

**APPLICATION FOR THE AMENDMENT OF AN INDIVIDUAL COMMERCIAL
SOUND BROADCASTING SERVICE LICENCE BY KTH MEDIA INVESTMENTS
(PTY) LTD T/A EAST COAST RADIO IN TERMS OF SECTION 10 OF THE
ELECTRONIC COMMUNICATIONS ACT 36 OF 2005**

REASONS FOR DECISION

FEBRUARY 2026

1. **INTRODUCTION**

This document sets out the reasons for the decision of the Independent Communications Authority of South Africa (“the Authority”) in relation to the application for the amendment of the Individual Commercial Sound Broadcasting Service (“I-CSBS”) licence by KTH Media Investments (Pty) Ltd t/a East Coast Radio (“the Applicant”).

2. **BACKGROUND**

2.1. On 03 March 2025, the Authority received the application from the Applicant to amend its I-CSBS licence.

2.2. The application was lodged in terms of section 10 (1) of the Electronic Communications Act, 2005 (Act No. 36 of 2005) (“the ECA”) as amended, read with regulation 9 (1) (Form C) of the Processes and Procedures Regulations for Individual Licences, 2010 published in Government Gazette No. 33293 (Notice No. 522 of 14 June 2010¹ (“the Regulations”).

2.3. A resolution of authority authorising Mr. Nick Grubb to lodge this application on behalf of the Applicant was duly submitted².

2.4. The Applicant did not request confidentiality in terms of section 4D of the Independent Communications Authority of South Africa Act, 2000 (Act No. 13 of 2000) (“ICASA Act”).

2.5. On 30 April 2025, the Authority published General Notice No. 3171 (Government Gazette No. 52577) inviting interested persons to submit written representations in relation to the application within twenty-eight (28) working days from the date of publication of the notice.

2.6. No written representations were received by the Authority by the closing date of 30 May 2025.

¹ As amended by Notices No. 522 of 14 June 2010, 154 of 30 March 2016, 767 of 5 December 2018 and 1720 of 30 March 2023.

² Appendix 5.2.

- 2.7. On 24 June 2025, the Applicant was requested to submit outstanding information relating to the proposed amendments. The Outstanding information included the research conducted in terms of the amendment application and the reasons thereof. The requisite information was received on 15 July 2025.
- 2.8. The Authority elected not to hold public hearings as it was of the view that the application was clear, and the Authority did not receive any written representations from the public with respect to the application.
- 2.9. On 11 December 2025, the Authority approved the Applicant's amendment of its I-CSBS licence application.

3. **PARTICULARS OF THE APPLICANT**

- 3.1. The full name of the Applicant is KTH Media Investment (Pty) Ltd Trading as East Coast Radio. The Applicant's principal place of business is 1st floor, East Coast Radio House, 313-315, Umhlanga Rocks Drive, Umhlanga Rocks, Durban 4320.
- 3.2. The Applicant is a Private Company registered in terms of the Companies Act 2008, Act No. 71 of 2008 as amended, with the following registration number: 2013/055452/07.

4. **APPLICABLE LEGISLATIVE FRAMEWORK**

- 4.1. The following legislative and regulatory provisions are applicable when processing an application to amend an I-CSBS Licence:
- 4.2. Section 10 (1) (f) of the ECA states as follows:

"10. Amendment of individual licence

(1) The Authority may amend an individual licence after consultation with the licensee-...

(f) Where the Authority is satisfied that the amendment is necessary to ensure the achievement of the objectives of this Act"

4.3. As already alluded to above, the Applicant submitted the application in terms of section 10(1) of the ECA. After conducting an analysis of the application, it was apparent to the Authority that subsection (f) is relevant. It is on this premise that the Authority considered the application in terms of section 10(1)(f) of the ECA.

4.4. Section 10 (2) of the ECA states as follows:

"The provisions of section 9(2) to (6) apply, with the necessary changes, to the amendment of an individual licence."

4.5. Regulation 9 (1) of the Regulations provides that:

"An application to amend a licence must be in the format as set out in Form C and it must be accompanied by the applicable fee³."

