th Industrial Revolution, genetic testing and consumer protection.

The quarterly reports, as submitted by the Licensee, show that the Licensee broadcast an average of six (6) hours of education programming per week within the South African performance period.

The monitoring exercise found that the Licensee meets and exceeds the requirement to broadcast more than five (5) hours of educational programming per week.

The Licensee complies with clause 6.4 of its licence.

6.5 Drama

Clause 6.5 of SA FM's licence states that:

"The Licensee shall broadcast at least two and a half (2 ½) hours of drama per week within the South African performance period."

The monitoring exercise confirms that the following drama programming was broadcast:

- *"The Paper"* is broadcast Monday to Thursday at 21h45 for an average duration of fourteen (14) minutes. The radio drama resolves around a student newspaper at a prestigious university that is being bombarded with protests surrounding issues that young people face.
- The book reading is a segment that is broadcast Monday to Thursday at 11h45 until 12h00 with an average duration of fourteen (14) minutes. During the period under review one of the books was *"The Man Who Killed Apartheid"* by Harris Dousemetzis.
- The Sunday Play is broadcast on Sundays at 21h30 for an average duration of twenty-five (25) minutes. During the period under review one example of the Sunday Play that was broadcast was *"The Picture of Dorian Gray"* by Oscar Wilde.

The quarterly reports, as submitted by the Licensee, indicate that the Licensee broadcast an average of two (2) hours and fifty (50) minutes of drama per week during the South African performance period.

The monitoring exercise confirms that the Licensee meets and exceeds the requirement to broadcast at least two and a half hours of drama per week within the South African performance period.

The Licensee complies with clause 6.5 of its licence.

6.6 Informal Knowledge-Building Programmes

Clause 6.6 of SA FM's licence states that:

"The Licensee shall broadcast at least three (3) hours of informal knowledge-building programming per week within the South African performance period."

Some of the informal knowledge-building programmes that were confirmed to be broadcast by the Licensee during the monitoring exercise, include:

- "SA FM Market Update" is broadcast daily during weekdays between 18h00 and 19h00 for an average duration of fifty-five (55) minutes per broadcast. The program provides information on subjects such as economies around the world, stock exchanges and business developments amongst others.
- "The World Stage" is broadcast on Sundays between 10h00 and 13h00 and covers various subjects relating to arts and culture, for an average duration of sixty (60) minutes.
- "SA FM Documentary" is broadcast on Sundays for an average duration of twenty-five (25) minutes. During the period under review the documentary profiled extraordinary South Africans such as Zane Ibrahim and Sindiwe Magona.

The quarterly reports, as submitted by the Licensee, show that the Licensee broadcast an average of four (4) hours of informal knowledge building programming per week.

The monitoring exercise found that the Licensee during the period under review, met and exceeded the required three (3) hours per week of informal knowledge building programming per week.

The Licensee complies with clause 6.6 of its licence.

3.7 Training and Skills Development Obligations

Clause 7 of the schedule to Radio Sonder Grense's licence stipulates that:

"7.1 The Licensee must adopt and implement equal opportunity employment Practice.

7.2 The Licensee must ensure that its management and staff are representative of South African society and that its human resource policies take into account the development of managerial, production, technical and other skills and expertise, particularly with regard to the historically disadvantaged persons.

7.3 The Licensee shall endeavour to achieve fair and reasonable participation by historically disadvantaged persons with respect to:

- (a) its management and control structures;*
- (b) skills development;*
- (c) enterprise development; and*
- (d) procurement.*

7.4 The Licensee must, within thirty (30) days of the end of each financial year, provide the

Authority the written information regarding its compliance with the above requirements.”

The Licensee is in its third year of its three (3) year employment equity plan. During the period under review, the Licensee submits that it successfully implemented employment equity and transformation objectives in line with the relevant legislation which ensured that diversity and inclusion is managed in a non-discriminatory environment. The Licensee implemented various initiatives that was aligned to its employment equity plan and was intended to create awareness, to educate and to challenge employees understanding on different topics relating to diversity and inclusion.

The Licensee submitted its Employment Equity and Transformation report for the period under review. The report indicated that the Licensee made significant progress against its employment equity targets and goals as set out in the employment equity plan⁵.

The Licensee during the period under review achieved a level two (2) BBBEE status and received a total score of 19,61 out of 20 for its Management Control/Employment equity element.

