



**Independent Communications Authority of South Africa**

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# **IGAGASI 99.5 FM REPORT**

**LICENSING AND COMPLIANCE PROGRAMME**  
**MARCH 2013**

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## **2011/2012 ANNUAL COMPLIANCE REPORT**

### **iGAGASI 99.5 FM**

**LICENCE PERIOD: 18 December 2008 - 17 December 2018**

#### **1. PREFACE**

The Independent Communications Authority of South Africa ("the Authority") has a statutory mandate in terms of the Constitution<sup>1</sup>, the ICASA Act of 2000<sup>2</sup> and the Electronic Communications Act of 2005<sup>3</sup> ("EC Act") to regulate broadcasting activities in South Africa in the public interest. The Authority is tasked with ensuring compliance by broadcasters with the ICASA Act, the EC Act, the terms and conditions of their Licence and any relevant legislation and regulations.

The following report is intended to give account of iGagasi FM's performance for the 2011/2012 financial year. Aspects of compliance that are measured comprise of the Geographic Coverage, Languages, Format, General Programming Obligations, Training and Skills Development, South African Music Content Regulations, Regulations Regarding Standard Terms and Conditions for Individual licences, Universal Service and Access Fund Regulations and General Licence Fees Regulations.

#### **2. BACKGROUND**

iGagasi FM is an Individual Commercial Sound Broadcasting Service Licensee. The Licensee's language of broadcast is English. The radio station's mandate is to provide a service to Durban Metropolitan, Port Shepstone and Ulundi areas (*See broadcasting service licence and spectrum licence attached as Appendix A*).

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<sup>1</sup> The Constitution No 108, of 1996

<sup>2</sup> The ICASA Act No, 13 of 2000

<sup>3</sup> The Electronic Communications Act No, of 2005

### **3. OWNERSHIP AND CONTROL**

Clause 1.1 of the schedule to the licence stipulates that the licence is issued to:

*"Name of Company/Entity: Radio iGagasi (Pty) Ltd".*

The Licensee is Radio iGagasi (Pty) Ltd as stipulated in its licence.

The Licensee complies with clause 1.1 of the schedule to the licence.

Clause 1.2 stipulates as follows:

*"Shareholders: Makana Radio Communication (Pty) Ltd (100%)".*

The Licensee is 100% owned and controlled by Makana Radio Communications (Proprietary) Limited.

The Licensee complies with clause 1.2 of its licence.

Clause 1.3 of the schedule to the licence stipulates as follows:

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

*Makana Investments Corporation (Proprietary) Limited- 33.33%*

*Fani Titi – 33.33%*

*Kagiso Media Investments (Propriety) Limited- 24.91%*

*Victory Parade 55 (Propriety) Limited- 8.43%".*

During the period under review, the Licensee lodged the notification with the Authority, advising of the changes in respect of its HDI shareholding equity, which was approved by Council. The new HDI shareholding equity is as follows:

Tsiya Radio	59.96%
Victory Parade Trading 55 Pty Ltd	20.02%
Kagisa Media Ltd	20.02%

The Licensee complies with clause 1.1 above.

## **4. COMPLIANCE ASSESSMENT**

### **4.1. Geographic Coverage**

Clause 2 of the schedule to the licence stipulates 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 covers the following areas: Durban Metropolitan, Port Shepstone and Ulundi. The Licensee confirms that its coverage area is as defined in the licence and it services the areas as specified in the frequency spectrum licence.

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

### **4.2 Language(s)**

Clause 3 of the schedule to the licence stipulates that iGagasi FM's language of broadcast is:

*"Principal Language: English".*

The monitoring exercise detected that the Licensee broadcasts in both English and isiZulu. The Licensee uses both languages interchangeably. English is not the principal language of broadcast. The language split as per the Authority's findings appears to be 50/50.

The Licensee does not comply with clause 3 of its licence

### **4.3 Format**

Clause 4 of the schedule to the licence stipulates that:

*"The Licensee shall have a programming format of music in an adult contemporary jazz format".*

The Licensee confirms that it offers a programming format of music in an adult contemporary jazz format to its audience, as outlined in the licence. The monitoring exercise confirmed that the Licensee's format is as outlined in the licence.

The Licensee complies with clause 4 of the schedule to its licence.

## **5. GENERAL PROGRAMMING OBLIGATIONS**

### **5.1 General**

Clause 5.1 of the schedule to the licence provides for the Licensee:

*"To broadcast at least 30 minutes of News per day during the South African Performance Period".*

The Authority's monitoring confirmed that news is broadcast from 06h00 to 18h00 and comprise of local, national and international news. The duration of the news is three (3) to four (4) minutes on the hour and one (1) minute headlines during the breakfast and late afternoon show on the half hour.

