



IKWEKWEZI FM ANNUAL COMPLIANCE REPORT

MARCH 2017

2015/2016 ANNUAL COMPLIANCE REPORT

SOUTH AFRICAN BROADCASTING CORPORATION (SABC) BROADCASTING AS IKWEKWEZI FM

LICENCE PERIOD: 18 DECEMBER 2008 – 18 DECEMBER 2018

1. PREFACE

The Independent Communications Authority of South Africa (the Authority) has a statutory mandate in terms of the Constitution¹, the ICASA Act of 2000², the Electronic Communications Act of 2005³ (ECA) and the Broadcasting Act of 1999⁴ to regulate broadcasting activities in South Africa in the public interest. One of the main tasks of the Authority is to ensure compliance by broadcasters with the terms and conditions of their licence and any relevant legislation and regulations.

The purpose of the report is to give an account of Ikwewezi FM's compliance with terms and conditions as set out in its licence for the 2015/2016 financial year. Aspects of compliance that are measured comprise of Geographic coverage, Language, Format, Local content obligations, General Programming Obligations, Training and Skills development obligations, Finances, South African music content Regulations , Standard Terms and Conditions for Individual Licences, the Code on People with Disabilities and the Compliance Procedure Manual Regulations (CPMR).

2. BACKGROUND

Ikwewezi FM is an Individual Public Sound Broadcasting Service Licensee of the South African Broadcasting Corporation (SABC). The radio station's mandate is to provide a full spectrum service to the following Province: Mpumalanga⁵.

¹ The Constitution of the Republic no: 108, 1996

² Act no: 13 of 2000 as amended

³ Act no: 36 of 2005

⁴ Act no: 4 of 1999

⁵ Individual Broadcasting Service Licence

3. COMPLIANCE ASSESMENT

3.1 Ownership and Control

Clause 1 of the schedule to the Licence provides as follows:

"Name of the Company/Entity: The South African Broadcasting Corporation"⁶.

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

"Shareholders: The State – 100%"

Clause 1.3 of the licence states that:

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

Ikwewezi FM forms part of the public service of the SABC and is 100% owned by the State. The Licensee does not have persons from historically disadvantaged groups in its ownership.

The Licensee has complied with clause 1.2 of the Schedule of its licence.

3.2 Geographic Coverage Area

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's coverage area is Davel, Dullstroom, Johannesburg, Kwaggafontein, KwaMhlanga, Middelburg, Nylstroom, Potgietersurs and Pretoria. The Licensee confirms that its coverage area is as defined in its licence.

The Licensee has complied with clause 2 of the Schedule of its licence.

⁶ Annexure 6.1: SA FM's broadcasting service Licence

3.3 Language (s)

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

"Principal Language: IsiNdebele.

The monitoring exercise confirmed that Ikwewezi FM uses IsiNdebele as its language of broadcast, no other languages were detected.

The Licensee has complied with clause 3 of the Schedule of its licence.

3.4 Format

Clause 4.1 of the licence conditions stipulates that:

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

Clause 4.2 stipulates that:

"The licensed service shall be full-spectrum service".

Ikwewezi FM is categorised as a public radio station of the SABC and offers a full spectrum service to its audience as outlined in the licence. This was confirmed during the Authority's monitoring exercise.

The Licensee has complied with clauses 4.1 and 4.2 of the Schedule of its licence.

3.5 Local Content Obligations

Clause 5 of schedule to the licence stipulates that:

"In each licence year, the Licensee shall within thirty (30) days of end of the quarter submit to the Authority written records indicating the extent of:

Clause 5.1 *the different genres and*

Clause 5.2 South African Music Content in programme material broadcast in the licensed service during that quarter, in each instance, distinguishing between genres, providing the relevant details in relation to prime time and the period between 5h00 and 23h00 daily ("the South African broadcast period"), and expressing relevant details both as an aggregate in minutes and as a percentage of the total of all such programming material."

For the period under review, the Licensee submitted its quarterly reports as required by clause 5.2 read with the Compliance Procedure Manual Regulations.

