



METRO FM

ANNUAL

COMPLIANCE REPORT

MARCH 2022

2020/21 ANNUAL REPORT

SOUTH AFRICAN BROADCASTING CORPORATION ("SABC") BROADCASTING AS METRO 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, 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 purpose of the report is to give an account of Metro FM's compliance with the terms and conditions as set out in its licence for the 2020/2021 financial year. Aspects of compliance that are measured comprise of Format, Local Content Obligations, General Programming Obligations and Training and Skills Development.

Further, the report will measure compliance with regulations that include South African Music Content, Standard Terms and Conditions for Individual Licensees, Universal Service and Access Fund, General Licence Fee, Code of Conduct for Broadcasters, and the ICT Covid-19 National Disaster Regulations⁵ first published in April 2020 and the subsequent amendments following the proclamation of the State of National Disaster.

The ICT Covid-19 National Disaster Regulations as amended have introduced exemptions with specific service licence conditions and/or revised quotas and such will be reflected in the body of the report accordingly.

¹ The Constitution of the Republic of South Africa Act, 1996 (Act 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 The ICT COVID-19 National Disaster Regulations, 2020 as published in *Government Gazette* No. 43207 dated, 06 April 2020, as amended.

2. BACKGROUND

Metro FM holds an Individual Broadcast Service Licensee of the South African Broadcasting Corporation ("SABC"). The licensee's language of broadcast is English. The radio station's mandate is to provide a full radio spectrum service to the urban areas of all the nine provinces of South Africa.

3. COMPLIANCE ASSESSMENT

3.1. Ownership and Control

Clause 1.1 of the licence stipulates as follows:

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

Clause 1.2 of the licence stipulates that the shareholders are as follows:

"Shareholders: The State: 100%"

Clause 1.3 of the licence stipulates that:

"Ownership held by persons from historically disadvantaged groups: NA"

Metro FM forms part of the public service of the South African Broadcasting Corporation which is 100% owned by the state.

The Licensee complies with the above clauses.

3.2. Geographic Coverage

Clause 2 of the schedule to Metro FM's licence prescribes that:

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

According to the frequency spectrum licence, the radio station's coverage areas are: Gauteng, Mpumalanga, North-West, Northern Cape, Free State, Eastern

Cape, Western Cape, KwaZulu-Natal and Limpopo.⁶ The Licensee has confirmed that its footprint has not changed.

The Licensee complies with clause 2 of its licence.

3.3. Language(s)

Clause 3 of the schedule to the licence stipulates for Metro FM to broadcast in:

"Principal Language is English".

The Authority's monitoring confirmed that the Licensee's language of broadcast is English

The Licensee complies with clause 3 of its licence.

3.4. Format

Clause 4.1 of the schedule to the licence provides that:

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

Clause 4.2 stipulates that:

"The licensed service shall be a sound broadcasting service in an urban contemporary format".

Metro FM is a commercial radio station of the SABC and offers its audience as outlined in the licence.

The Licensee complies with clauses 4.1 and 4.2 of the schedule to its licence.

3.5. General programming obligations

3.5.1 General

Clause 6.1.1 of the schedule to Metro FM's licence stipulates:

"The Licensee shall ensure that its programming adequately reflects the diversity of South Africa's Religion".

⁶ Ibid

The Licensee's editorial policy (2004) provides that:

"Religious programmes should take account of the regional factors, target audiences, language and cultural preferences, and the devotional needs of specific groups".

The Licensee's editorial policy (2004) provides that:

"Religious programmes should take account of the regional factors, target audiences, language and cultural preferences, and the devotional needs of specific groups".

The Licensee broadcasts a religious programme called "Sacred Space" with Thami Ngubeni on Sunday mornings between 06h00 and 09h00. The show features inspirational talks by studio guests from various churches, as well as gospel music and inspirational music both local and international. The show also invites listeners to call and share their stories, challenges and how they use the power of prayer to overcome challenges in their personal lives.

The Authority's monitoring exercise confirms the Licensee's compliance with clause 6.1.1 of its licence.

Clause 6.1.3 of the schedule to Metro FM's licence reads that:

"The Licensee shall during the 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".