On average the radio station broadcasts thirty nine (39) minutes of news per day during the performance period. The following are some of the news items identified:

- *"COPE leader Mosiwa Lekota has slammed the proposed Youth Wage Subsidy; he says the money should be used to educate the youth. Lekota has been speaking at a youth rally in Port Elizabeth to commemorate the 1976 uprising";*
- *"The organisation that took the Basic Education Department over the Limpopo textbook saga Section 27 says it will not join the Democratic Alliance (D.A) in the march to the Provincial Department to highlight the ongoing issues around textbook delivery. The Party invited the organisation to join the march but Section 27's Nicki Stein says they do not want to politicize the issue. Meanwhile Stein has welcomed the appointment of a Wits University Professor Mary Metcalf to investigate the matter".*
- *"Water and Environmental Affairs Minister Edna Molewa says South Africa does not believe that it is fair to conclude that most African countries may not reach their Millennium development goal by 2015 United Nations (U.N.) deadline. She told reporters that they are on track and therefore the criticism is unfounded. Molewa has been providing feedback on the U.N.'s recent summit on sustainable development held in Rio, Brazil. Critics have argued that the summit steered away from the challenges faced by African countries";*
- *"Iraqi women face court ordered virginity tests that often show that they were virgins until marriage but shame them nonetheless. Remaining a virgin until marriage can be an issue of life or death for women in the Middle East, where those who are seen as dishonoring the family by having pre-marital sex are sometimes killed by their male relatives. An average of virginity tests are performed per day at the Medical Legal Institute in Baghdad in a small windowless room with blue tiled walls and a black table with strips at each end. The doctors who perform the tests say most of the cases are received after the first day of marriage"; and*

- *"Gay and Lesbian communities in Durban have called on government to work with societies to curb the victimization of the community. Gays and Lesbians marched through the City of Durban complaining that they are a target of discrimination, hatred and murder".*

The Licensee complies with clause 5.1 of the schedule to its licence.

Clause 5.2 of the schedule to the licence stipulates that:

*"Should the Licensee source news material from a source other than itself the source(s) thereof shall be disclosed".*

The Licensee submits that it relies mainly on internal staff to generate news but utilises stringers and the South African Press Association (SAPA) and Reuters as and when necessary.

The Licensee complies with clause 5.2 of the schedule to its licence.

Clause 5.3 of the schedule to the licence stipulates that:

*"The Licensee shall broadcast news for an average six (6) minutes every half an hour on weekday mornings".*

As indicated above, monitoring confirmed that the duration of the news of iGagasi FM is three (3) to four (4) minutes and one (1) minute headlines during the breakfast and late afternoon show, on the half hour.

In the correspondences exchanged between the Licensee and the Authority, the Licensee indicated that it requires clarification of what is defined as News as a music format station bearing in mind that its focus is not in current affairs but rather in

delivering news information as in current news, entertainment news, sports news, weather and traffic.

The Authority explained its position to the Licensee and pointed out that the interpretation of this clause requires iGagasi FM to broadcast news for six (6) minutes every half hour during weekday mornings. To this end, the Authority highlighted the fact that the interpretation of the above mentioned clause is that iGagasi FM is required to broadcast twelve (12) minutes of news every hour during weekday mornings as opposed to six (6) minutes every hour during weekday morning as is currently the case (*See correspondence attached as Appendix B for further details*).

The Licensee does not comply with clause 5.3 of the schedule to its licence

Clause 5.4 of the schedule to the licence stipulates that:

*"The Licensee must in the compiling of news and information reflect on news from the Continent".*

As indicated in clause 5.1 above the Licensee broadcasts news and information from the Continent.

The Licensee complies with clause 5.4 of the schedule to its licence.

## **6. TRAINING AND SKILLS DEVELOPMENT OBLIGATIONS**

Clause 6.1 of the schedule to the licence stipulates that:

*"The Licensee shall put particular emphasis on the training and development of staff from historically disadvantaged groups".*

During the period under review, the Licensee reported that emphasis on training and development of staff was in respect of people from historically disadvantaged groups



("HDGs"). The training undertaken was mostly in management, radio journalism, project management, general accounting and human resource (*See Appendix C for details*).

The Licensee complies with clause 6.1 of the schedule to its licence.

Clause 6.2 of the schedule to the licence stipulates that:

*"The Licensee shall establish an employee training programme and shall spend a minimum of R500 000 (five hundred thousand Rand) over the licence period thereon".*

The Licensee submits that for the year under review, it has spent eighty nine thousand five hundred and forty seven rands and ninety five cents (R89 547. 95) on training.