The reports reflect a week's sample for each quarter. The SABC is of the view that it is unlikely that programming would change in a week. These submissions record the extent to which Ikwewezi FM has complied with its quotas.

The figures below shows a breakdown of Ikwewezi FM's compliance with the quotas set out by the Authority as submitted by the Licensee.

First Quarter April – June 2015 (specifically week 3)

Content/Genre	ICASA Quota (Minutes Daily/Weekly)	IKWEKWEZI FM's Provision (Minutes Daily/Weekly)	IKWEKWEZI FM's Compliance (%)
News (daily)	60 min (daily)	665 min (week Days) 70 min (Saturdays) 70 min (Sundays)	1108% 116% 116%
Current Affairs (daily)	60 min (Daily)	675 min (weekdays) 60 min (Sat) 60 min (Sun)	1125% 100% 100%
IKB (weekly)	180 min (weekly)	1275 min(weekly)	708%

Educational (weekly)	240 min (weekly)	360 min (weekly)	150%
Children's (Weekly)	60 min (weekly)	130 min (weekly)	216%
Drama (weekly)	150 min (weekly)	270 min (weekly)	180%

Second Quarter July – September 2015 (*specifically week 3*)

Content/Genre	ICASA Quota (Minutes Daily/Weekly)	IKWEKWEZI FM's Provision (Minutes Daily/Weekly)	IKWEKWEZI FM's Compliance (%)
News daily	60 min (daily)	675 min (week days) 70 min (Saturdays) 70 min (Sundays)	1125% 116% 116%
Current Affairs (daily)	60 min (daily)	675min (daily) 60min (Sat) 60min (Sun)	1125% 100% 100%
IKB (weekly)	180 min (weekly)	1645min (weekly)	913%
Education (weekly)	240 min (weekly)	360min (weekly)	150%
Children (weekly)	60 min (weekly)	130min (weekly)	216%
Drama (weekly)	150 min (weekly)	270 min (weekly)	180%

Third Quarter October – December 2015 (*specifically week 3*)

Content/Genre	ICASA Quota (Minutes Daily/Weekly)	IKWEKWEZI FM's Provision (Minutes Daily/Weekly)	IKWEKWEZI FM's Compliance (%)
News daily	60 min (daily)	675 min (Week Days) 65 min (Saturdays) 70 min (Sundays)	1125% 108% 108%
Current Affairs (daily)	60 min (daily)	675 min (daily) 60 min (Sat) 60 min (Sun)	1125% 100% 100%
IKB (weekly)	180 min (weekly)	1295 min (weekly)	719%
Education (weekly)	240 min (weekly)	360 min (weekly)	150%
Children (weekly)	60 min (weekly)	130 min (weekly)	216%
Drama (weekly)	150 min (weekly)	270 min (weekly)	180%

Fourth Quarter January – March 2016 (specifically week 3)

Content/Genre	ICASA Quota (Minutes Daily/Weekly)	IKWEKWEZI FM'S Provision (Minutes Daily/Weekly)	IKWEKWEZI FM's Compliance (%)
News (daily)	60 min (daily)	675 min (Week Days) 70 min (Saturdays) 70 min (Sundays)	1125% 116% 116%
IKB (weekly)	180 min (Weekly)	1295 min(Weekly)	719%
Educational (weekly)	240 min (Weekly)	360min (Weekly)	150%
Children's (Weekly)	60 min (Weekly)	130min (Weekly)	216%
Drama (weekly)	150 min (Weekly)	270min (Weekly)	180%

The above quarterly information indicates compliance by Ikwewezi FM with the set quotas during the 2015/2016 fiscal year. The Authority's findings are outlined in the relevant sections below.

3.6 General Programming obligations

3.6.1 General

Clause 6.1.1 stipulates that:

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

The SABC's editorial policy stipulates that:

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

During the period under review, the monitoring exercise identified programmes indicative of the Licensee's compliance with the requirement above. For example a programme called *"Sizigedlile"* broadcast between 22h05 and midnight 24h00 wherein issues pertaining to 'Demons' and how they impact people's lives was discussed. There were also scriptural readings i.e Revelation 12:9 monitored during this period.