"The Bridge" is a variety show, from 09h00 until 12h00 on weekdays (Monday until Friday). The show covers a wide range of topical issues such as lifestyle, health related issues, financial education as well as career and personal wellness among others. The programme allows for phone in participation by listeners.

There is *"Metro FM talk with Ayabonga Cawe"* which is a current affairs show broadcast from 19h30 until 21h00 on Mondays and Thursdays. The show covers a wide range of topical issues such as political issues, socio-economic developments, rural development as well as news stories around the African Continent. The programme allows for phone in participation by listeners".

Sound broadcasting Licensees were exempt from compliance with specific programming requirements and promises of performance during the National State of Disaster. Therefore, findings on compliance with this clause of the licence were not made/determined.

3.5.2 News and Current Affairs

Clause 6.2.1 of the schedule to Metro FM's licence stipulates:

"The Licensee shall broadcast at least 30 minutes of News per day during the South African Performance Period".

The monitoring exercise conducted for the period under review revealed that Metro FM broadcasts news bulletins every hour on the hour and headlines every half hour daily, mornings as well as afternoons. The duration of the news bulletins is between three (3) and five (5) minutes. This adds up to a total exceeding 30 minutes each day of news during the South African performance period.

Among the news stories covered were excerpts from several newscasts, as follows:

- *President Cyril Ramaphosa has moved the country to alert Level 4 lockdown, with stricter restrictions from Monday. The Ministerial Advisory Committee advised that the limited restrictions previously imposed are not effective.*
- *The On this day last year, South Africa recorded its first coronavirus case. Apart from the constant but often unclear updates from the World Health Organization, very little was known about the virus, whose outbreak was initially detected and mostly concentrated in China.*
- *The former President Jacob Zuma is finally behind bars. Zuma is now a resident of the Estcourt Correctional Centre in KwaZulu-Natal. After a number of dramatic days leading up to his imprisonment, Zuma's speeding convoy left his Nkandla homestead before the midnight deadline set by the Constitutional Court.*

Sound broadcasting Licensees were exempted from compliance with specific programming requirements and promises of performance during the National State of Disaster. Therefore, findings on compliance with this clause of the licence were not made/determined.

Clause 6.2.2 of the schedule to Metro FM's licence stipulates:

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

- i. Exercise full editorial control in respect of contents of such programming;*
- ii. Include matters of national, regional, international 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 Licensee's editorial policies indicate that the Licensee exercises full editorial control in respect of contents of its programming. The editorial policies further indicate that the Licensee endeavours to meet the highest standards of journalistic professionalism. Further, the editorial policies provide for fair, unbiased and impartial coverage independent from government, commercial or other interference.

During the period under review, the monitoring exercise revealed that Metro FM broadcasts matters of regional, national and international significance.

Sound broadcasting Licensees were exempt from compliance with specific programming requirements and promises of performance during the National State of Disaster. Therefore, findings on compliance with this clause of the licence were not made/determined.

3.7 Training and Skills development Obligations

Clause 7 of the schedule to the Metro FM's licence stipulates that:

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

The Licensee submitted its Employment Equity and Transformation report for the period under review (2019/2020) to the Authority. The report acknowledges the

importance of diversity in the workplace and that employment equity is an imperative business driver.

The Licensee implements various education and awareness campaigns with the intention to create and to maintain a respectful, inclusive and non-discriminatory workplace.

The report indicates that the management and staff of the Licensee are representative of South African demographics, including 83 employees living with disabilities. The Licensee further endeavours to ensure that females are well represented at all occupational roles and especially in decision making positions.

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*

The Licensee through its Learning and Development department implements a workplace skills programme in alignment with the needs of the organisation. During the period under review 87% of the people that were trained were from historically disadvantaged backgrounds, with females representing 54,5% of the overall total. The total amount spent on training for the period under review was R10 332 040. The training included among others, customer service, effective presentation skills, stress management, office administration and time management.

The report shows the extent to which historically disadvantaged people are represented throughout the organisation. In addition, the Licensee has a National employment equity forum that continues to monitor and evaluate the implementation of the Licensee's employment equity objectives.