The requirement of R500 000, is measured over the Licensee's licence period.

Determination of compliance with the above clause can only be reached at the end of the licence period.

Clause 6.3 of the licence stipulates that:

*"The onus is on the Licensee to pursue the appointment of more women on-air presenters".*

During the period under review, the Licensee confirmed that it has eleven (11) female on-air presenters.

The Licensee has, during the year under review, complied with clause 6.3 of the schedule to its licence.

Clause 6.4 of the schedule to the licence stipulates that:

*"The Licensee shall regularly receive and train interns and students from tertiary institutions across South Africa".*

During the period under review, the Licensee reported that it had three (3) interns from tertiary institutions namely; Professor Thelejane, Charity Shezi and Kabelo Mohlohlo in the newsroom department.

The Licensee complies with clause 6.4 of the schedule to its licence.

## **7. REGULATIONS**

### **7.1 South African Music Content Regulations**

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

*"Every holder of a commercial sound broadcasting licence to which these regulations apply must ensure that a minimum of 25% 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".*

Monitoring conducted confirmed iGagasi FM plays approximately 40% South African music.

Local artists identified were HHP, Micasa, TKZee, Bricks, MXO, DJ Cleo, Lira, Zonke, Zamajobe, Thebe, Zahara, Big Nuz, Sifiso, Spikiri, Riot, Mahoota, Kabomo, Lulu Dikana, Boom Shaka, Trompies, Zawe, Zakes Bantwini, Professor and Ringo.

The Licensee complies with the Regulations on South African Music Content (see *attached Local Content report attached as Appendix D*).

## **7.2 Regulations regarding Standard Terms and Conditions for Individual Broadcasting Licences**

During the previous financial review, Authority noted during its HDI Audit, that the Licensee changed the percentage in respect of its shareholding and did not submit the notification within seven (7) days of occurrence in terms of Regulation 2 (1)(c) of the Standard Terms and Conditions. The Licensee has since lodged the filing which has been duly noted and approved by the Authority.

No areas of non-compliance with the standard terms and conditions for individual licences were identified during the period under review (*See Regulations regarding Standard Terms and Conditions for Individual Licences attached as Appendix E*).

## **7.3 Universal Service and Access Fund**

Regulation 3 (1) of the Regulations in respect of Prescribed Annual Contributions of Licensees to the Universal Service and Access Fund (USAF) as published in the Government Gazette, no 31499 of April 2009 stipulates that:

*"Every holder of a Licence granted in terms of Chapter 3 or converted in terms of chapter 15 of the Act, must pay an annual contribution of 0.2% of the annual turnover, derived from the licensee's licence activity, to the Fund (the Fund)".*

Further, Regulation 3 (3) stipulates that:

*"A broadcasting service licensee who has paid an annual contribution to the Media Development and Diversity Agency (MDDA) must set off that contribution against its prescribed annual contribution to the Fund" (See USAF Regulations attached as Appendix F).*

The Licensee has paid an amount of one hundred and eighteen thousand, three hundred and twenty three rand and ninety one cents (R118, 323.91) for the period

ending February 2012 on 31 August 2012. Proof of payment was duly submitted to the Authority.

The Licensee has complied with regulation 3(1) and 3(3) of the USAF Regulations.

#### **7.4 General Licence Fees**

Regulation 3(1) of the General Licence Fees Regulations stipulates 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" (See General Licence Fees Regulations attached as Appendix H for details).*

Schedule 2 of the Annual Licences Fees regulations provides for Individual Commercial Broadcasting Service Licensees to pay an annual licence fee of 1.5% of gross profit to the Authority.

Regulations 4 (b) and (c) of Schedule 3 stipulates 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".*

During the period under review, iGagasi 99.5 FM made a payment of six hundred and forty two thousand, ninety four rand and twelve cents (R642, 094.12) on 31 August 2012. Proof of payment was duly submitted to the Authority.

The Licensee complied with Licence Fees Regulation.

## **8. CONCLUSION**

The Licensee generally complied with its licence terms and conditions and applicable regulations save for clause 5.3, which requires the Licensee to broadcast six minutes of news every half hour during weekday mornings.

The abovementioned area of non-compliance will be discussed with the Licensee.

## **9. APPENDICES**

Appendix A: Broadcasting Service and Frequency spectrum Licence

Appendix B: Correspondence with regards to news

Appendix C: Training development schedule

Appendix D: South African Music Content Regulations

Appendix E: Regulations Regarding Standard Terms and Conditions for Individual Licences.

Appendix F: Universal Service and Access Fund Regulations

Appendix G: General Licence Fees Regulations