The Licensee has complied with clause 6.1.1 of the Schedule to the licence.

Clause 6.1.2 of the schedule to the licence stipulates that:

"The Licensee shall take responsible steps to provide programming that reflects the cultural and traditional needs of its audience".

"Ithungelwa ebandla" broadcast between 18h05 and 19h00 on Saturdays is one of the programmes that tackles a variety of cultural and traditional issues that affect society. A discussion about "Lobola" was monitored. The discussion focused on lobola proceedings and that it is meant to combine families of both the wife and husband.

The Licensee has complied with clause 6.1.2 of the Schedule of its licence.

Clause 6.1.3 further provides as follows:

"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 revealed that the Licensee has a variety of programmes that speak to clause 6.1.3 mentioned above.

The following programmes were monitored:

⁷ Annexure 6.2: An extract on SABC's editorial policy

- "Ngimi Nawe" broadcast Monday to Friday between 09h05 to 11h30. The programme has a variety of topical issues that caters for women, moral values, health and socio economic issues;
- "Siditjhile" broadcast Monday to Friday between 14h05 and 15h00 caters for the youth lifestyle and development;
- "Sizigedlile" broadcast Monday to Friday between 22h15 and 24h00 caters for all, issues like moral generation, talk shows, youth motivation and interfaith are discussed;and
- "Fulelwa wanethwa" broadcast on weekends between 15h05 and 18h00, caters for sports fans.

The Licensee has complied with clause 6.1.3 of the Schedule of its licence.

3.6.2 News and Current Affairs

Clause 6.2.1 of schedule to the licence stipulates that:

"The Licensee shall broadcast at least 60 minutes of news programming each day during the South African performance period".

The monitoring exercise revealed that Ikwewezi FM broadcasts 12 full news bulletins weekdays. The first news bulletin commences at 06h00 am and the last bulletin is at 21h00. Each news bulletin lasts for 5 minutes.

In the total, 60 minutes of news was monitored each day. The Licensee also broadcasts news on weekends, from 06h00-22h00. A total of 80 minutes of News was monitored on Saturdays and Sundays.

The following are some of the news excerpts covered:

- *"Solly Mapanila, Deputy Secretary General Secretary of SACP said at the SADTU Conference in Cape Town that they want President Jacob Zuma to end the relations between himself and the GUPTA family";*

- *"SANRAL has reported that it is going to issue letters that will summon to Court Gauteng motorists who are not paying the E-tolls. SANRAL said that those letters will be delivered by the Sheriff of the Court";*
- *Armed men attacked a Hotel where a workshop was held by AU soldiers' members at the Capital City in Bernago. At least one man was killed during the shooting between the security guards and the attackers";*
- *"Condolences are pouring in for the families of the Brussels terrorist attacks that recently took place in the city of Brussels. The attacks were as a result of a suicide bomber who blast the Airport and Metro station, 34 people were killed and 117 were injured in the blast";*
- *"SANCO has also aired its view on the GUPTA saga. Its Provincial Leader, Solly Mahlangu has encouraged the ANC that those who have information that can assist the investigation must come forth"; and*
- *"The Public Protector's Office has announced that it might hire more forensic people to assist in the investigation of President Zuma and the GUPTA family."*

The Licensee has complied with clause 6.2.1 of the Schedule of its licence.

3.6.3 Current Affairs

Clause 6.2.2 of the schedule to the licence states that:

"The Licensee shall broadcast at least 60 minutes of current affairs programming each day during the South African Performance Period".

The monitoring exercise revealed that the Licensee has a vast number of current affairs programmes between Mondays to Fridays and two are broadcast on weekends. Most of the programmes run for 55 minutes each both on weekdays and weekends which exceeds the quota of 60 minutes stipulated in the licence. The following are some of the Current Affairs programmes monitored:

1. *"Ngezibhulumbethe"* broadcast Mondays to Fridays between 06h05 and 07h00;

2. "Sidemba Zemini" broadcast Mondays to Fridays between 13h05 and 13h30;
3. "Zibuya Nabazumi" broadcast Mondays to Fridays between 18h05 and 19h00;
and
4. "Ngezeveke le" broadcast on weekends between 06h05 and 07h00

In total, 220 minutes of Current Affairs programming was monitored.