The Licensee submitted both its Employment Equity and Transformation plan⁷ report as well as its Training and Skills Development report, that respectively provide a detailed breakdown of its compliance with the above requirements to the Authority for the period under review.⁸

The Licensee has complied with its training and skills developments obligations.

3.8 Provisions of Audited financial statements

Clause 8 of the schedule to Metro FM's licence stipulates that:

"The 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 ground shown apply to the Authority for extension".

The Licensee submitted its Audited Financial Statements for the 2020/2021 financial year. However, the submission was outside the stipulated timeframe due to Covid 19 related delays.

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

4. REGULATIONS

4.1. South African Content Music Regulations⁹

The Regulations on South African Music Content as published on 31 January 2006 stipulates that:

"All public service radio stations must play a minimum 40% South African music content during the South African performance period".

⁷ SABC Employment Equity and Transformation: Report to ICASA, Reporting period: 1 April 2019 – end March 2020.

⁸ Appendix C: Skills and Training Report

⁹ Appendix G: ICASA South African Music Content Regulations, 2016 as published in Government Gazette No. 39844 dated, 23 March 2016

The Licensee submitted that, for the period under review, it has played an average of 65% of South African music.

According to the recordings monitored, Metro FM played approximately 65% South African Music content during the period under review.

The radio station plays a wide variety of music genres from Maskandi, Amapiano, Kwaito, Jazz, Afro-Pop, House, RnB, Rock, Gospel and cultural music. The local music played by the radio station includes among others: Sjava, Micasa, Blaq Diamond, Judith Sephuma, Soweto Central Chorus and Ami Faku.

The monitoring exercise has taken into consideration the impact of the reduced performance period on compliance with this clause; therefore, findings of compliance with this clause of the licence were not made.

4.2. Standard Terms and Conditions

During the year under review, the Authority did not find any non-compliance by the Licensee with the Regulations on Standard Terms and Conditions for Individual Licensees, 2010 as amended.

4.3. Universal Service and Access Fund Regulations ¹⁰

Regulation 3 of the USAF Regulations stipulates 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 after negotiations with the MDDA to pay USAF in instalments and duly submitted proof to the Authority. The Licensee received confirmation of payment in the form of a section 18A certificate from the MDDA. The SABC's financial year end is March.

¹⁰ Appendix H: General Licence Fees Regulations, 2012 as published in *Government Gazette* No. 36323 dated, 28 March 2013, as amended

The Licensee has complied with the USAF Regulations.

4.5. Compliance Procedure Manual – Form 12A

The Licensee is required, in terms of the Compliance Procedure Manual Regulations, to submit a Form 12A¹¹ which reports on all complaints received in each financial year. In April 2018, the SABC submitted its complaints report in accordance with the Regulations regarding the Code of Conduct for Broadcasting Service Licensees.

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.

5. CONCLUSION

The exemptions and suspensions imposed on Licensees due to the National State of Disaster have been lifted for the next review period. Complete monitoring of compliance with licence conditions and regulations will be conducted in the next review.

6. TERMS OF REFERENCE

Annexure A : Metro FM's Service and Spectrum Licences;

Annexure B : Training & Skills Development Report;

Annexure C : Regulations on Standard Terms and Conditions for Individual Broadcasting & Individual Electronic Communications Services, 2010 as published in *Government Gazette* No. 33294 dated, 14 June 2010, as amended;

¹¹ Appendix E: ICASA Compliance Procedure Manual Regulations, 2011 as published in *Government Gazette* No. 34863 dated, 15 December 2011. (**Form 12A**: ECN/S and BS Complaints Reporting).

- Annexure D : USAF Regulations 2011, published in *Government Gazette* No. 34010 dated, 10 February 2011;
- Annexure E : Processes and Procedures Regulations for Individual licences published in *Government Gazette* No. 33293 dated, 14 June 2010, as amended;
- Annexure F : ICASA South African Music Content Regulations, 2016 as published in *Government Gazette* No.39844 dated, 23 March 2016;
- Annexure G : Proof of SABC's Contribution to USAF; and
- Annexure H :The ICT COVID-19 National Disaster Regulations, 2020 as published in *Government Gazette* No. 43207 dated, 06 April 2020, as amended.