

SA FM ANNUAL COMPLIANCE REPORT

MARCH 2022

2020/2021 ANNUAL COMPLIANCE REPORT

SOUTH AFRICAN BROADCASTING CORPORATION (SABC)

BROADCASTING AS SA 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.

This report seeks to give an account of SA FM's compliance with the terms and

conditions, as set out in its license, during the financial year ending March 2021.

Aspects of compliance that are measured comprise of the service licence's

conditions of Geographic Coverage Area, Broadcast Language, Format, Local

content Obligations, General Programming Obligations, Training and Skills

developments and Ownership and Control Obligations.

Furthermore, the report will measure compliance with regulations that includes

South African Music Content, Standard Terms and Conditions for Individual

Licensees, Universal Service and Access Fund, General Licence Fees, Code of

Conduct for Broadcasters, and the ICT Covid-19 Regulations first published in April

2020 and the subsequent amendments following the proclamation of the State of

National Disaster.

The ICT Covid-19 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.

 $^{\mathrm{1}}$ 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 200

2. BACKGROUND

The Licensee is an Individual Public Sound Broadcasting Service Licensee⁵ 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.

The Licensee 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.

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"

The monitoring exercise as undertaken during the period under review, confirmed that the information reflected in clause 1 of the Licensee's licence has remained unchanged.

The Licensee complies with clause 1 of its licence.

3.2 Name of the station

Clause 1 of the Schedule to SA FM's licence provides that:

"Name of Station: SA FM"

The monitoring exercise confirmed that the Licensee broadcast with the station name "SA FM".

⁵ Appendix A: Service and Frequency spectrum licences

The Licensee complies with clause 1 of the Schedule to its licence.

3.3 Licence Period

Clause 2 of the Schedule to the licence of SA FM states that:

"2.1 The effective date of the Licence is 18 December 2018.

2.2 The Licence shall expire on 17 December 2028".

The period under review falls within the validity period of the Licensee's licence and the licence is only due for renewal in 2028.

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

3.4 Geographic coverage area

Clause 3 of the Schedule to SA FM's licence states that:

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

No complaints were lodged with the Authority stating that the Licensee is broadcasting outside of the defined coverage area as per the map attached to its frequency spectrum licence. The monitoring exercise confirmed that the Licensee operates within its prescribed geographic coverage.

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

3.5 Language(s)

Clause 4 of the Schedule to SA FM's licence provides that:

"Principal Language: English"

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

The Licensee complies with clause 4 of the Schedule to its Licence.

3.6 Format

Clause 5 of the Schedule to SA FM's licence provides that:

- "5.1 The service authorised by this licence forms part of the public service division of the Licensee.
- 5.2 The licensed service shall be a full-spectrum service."

The monitoring exercise confirmed that the service authorised by the licence forms part of the public service division of the Licensee and that the service is a full-spectrum service.

The Licensee complies with clause 5 of the Schedule to its Licence.

3.7 Local Content Obligations

Clause 6 of the Schedule to 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:

- 6.1 the different genres; and
- 6.2 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 ICT Covid Regulations exempt Licensee's from submitting quarterly reports as stipulated in their licence terms and conditions. However, Licensees were required to keep the information and submit to the Authority upon request.

The SABC submitted Good Hope FM's quarterly reports for the period under review in line with the ICT Covid Regulations. The Reports indicated the different genres, the South African music content and programming material for the period under review.

3.8 Programming Obligations

Clause 7 of the Schedule to SA FM's licence provides that:

"7.1 General

7.1.1 The Licensee shall ensure that it's programming adequately reflects the diversity of South African religions."

The monitoring exercise confirms that the Licensee broadcast religious content that adequately reflects the diversity of South Africa's religions. Various religions are represented in the inter- and intra-faith discussions of the Licensee's program "Facts of Faith".

The Licensee complies with clause 7.1.1 of the Schedule to its licence.

"7.1.2 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 programming of the Licensee reflects the cultural and traditional needs of its audience. The programming found during the monitoring exercise catered to all sectors of South African society and was inclusive of its various cultures and traditions.

The Licensee complies with clause 7.1.2 of the Schedule to its licence.

"7.1.3 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."

The monitoring exercise confirmed that the Licensee broadcasts various programme material that is of relevance for the different sectors of South African society. Health-related issues and gender issues are frequently discussed during the broadcast of programmes such as "Life Happens"; "The Viewpoint" and "Headspace".

The Licensee complies with clause 7.1.3 of the Schedule of its licence.

7.2 News and Current Affairs

Clause 7.2.1 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."