4.6. Schedule 1 (Administrative Fees) of the General Licence Fees Regulations, 2012⁴ as amended, provides that:

"The applicable fee for the amendment of an individual licence is R78 650."

4.7. The Applicant completed Form C and submitted proof of payment totalling an amount of Seventy-Eight Thousand Six Hundred and Fifty (R78 650).

5. ANALYSIS AND DISCUSSION

5.1. REASONS FOR THE APPLICANT'S PROPOSED AMENDMENTS

The Applicant seeks approval from the Authority to amend its I-CSBS licence as follows:

Existing clause 5.1.2	Proposed amendment to clause 5.1.2
<i>"Profile a minimum of 50 South African composers per annum."</i>	<i>"Profile a minimum of 50 South African composers across its on-air and digital platforms per annum."</i>

³ Regulation 9 of the Processes and Procedures Regulations for Individual Licences, 2010.

⁴ Government Gazette No. 36323 of 28 March 2013.

Existing clause 5.1.3	Proposed amendment to clause 5.1.3
<i>"Engage in a minimum of ten joint promotions and competitions with record companies and advertisers per annum."</i>	<i>Deletion</i>
Existing Clause 5.1.4	Proposed amendments to clause 5.1.4
<i>"Play and promote local music demonstrations tapes (demo tapes) in the form of three-hour show on Sunday which is dedicated to showcasing local artists and to be part of the music playlist."</i>	<i>"Play and promote local music demonstrations tapes (demo tapes) in the form of three-hour show once a week dedicated to showcasing local artists that are considered for inclusion in the music playlist."</i>
Existing Clause 5.2.2	Proposed amendments to clause 5.2.2
<i>"The live concert must host a minimum of fifty South African musicians, at least one featured artist must be from KwaZulu-Natal."</i>	<i>"The East Coast Radio live music concert must host South African Musicians, at least one of which must be from KwaZulu-Natal."</i>

6. ANALYSIS OF THE REASONS PROVIDED BY THE APPLICANT FOR THE PROPOSED AMENDMENTS

6.1. The Applicant provided the following reasons for its proposed amendment:

6.1.1. In the 2022/2023 Annual Compliance Report ("ACR"), the Authority's Compliance Department noted below that the Applicant does not comply with the following clause 5.1 (and the sub clauses 5.1.1 to 5.1.4) of its I-CSBS Licence:⁵

6.1.1.1. The Authority's Compliance Department noted that the Applicant "partially complies" with clause 5.1 (and the sub clauses 5.1.1 to 5.1.4) of the licence.⁶

6.1.1.2. The Applicant, during its licence renewal in 2018, requested the Authority to effect changes on its licence terms and conditions in respect of clause 5.1.2, 5.1.3, 5.1.4,

⁵ Section 1.4 of Appendix 3 of Form C

⁶ Section 1.5 of Appendix 3 of Form C

and 5.2.2. The Authority approved amendment of these clauses as requested by the Applicant. However, in the preceding years before COVID-19 pandemic, the Applicant did not anticipate that the COVID-19 pandemic would engulf the world and harm the broadcasting sector. As a result, this impacted the Applicant negatively and was unable to comply with the amended clauses.

- 6.1.1.3. The Applicant further submitted that the amended 2018 licence terms and conditions were linked to the Applicant's duty to organise a live music event to "profile" fifty local musicians during the broadcast year.
 - 6.1.1.4. The Applicant reasons that, due to technological advancement, the actual selling of music records has shifted to the digital downloading and online streaming of music. Therefore, continuing with these clauses would lead the Applicant not to comply with its licence terms and conditions.
 - 6.1.1.5. The Applicant submitted that radio broadcasters have embraced digital platforms as a way of playing music, and consequently, not recognising these digital platforms would impact radio broadcasting services in general.
 - 6.1.1.6. The Applicant further reasons that, since more musicians decided to work independently, record labels in South Africa are experiencing financial difficulties as the music industry's conventional revenue streams are declining. The Applicant pointed out that the rise of digital streaming and the need for more creative independence demonstrate that the broadcasting landscape has shifted, and as a such, the Applicant is concerned about the existing label system's unequal royalty distribution, which is one of the elements driving this change.
 - 6.1.1.7. Further to the above, the amended clauses require the Applicant to work together with other parties who have expressed challenges due to emerging technological developments.
- 6.1.2. The Applicant has also identified technological change as a factor that pushes the Applicant to submit this amendment application.⁷