The Licensee delivered 2534 training interventions to 1567 employees during the period under review. Of the 1567 employees, 1088 was trained in accordance with the Workplace Skills Programme and 479 where trained based on operational requirements.

The Licensee submitted that 88% of employees that were trained were from the designated groups (Black, Coloured, Indian). 54,56% were females and 2,55% were employees with disabilities.

The Licensee submitted its Training and Skills Development that provides a detailed breakdown of its compliance with the above requirements, for the period under review, to the Authority for the period under review⁶.

The Licensee complies with its training and skills developments obligations.

⁵ SABC Employment Equity and Transformation: Report to ICASA, Reporting period: 1 April 2018 – end March 2019.

⁶ Appendix C: Skills and

3.8 Provision of audited financial statements to the Authority

Clause 8 of the service licence provides that:

"Licensee shall provide the Authority with the audited annual financial statements of the licensed service within four (4) months of the end of the Licensee's financial year, provided that the Licensee may on good cause apply to the Authority for an extension."

The Licensee submitted its Audited Financial Statements for the 2018/2019 financial year within the stipulated timeframe.

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

4. REGULATIONS

4.1 ICASA South African Music Content Regulations, 2016

Regulation 3.3 of the Regulations on South African Music Content provides that:

"Every holder of a commercial sound broadcasting licence to which these regulations apply must ensure that after eighteen months of the 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".

Some of the South African music tracks that were broadcast during the period under review include:

The Soil "Korobela"; Soweto String Quartet "Imbube"; TK "Sweet Love"; Black Coffee ft Samthing Soweto "Ndod'emnyama"; Low Deep T "Feelings for You"; Eternal ft Amanda Faku "Maradona"; KB "Life is Good"; and Lebo Mathosa "I Love Music".

The South African music content as broadcast by the Licensee is further increased by the interviews it has with South African artists.

Some of the interviews that were held with South African artists during the period under review include:

Nomzamo Dlamini; The Soil; Wouter Kellerman; Mondisi Dyantyi; Chicco Twalla; Slikour; Ongo Muffin; Majosi; Reza Khota; Anna Deval; and Zonke Dikana.

The Licensee submits that it broadcast an average of seventy percent (70%) South African music content in the South African performance period.

The monitoring exercise found that the Licensee broadcast the minimum of seventy percent (70%) of the musical works consist of South African music. The monitoring exercise further found that the South African music is spread reasonably evenly throughout the said period.

The Licensee complies with the Regulations on South African Music Content.

4.2 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 during each financial year.

The Licensee submitted the required Form 12A. Further, the Licensee is a member of the National Association of Broadcasters ("NAB") and complaints in relation to the Code of Conduct by Broadcasters are administered by the Broadcasting Complaints Commission of South Africa ("BCCSA").

The Licensee complies with the Compliance Procedure Manual Regulations.

4.3 Regulations regarding Standard Terms and Conditions for Individual Broadcasting Licensees

The Authority is satisfied that during the period under review the Licensee did not contravene the regulation in respect of the Standard Terms and Conditions for Individual Licences.

4.4 Universal Service and Access Fund Regulations

Regulation 3 of the USAF Regulations provides that:

- 1) *"Every holder of a licence granted in terms of Chapters 3, 4 and/or 9 or converted in terms of Chapter 15 of the Act, must pay an annual contribution of 0.2% of its Annual Turnover to the Fund.*
- 2) *A Broadcasting Service 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”.

The Licensee paid its annual contribution to the USAF and duly submitted proof to the Authority. The Licensee received confirmation of payment in the form of a Section 18A certificate from the MDDA.

5. CONCLUSION

SA FM is compliant with most of its obligations, often exceeding the minimum requirements as set out in its license and applicable regulations. The area of non-compliance regarding of the children’s programming has been brought to the attention of the licensee. No progress has been made in regards thereto from the previous Annual Compliance Report.

6. TERMS OF REFERENCE

- 6.1** Appendix A: Service and Frequency spectrum licence;
- 6.2** Appendix B: Editorial policies;
- 6.3** Appendix C: Skills and Training Development Report 2018/2019;
- 6.4** Appendix D: South African Music Content Regulations of 2006;
- 6.5** Appendix E: Regulations Regarding Standard Terms and Conditions; and
- 6.6** Appendix F: Universal Service Obligation Fund Regulations.