



RISE FM ANNUAL COMPLIANCE REPORT

MARCH 2022

2020/2021 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 purpose of the report is to give an account of Rise 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, Training and Skills Development, Finances, Complaints, ICT COVID-19 National Disaster Regulations; South African Music Content Regulations, Regulations Regarding Standard Terms and Conditions, Universal Service and Access Fund (USAF) Regulations, and General Licence Fees Regulations.

2. BACKGROUND

Rise FM is an Individual Broadcasting Service Licensee with a renewed licence granted on 06 November 2018 to broadcast in the Mpumalanga Province. For the period 2020/2021 (peak COVID-19), there was no audience measurement report from the Broadcast Research Council of South Africa (BRC), however, for the licensee, the listenership figures for the previous reporting period was 36 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-jan19-dec19/>

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%

For the period under review, the licensee confirmed that the radio station is now wholly owned by the Lebashe Investment Group. According to the Authority's records, the license has not been updated as a transfer application has not been submitted.

Regulation 2(1) and (2) of the Standard Terms and Conditions for Individual Licensees states:

"A Licensee must submit a written notice to the Authority within seven (7) days of the occurrence of the following changes in its licence:-

- (a) The name of the Licensee;*
- (b) Contact details;*
- (c) Shareholding; and*
- (d) Notices and addresses."*

"Any transfer of shares undertaken in terms of 2(1)(c) above must comply with all licence terms and conditions of the Act"

The Licensee did not comply 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 the use of a network of seven transmitter sites across the Mpumalanga Province. The Licensee has previously indicated that there are

coverage issues with the Kwa-Mhlanga and Bushbuckridge areas. For the period under review, the licensee has not indicated any improvement in this regard.

The Licensee did not comply 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 utilises English as its primary language of broadcast. The monitoring exercise other languages including isiSwati and isiZulu. Other languages did not feature during most programming. There is room for improvement in this regard.

The Licensee partially complies 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 monitoring exercise confirmed an adult contemporary format that is supplemented by urban pop and R&B. Mid 90's hits from artists such as Jodeci; Aaliyah; JoJo; Chris Walker; Joe Nina and Joe Thomas can be heard during programs, while newer urban pop from the likes of Ella Mai; Jhené Aiko; Blaq Diamond and Yuna target a more generation-X type of audience in the higher LSMs.

The Licensee complied 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".*

For the period under review, and in line with the ICT COVID-19 National Disaster Regulations, the performance period was shortened by a period of at least four (4) hours, which resulted in some programmes not airing as per regular programming schedule.

However, the monitoring exercise did find enough local artists' music being given airtime, considering that COVID-19 restrictions were applicable on gatherings and concerts at the time.

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"

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".

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."*

For the period under review and in line with the ICT COVID-19 National Disaster Regulations, the performance period was shortened by a period of at least four (4) hours, which resulted in some programmes not airing as per regular programming schedule.

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 extracts of news was found during the monitoring exercise:

- *"Disruptive heavy rains which may lead to flooding are expected today. The South African weather service has warned that the downpour is likely to damage both informal and formal settlements. The Weather Service has further cautioned that infrastructure damage can also be expected alongside measure disruptions on many of the provincial roads."*
- *"No injuries or fatalities have been reported at Eskom's Kendal Power Station. The parastatal says a large fire broke out at its Kendal power station earlier on Friday. The utility said that one of its conveyor belts caught fire. The blaze was extinguished and the conveyor belt has already been replaced. The utility said that the station was now operating as usual. South Africans had to put up with level three load shedding earlier this week due to breakdowns at Eskom's aging power stations."*
- *"Mpumalanga police have arrested a police constable and a suspect in connection with a cash-in-transit heist which took place near KaNyamazane recently. Police said a group of armed suspects accosted and disarmed three security guards who were replenishing ATMs in the Moutse West area on Monday, February 1. The suspects used explosives to blow up the truck's safe and fled the scene in a Mercedes Benz, Audi Q3, and an Audi A4, with an undisclosed amount of cash. Mpumalanga Hawks spokesperson Captain Dineo Lucy Sekgotodi said police made a breakthrough when they arrested a 38-year-old police constable linked to the suspects."*
- *"Police Constable Zacharia Makgaolane Magopa, 38, was remanded in custody when he appeared at the Vaalbank Magistrate Court on Thursday 04 February 2021."*

The Licensee complied 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 makes use of most of the mainstream media news sites to generate its new content. Other sources include government departments; NGOs; police service and political parties. The monitoring exercise confirmed the above submission.