⁷ Section 3.5 of Appendix 3 of Form C

7. THE AUTHORITY'S DECISION REGARDING THE I-CSBS LICENCE

- 7.1. Despite other proposed amendments by the Applicant, when considering clause 5.1.3, the Authority views this clause as a promise of performance which the Applicant has committed at the time it was initially licensed.
- 7.2. In its amendment application, the Applicant proposes a deletion of the entire clause 5.1.3. The Authority notes that the Applicant did not provide an alternative to this clause.
- 7.3. However, while considering clause 5.1.3, the Applicant has provided the proposed clause 5.2.2. In the Authority's view, clause 5.2.2 serves as a suitable alternative to clause 5.1.3. Clause 5.2.2 provides: "*5.2.2 The East Coast Radio live music concert must host South African Musicians, at least one of which must be from KwaZulu-Natal.*"
- 7.4. The Authority is therefore of the considered view that the approval of the proposed clause 5.2.2 would sufficiently address the obligations originally contained in clause 5.1.3.
- 7.5. The Applicant is one of South Africa's leading commercial radio stations, known for its blend of music, news, and talk content, as well as its engaging presenters. It plays a big role in shaping the culture and entertainment landscape of the KwaZulu-Natal province.
- 7.6. The Authority notes that the Applicant's audience is predominantly reliant on the Applicant's broadcasting services and live events, accessing media, news, and music content, and entertainment-related services.

8. RESEARCH CONDUCTED IN SUPPORT OF THE PROPOSED AMENDMENTS

- 8.1. Paragraph 3.3 of Form C requires that the Applicant must have commissioned research and provide a report thereof, which forms the basis of the proposed amendment. The Applicant Research Report provides the following:
- 8.1.1. The COVID-19 pandemic has resulted in significant economic and social challenges, causing a major shift in the industry. The Applicant in its Report states that it has

embarked on this process of aligning its licence terms and conditions with the current state of the industry;

8.1.2. The Applicant submitted that it has considered the following factors for the amendment of its licence conditions:

8.1.2.1. Covid-19 Pandemic and its impact on the industry;

8.1.2.2. The technological advancements that have generally impacted the radio broadcasting industry in South Africa (e.g. the focus being diverted from the physical sale of records to the digital downloading of music and to the streaming of music online);

8.1.2.3. The PWC Africa Entertainment & Media Outlook Report for 2023 – 2027, dated November 2023, which states that “market and economic conditions have resulted in the reduction of strategic joint promotions and competitions between radio broadcasters and record companies. The various technology shifts mentioned above have created options for consumers to access entertainment and discover music. The effect of this is that advertisers are splitting the financial resources available for promotional activity between traditional broadcasting and focusing more on digital and online advertising, given the growth in that sector.” Additionally, the Applicant indicated that over the years, record labels have not been able to partake in such activities due to not signing as many artists as they used to, as artists prefer to independently release their music; and

8.1.2.4. Further, the Applicant submitted that as a station, it had to make strategic decisions to ensure that it remains relevant in the changing face of the modern radio market. The research conducted by the Applicant shows that the process draws on its combined years of experience in the industry, along with research by the PWC Africa Entertainment & Media Outlook Report for 2023 – 2027, and the World Bank in South Africa Report, among others.

8.1.3. It is based on the above research that the Applicant now seeks to amend its licence conditions.

8.1.4. The Authority has noted the Applicant’s Research Report that which supports the reasons for the proposed amendments.

- 8.1.5. The Authority further notes that the Licensee has a duty and responsibility to ensure that it puts in place measures that will assist its operations to remain viable and sustainable while being able to meet the needs of the listeners.
- 8.1.6. Further, when the Applicant made a commitment on the licence terms and conditions during the licensing process, it could not have anticipated that the world would be faced with a pandemic that would make people or companies use technology to provide or access services.
- 8.1.7. Furthermore, the Authority notes that with the emergence of technology, things are not done the same way as they were twenty years ago. For the Applicant, it must adjust to those changes and still be able to cater to its listenership while not compromising the standards of broadcasting.