The Licensee has complied with clause 6.2.2 of the Schedule of its licence.

Clause 6.2.3 of schedule to the licence stipulates that:

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

- (i) Exercise full editorial control in respect of 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 SABC's editorial policy provides that the licensee must exercise full editorial control in respect of contents of its programming. The editorial policy further indicates that the licensee endeavours to meet the highest standards of journalistic professionalism.

Further, the policy provides for fair, unbiased and impartial coverage independent from government, commercial or other interference. Furthermore, in its news and programming content it includes matters of international, national, regional and local significance.

In its current affairs broadcast, the radio station provides an opportunity for the public to receive a variety of points of view on matters of public concern. The SABC's Editorial Policies forms part of the SABC's Charter and monitoring of Ikwewezi FM's news and current affairs programmes during the year under review not only

demonstrated compliance with clause 6.2.3 of its licence but the Charter as contained in the Broadcasting Act of 1999.

The Licensee has complied with clause 6.2.3 of the Schedule of its licence.

3.6.4 Programming targeted at Children

Clause 6.3.1 of the schedule to the licence provides 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".

Further, clause 6.3.2 stipulates 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) Targeted at and appropriate for children between the ages of nought (0) to six (6) years and seven (7) to twelve (12) years respectively;*
- (iii) Educational and is made from children's point of view"*

The Authority's monitoring exercise identified the following children's programmes:

- "Ngimi Nawe" which is broadcast during weekdays between 09h05 and 12h00, in that programme there is a 10 minutes programme called "Takalani Sesame" which caters for children.
- "Vumelani Abentwana beze kimi" – broadcast on Sundays only between 07h05 and 07h30. It is a religious programme, teaching children about reading the bible, praying and singing gospel songs. The programme is broadcast at the time when children are at home.

Both the above-mentioned programmes cater for children as stipulated in the licence. Children between the ages of 5 years and 7 years were identified. The topics that

were discussed on "Takalani Sesame" was about storytelling and how can children create their own stories.

In total, 75 minutes which exceed the quota stipulated in the licence was monitored.

The Licensee has complied with clause 6.3.2 of the Schedule of its licence.

3.6.5 Educational Programming

Clause 6.4 of the schedule to the licence stipulates that:

"The Licensee shall broadcast at least five (5) hours of educational programming (as contemplated in section 10 (1) (e) of the Broadcasting Act) per week within the South African performance period".

The monitoring exercise revealed that the Licensee broadcasts at least 9 hours of educational programming per week.

The following programmes were identified to be carrying educational content:

- "Ngimi Nawe" broadcast Mondays to Fridays between 09h05 and 12h00;
- "Amathunzi Anabile" broadcast Mondays to Fridays between 15h05 and 17h00;
- "Siditjile" broadcast Mondays to Fridays between 14h05 and 15h00; and
- "Umthombo Welwazi" broadcast Mondays to Fridays between 21h05 and 22h30.

The Licensee has complied with clause 6.4 of the Schedule of its licence.

3.6.6 Drama

Clause 6.5 of the schedule to the licence stipulates that:

"The licensee shall broadcast at least two and a half (2 ½) hours of drama per week within the South African Performance period".

The following Drama series were identified during the period under review:

- "Ebusweni Bombulali" broadcast Mondays to Thursdays between 22h00 and 22h15; The same drama was repeated during the programme called "Siditjile" broadcast between 14h05 and 15h00; and
- "Ngimi Nawe" broadcast Mondays to Fridays between 09h05 and 12h00. The name of the drama is called "Limpfosa emnyango" broadcast weekdays for 15 minutes and is about the challenges of families regarding businesses, demands of marriage life, friendship, criminality, revenge.

In total, 3 hours and 25 minutes was monitored.