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 found English as the main language of news broadcasts.

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 monitoring exercise found that most of the news broadcast by the licensee is predominantly from the Mpumalanga Province and is generated from the licensee through various sources of either live reporting from freelancers in the province or engaging with press releases from various sources.

The Licensee complied 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."

For the period under review, there was an exemption on the above-mentioned obligation under the provisions of the ICT COVID-19 National Disaster Regulations.

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.

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

For the period under review, there was an exemption on the above-mentioned obligation under the provisions of the ICT COVID-19 National Disaster Regulations.

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, there was an exemption on the above-mentioned obligation under the provisions of the ICT COVID-19 National Disaster Regulations.

4 REGULATIONS

4.1 ICT COVID-19 National Disaster Regulations

Following the declaration of the National State of Disaster under the Disaster Management Act, 2002, the Authority published the ICT COVID-19 National Disaster Regulations in April 2020, and its subsequent Amendments. The purpose of the Regulations was, among others to prescribe minimum standards for Licensees in line with the National State of Disaster. The Regulations generally provided for the relaxation of some obligations for Licensees under prevailing

circumstances. The exemptions and/or suspensions for Broadcasting Licensees include:

- *The performance period was shortened from 05h00 – 23h00 to 07h00 – 21h00;*
- *The requirement for licensees to submit programming logs and recordings to the Authority quarterly was suspended;*
- *Television broadcasting service Licensees were exempted from compliance with the local television content quotas and specific advertising and programming requirements in terms of licence conditions during the National State of Disaster;*
- *Sound broadcasting service Licensees were exempted from compliance with specific programming requirements and promises of performance in terms of licence conditions during the National State of Disaster;*
- *Sound broadcasting service Licensees to comply with the local content music quotas; and*

There were no incidents of non-compliance with the ICT COVID-19 National Disaster Regulations for the period under review.

4.2. 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 above 35% of SA Music Content. Featured artists on Rise FM’s playlist include *Big Zulu; Kelly Khumalo; Black Coffee; Vusi Nova; Malik; Mpumi; Musa, Ntsiki and Tshego AMG; Coleman; Lady Zamar; Mi Casa; Blaq Diamond and many others.*

The Licensee complied with the South African Music Content Regulations.

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

The monitoring exercise confirmed an incident of non-compliance with the Standard Terms and Conditions for Individual Licences. The Broadcasting Compliance Unit will escalate the matter.

4.4 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"

The Licensee paid their annual licence fees in accordance with the applicable regulations.

The Licensee complied with the General Licence Fees Regulations.

4.5 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".

A confirmation of the Licensee's annual contribution to the MDDA was received from the Licensee, and this was done within the stipulated timeframes.

The Licensee complied with the USAF Regulations.

5. COMPLAINTS

Form 12A: Complaints Report of the Compliance Procedure Manual Regulations read with the Code of Conduct for Broadcasters requires that broadcasters complete the form bi-annually in accordance with the Licensees' Financial Year.

The Licensee is affiliated to the National Association of Broadcasters ("NAB"), and as such, any complaints related to this Licensee is administered through the Broadcasting Complaints Commission of South Africa ("BCCSA"). For the period under review, there were no complaints escalated to the Authority.

6. CONCLUSION

The Licensee did not comply with the Standard Terms and Conditions for Individual Licences as well as its coverage area obligations. Further, Licensee did not comply with clause 3 of the schedule to the licence on languages of broadcast. The Broadcasting Compliance unit will take up the matter with the Licensee and if needs be, escalated further to the CCC, for a hearing.

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

7.7 Attachment G : General Licence Fees Regulations

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