The monitoring exercise found a minimum of sixty (60) minutes of news programming each day during the South African performance period. The following were among the news stories covered found by the monitoring exercise during the period under review:

- "Police in the Western Cape say they have yet to make any arrest after gunmen killed six and wounded four people in a house in site C in Khayelitsha on the Cape Flats. The survivors were taken to a nearby hospital for treatment yesterday."
- "A 30-year-old mother and her two-year-old have been hacked to death allegedly by the woman's ex-boyfriend at Mount Royal in Phoenix north of Durban. Police says the suspect attacked the two with a bush knife and fled the scene yesterday. A spokesperson for the KZN police says a motive for the killing is not known at this stage but a manhunt has since been launched."
- "The National Student Financial Aid Scheme has received over a hundred and sixty-five thousand applications between the 1st and 31st of August, which is twenty thousand more than last year. Higher education Minister, Blade Nzimande, addressed the media in Pretoria yesterday.
- Applications are also open for grade 9 to 12 learners and out of school youth who wish to further their studies at public technical and vocation education institutions."
- "All business and leisure travellers from the rest of the African continent will be allowed in South Africa from today. This came out at a briefing of the National Command Council following the country moving to alert level one of lockdown. The council also said travellers form the USA, UK and France amongst others will not be allowed to visit South Africa. International Relations Minister, Naledi Pandor, says a testing certificate will be required from all travellers form the rest of the continent."

The quarterly reports submitted by the SABC indicate that SA FM broadcasts four hundred and fifty (450) minutes of news programming per day on weekdays and one hundred and sixty (160) minutes on weekends, during the South African performance period.

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 determined.

Clause 7.2.2 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 quarterly reports submitted by the SABC indicate that SA FM broadcasts six hundred (600) minutes of news programming per day on weekdays and one hundred and twenty (120) minutes on weekends, during the South African performance period.

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 determined.

Clause 7.2.3 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 Licensee submitted its editorial policy to the Authority⁶. The monitoring exercise confirmed that Licensee's broadcast of news and current affairs is aligned to its editorial policy.

The policy places particular emphasis that full editorial control will vest in the licensee and that it will aim to meet the highest standard of journalistic professionalism and that coverage of news and current affairs should be fair,

⁶ Appendix B: Editorial Policy

unbiased, impartial and balanced without any governmental, commercial or other interference.

The monitoring exercise also found that matters of international, national, regional, and local significance are included in the broadcast of news and current affairs.

The Licensee complies with clause 7.2.3 of the Schedule to its licence.

7.3 Programming targeted at Children

Clause 7.3.1 of the Schedule to 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 submitted by the SABC indicate that SA FM broadcasts one (1) of programming targeted at children during the South African performance period.

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 determined.

Clause 7.3.2 of the Schedule to 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."

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 determined.

7.4 Educational Programming

Clause 7.4 of SA FM's licence states that:

"The Licensee shall broadcast at least four (4) hours of educational programming (as contemplated in section 10 (1)(e) of the Broadcasting Act) per week within the South African performance period."

The quarterly reports submitted by the SABC indicate that SA FM broadcasts three hundred and seventy-five (375) minutes of educational programming per week, during the South African performance period.

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 determined.

<u>7.5 Drama</u>

Clause 7.5 of the Schedule to SA FM's licence states that:

"The Licensee shall broadcast at least two and a half (2 $\frac{1}{2}$) hours of drama per week within the South African performance period."

The quarterly reports submitted by the SABC indicate that SA FM broadcasts one hundred and seventy-five (175) minutes of news programming per week, during the South African performance period.

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 determined.

7.6 Informal Knowledge-Building Programmes

Clause 7.6 of the Schedule to SA FM's licence states that:

"The Licensee shall broadcast at least three (3) hours of informal knowledgebuilding programming per week within the South African performance period." The quarterly reports submitted by the SABC indicate that SA FM broadcasts one thousand, six hundred and eighty (1680) minutes of informal knowledge building programming per week, during the South African performance period.

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 determined.

3.9 Training and Skills Development Obligations

Clause 8 of the Schedule to SA FM's licence stipulates that:

- "8.1 The Licensee must adopt and implement equal opportunity employment Practice.
- 8.2 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.
- 8.3 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
- 8.4 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 submitted its Employment Equity and Transformation plan⁷ report and its Training and Skills Development that provides a detailed breakdown of its compliance with the above requirements to the Authority for the period under review⁸ within 30 days of the end of the financial year.