9. **THE IMPLICATIONS OF THE PROPOSED AMENDMENTS**

- 9.1. Failure by the Authority to approve the Applicant's licence terms and conditions would result in the Applicant not being compliant with its licence obligations.
 - 9.1.1. The approval sought by the Applicant will not militate against the objects of the ECA, which include the following:
 - 9.1.1.1. The promotion of competition in the ICT sector;
 - 9.1.1.2. Promoting the interests of consumers with regard to the price, quality and the variety of services;
 - 9.1.1.3. Promoting the provision and development of a diverse range of sound broadcasting services on a provincial level, that cater for the languages and cultural groups and provide entertainment, education and information; and
 - 9.1.1.4. Ensuring the provision of a variety of quality broadcasting services.
- 9.2. The Authority has considered the Applicant's views regarding the implications of the proposed amendments and concludes as follows:

- 9.2.1. There are no commercial sound broadcasting service licensees in the coverage area of the Applicant that would be prejudiced or harmed by the granting of this proposed amendment.
- 9.2.2. iGagasi 99.5 FM's footprint is in the Durban Metro, Port Shepstone, Ulundi, Glencoe, Greytown, and surrounding areas in KwaZulu-Natal. iGagasi 99.5 FM's format is an adult contemporary jazz format as compared with the Applicant. The language provision is: 50% English and 50% isiZulu.
- 9.2.3. Further, the Authority is of the considered view that the proposed amendments would not negatively impact the public interest because the Applicant is not entirely changing its initial offering. The Applicant indicated that it is not seeking in any way to circumvent its obligations but rather to ensure that its licence obligations can be measured with what is currently prevailing in the broadcasting market.
- 9.2.4. Brima transposes that *"The media environment has experienced a radical shift in the past decades is nothing new. But what the sector has witnessed in the last few months during this coronavirus pandemic is entirely worrying for its long-term survival. Across the world, media houses have been forced to shut down. Circulation numbers have gone dismal, advertising revenues have dwindled, and employers have been quick to cut salaries; jobs losses announced, and workers forced to take leave. Suffices to say that these drastic conditions have threatened a potential demise of the media ecosystem. Recently, the South African National Editors' Forum's (SANEF) mentioned that the coronavirus pandemic has further exacerbated an already deteriorating situation and newsrooms are left desperately seeking new ways to survive while consumers are keen on reliable and timely information. The organization observes that there is no clarity regarding the number of jobs lost at community radio stations, "some of which have accessed government emergency funding of R10-million for all community media, but the decline in advertising revenue has been substantial."*
- 9.2.5. Noting the above, it is worth reflecting that the COVID-19 pandemic has had a bad effect on the broadcasting sector at large. The challenges which are faced by the Applicant are felt by other broadcasters globally. Many broadcasters are still trying to recover to this day from the damage caused by the Pandemic.

9.2.6. The Applicant's licence terms and conditions require that it profile a minimum of 50 South African composers per annum. The Applicant has, over the years, been found to comply with this obligation, but has, over the years, faced challenges in complying. Now, with the proposed amendment, the Applicant is proposing that it will be able to profile a minimum of 50 South African composers across its on-air and digital platforms per annum.

9.2.7. The Authority has noted that, currently on its digital platforms, such as Facebook, the Applicant has over four hundred thousand followers (400,000) and over five hundred thousand (500,000) followers on X (previously known as Twitter). Therefore, profiling artists on these platforms will bear good results and provide publicity for the artist. Further, over the years, the emergence of social media has served as a valuable tool in advertising. Therefore, the proposed amendment should be granted as it would not prejudice artists in any way.