⁷ Appendix C: SABC Employment Equity and Transformation: Report to ICASA, Reporting period: 1 April 2020 – 31 March 2021.

⁸ Appendix D: Skills and Development Report.

These reports indicate that the Licensee has adopted and implemented equal opportunity employment practices and showed that the Licensee has remained committed to diversity and inclusion in the workplace. Its workforce represents the different groups of South African society.

The report further shows that the licensee delivered 765 training interventions for 690 employees. Of the total 690 employees, 491 were Africans, 67 were Coloureds, 41 were Indians, 91 were whites and 14 employees living with disabilities. The Licensee further endeavours to ensure that females are empowered and therefore 53,62% of the total employees trained were female.

Thus, confirming that the Licensee's policies consider the development of managerial, production, technical and other skills and expertise, particularly regarding the historically disadvantaged persons.

Fair and reasonable participation by historically disadvantaged persons is evident at all occupational levels and in decision-making positions.

The Licensee complies with the entirety of clause 8 of the Schedule of its Licence.

3.10 Submission of audited financial statements to the Authority:

Clause 9 of the Schedule to SA FM's licence provides that:

"Licensee shall provide the Authority with the audited annual financial statements of the licensed service within six (6) 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 annual financial statements to the Authority within the prescribed time.

The Licensee complies with clause 9 of the Schedule to its licence.

4. **REGULATIONS**

4.1 South African Music Content Regulations

Regulation 3.1 of the Regulations on South African Music Content as published on 31 January 2006 provides that:

"A holder of a public sound broadcasting service licence must ensure that after eighteen (18) months from the date of gazetting of these Regulations a minimum of 60%, increasing to 70% in the following year, 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 period".

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

Lebo Mathosa "I Love Music"; Zonke "Jik'izinto"; Caiphus Semenya "Matswale"; Hugh Masekela "Thanayi"; Maleh "Eduze Kwam"; Letta Mbulu "Nomalizo"; Sun-EL Musician & Ami Faku "Into Ingawe"; Zamajobe "Taxi Ride"; and Sipho 'Hotsticks' Mabuse "Shikisha".

The interviews held with South African artists further contributed to the overall South African music content it has with South African artists.

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

Sandile Majola of the Ndlovu Youth Choir and Mbuso Khoza.

The monitoring exercise found that an average of seventy (70) percent of the musical works as broadcast by the Licensee consists of South African music. The monitoring exercise further confirmed that the South African music content is spread reasonably evenly throughout the performance period.

The Authority has taken into consideration the impact of the reduced performance period on compliance with this clause and therefore findings on compliance with this clause of the licence has not been determined.

4.2 Compliance Procedure Manual Regulations - Form 12A

The Licensee is required, in terms of the Compliance Procedure Manual Regulations¹⁰, to submit a Form 12A which reports on all complaints received during each financial year.

Appendix F: ICASA Compliance Procedure Manual Regulations, 2011 as published in Government Gazette No. 34863 dated, 15 December 2011.

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

The Licensee submitted the required Form 12A within the prescribed period.

The Licensee complies with the Compliance Procedure Manual Regulations.

4.4 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 Regulations on the Standard Terms and Conditions for Individual Licences¹¹.

4.5 Universal Service and Access Fund Regulations

Regulation 3(1) of the Regulations in respect of the Prescribed Annual Contributions of Licensees to the Universal Service and Access Fund ("USAF") as published in the *Government Gazette* No. 34010 on 10 February 2011, stipulates that:

"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".

Further, regulation 3(2) provides that:

"A BS Licensee who has paid an annual contribution to the Media Development and Diversity Agency (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 made the prescribed payment directly to the MDDA and submitted proof thereof to the Authority.

The Licensee complies with Regulations 3(1) and 3(2) of the USAF Regulations.

5. CONCLUSION

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

The monitoring exercise as undertaken during the period under review confirmed the Licensee's compliance with its licence conditions and relevant Regulations. The detail of its compliance is captured and reflected in this report. There are no areas of non-compliance that require intervention by the Authority.

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

6. TERMS OF REFERENCE

Appendix A: Service and Frequency spectrum licences

Appendix B: Editorial policies

Appendix C: SABC Employment Equity and Transformation: Report to

ICASA, Reporting period: 1 April 2020 - 31 March 2021.

Appendix D: Skills and Development Report

Appendix E: South African Music Content Regulations

Appendix F: Compliance Procedure Manual Regulations

Appendix G: Regulations Regarding Standard Terms and Conditions

Appendix H: Universal Service Obligation Fund Regulations

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