9.2.8. Having considered the proposed amendments by the Applicant, the Authority is of the considered view that the proposed amendments are reasonable and justifiable. More so, the Authority is satisfied with the Applicant's proposed alternatives to the licence terms and conditions. These alternatives are as follows:

9.2.8.1. Profile a minimum of 50 South African composers across its on-air and digital platforms per annum;

9.2.8.2. Play and promote local music demonstration tapes (demo tapes) in the form of a three-hour show once a week, dedicated to showcasing local artists that are considered for inclusion in the music playlist; and

9.2.8.3. The Applicant's live music concert must host South African Musicians, at least one of whom must be from KwaZulu-Natal province.

10. **WRITTEN REPRESENTATIONS AND RESPONSES**

10.1 No written representations were received by the closing date.

11. PRECEDENT OF GRANTING AMENDMENT OF LOCAL CONTENT OBLIGATIONS

11.1 The Authority has previously approved the amendment of licences such as Hot FM 1027 (Pty) Ltd trading as Hot FM in terms of Local Content Obligations. Hot FM had sought to amend clause 6.1 of its licence, which read as follows:

"The Licensee shall continue to develop the 'singing schools' project as an outreach project to contribute towards the Licensee's South African music quota".

11.2 Hot FM sought the approval from the Authority to amend clause 6.1 to read as follows: *"The Licensee shall develop local music and contribute towards the Licensee's South African music quota by hosting soirees at least quarterly. This shall be accompanied by an on-air promotion of the artists concerned".*

11.3 Hot FM indicated that "the singing schools" project was no longer on the Gauteng Education Department music curriculum, and the sponsorship from Liberty Foundation also came to an end. It submitted that it did not wish to escape from its obligations in terms of contributing towards its South African music quota as provided for in this clause. The Licensee decided at the time to seek an amendment to replace the "singing schools" project by supporting the Johannesburg Youth Orchestra Company with publicity, recordings, and helping with event management.

11.4 Similarly, to Hot FM, the Applicant has provided an alternative to the licence terms and conditions referred to in paragraphs 4.3.8.1, 4.3.8.2 and 4.3.8.3 above and did not do away with the entire obligations save for clause 5.1.3 of the Applicant's licence which stipulates as follows: *"Engage in a minimum of ten joint promotions and competitions with record companies and advertisers per annum."* In this instance, the Applicant has opted to delete the clause entirely as they need to form partnerships with other stakeholders in order to comply with this obligation, as this has resulted in the Applicant not being able to comply.

11.5 In considering Hot FM's application to amend clause 6.1, the Authority concurred with Hot FM when committing to provide an alternative, and as a result, the Authority considered it reasonable and achievable, and the amendment was therefore duly approved.

11.6 Furthermore, the Authority approved an amendment to Vuma FM's I-CSBS licence on local content obligation clause (clause 5) which reads as follows: "*The Licensee shall broadcast 50% of South African music on a weekly basis*" to "*40% of the music broadcast shall be South African music, measured on a weekly basis*".

11.7 Having considered the Applicant's amendment application, the Authority is satisfied that the proposed alternatives the Applicant has submitted to substitute clause 5.1.3 by deleting it in its entirety will be covered by the proposed clause 5.2.2.

12. **CONCLUSION**

12.1. The Authority has taken note of the reasons provided by the Applicant and concurs that, with recent developments in which consumers rely more on streaming platforms like iTunes, Spotify and Deezer, etc., which have contributed to declining radio listenership.

12.2. The Applicant has demonstrated that the non-compliance with clause 5.1.3 is due to technological developments and cannot be held responsible for the actions of third parties. As it is the prerogative of record label companies how they run their businesses, it would be unfair to the Applicant to have a licence condition that is not practical and relies on the compliance of other third parties.

12.3. The Authority is of the view that clause 5.1.3 has been there since the Applicant was granted a service licence, albeit it was updated when the Applicant submitted its renewal application in 2018.

12.4. The Authority is of the view that clause 5.1.3 is a promise of performance, and that the Applicant cannot simply delete it in its entirety without providing an alternative; hence, the Authority accepts that the proposed clause 5.2.2 covers aspects that were under clause 5.1.3.

12.5. The Authority is satisfied that (in accordance with section 10 (1) (f) of the ECA) the amendment is necessary to ensure the achievement of the objectives of the ECA.



MOTHIBI G. RAMUSI
CHAIRPERSON

DATE: 10 / 02 / **2026**