The Licensee has complied with clause 6.5 of the Schedule of its licence.

3.6.7 Informal Knowledge Building

Clause 6.6 stipulates that:

"The licensee shall broadcast at least three hours (3) of informal knowledge building programming per week within the South African performance period".

The monitoring exercise identified 360 minutes of IKB programming per week. This translates to 6 hours of IKB programming per week which exceeds the quota.

The following are the informal knowledge building programmes that were monitored:

- "Ngimi Nawe" broadcast Mondays to Fridays between 9h05 and 12h00;
- "Amathunzi Anabile" broadcast Mondays to Fridays between 15h05 and 17h00; and
- "Umthombo Welwazi" broadcast Mondays to Fridays between 21h05 and 22h30.

The following are the topics that were identified as information knowledge based:

- *Health matters: the listeners were informed that, chocolate is poisonous for dogs; avocado is poisonous for birds; to quickly ripen tomatoes, one must put the tomatoes next to a banana. The banana releases ethylene gas which is the chemical that ripens the tomato.*

- *Social media: 'twitter' was invented in the year 2006 in San Francisco, America and that it has been 10 years in existence. It has 655 million users.*

The Licensee has complied with clause 6.4 of the Schedule of its licence.

3.6.8 Training and Skills Developments Obligations

Clause 7 of the schedule attached to the licence provides as follows:

"7.1 The licensee must adopt and implement equal opportunity employment practices;

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*

7.4 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."

For the year 2015/2016 financial year, the SABC's employment equity statistics showed that the SABC employed at least 85% black people in its staff complement while 48% were female employees. Black people dominated the Licensee's staff compliment at management level at 77%, while females at management level constituted 43.5%. In addition, 2% of the overall staff complement within the

Licensee were people with disabilities and a bulk of that percentage is employed in the Eastern Cape.

The SABC boasts of an award received from the Department of Labour in recognition of its Employment Equity practices.

In terms of training, the Licensee reported to having trained at least 1933 employees in the year that ended 2016. The statistical breakdown of these training interventions show that at least 88% of SABC's trained personnel were people from previously disadvantaged backgrounds.

3.7 Audited Financial Statements

Clause 8 of the schedule to the licence provides that:

"The licensee shall provide the Authority with the audited annual financial statements of the licensed service within 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 SABC submitted its Audited Financial Statements for the 2015/2016 financial year within the stipulated timeframe.

The SABC submitted its Audited Financial Statements for the 2015/2016 within the regulated timeframe. According to the AFS, the Licensee generated revenue of R7,978, 841000. Of this amount, some of the expenses were on broadcast costs, signal distribution and linking costs, marketing costs, professional and consulting fees. The Licensee incurred a loss of R411, 605 000.

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

4. REGULATIONS

4.1 Code on People with Disabilities

Regulation 3.1 (a) of the Code on People with Disabilities as published in the Government Gazette, no 30441, 7 November 2007, states that:

"Broadcasting service licensees must ensure that their services are made available and are accessible to people with disabilities".

Regulation 3.1 (b) stipulates that:

"Options for making broadcasting services more accessible may include the following:

- i. Improve and/or increase subtitles and sign language;*
- ii. Expand knowledge on various adjustments such as induction loops, Minicom/text phones and alternatives computer software;*
- iii. Access to programme support such as fact sheet;*
- iv. Website to offer a range of formats (such as electronic versions, Braille and audiotape);*
- v. Use of spoken languages where economic indicators, weather details, telephone numbers and addresses or details of goods and services are shown on-screen; and*
- vi. Use of non-scheduled services such as access via Personal Video Digital Recorders (PVR's) and TV anytime".*

Regulation 3.1 (c) states that:

"Broadcasting service licensees must monitor the effectiveness of their service through surveys as well as contact with organisations of and for people with disability and stakeholders".

The Licensee conducted the SABC National Disability Committee quarterly meetings to monitor and evaluate progress against its Disability mainstreaming objectives. The Licensee also commemorated and hosted the International Disability Day in the form of Leadership awareness breakfast session to challenge leadership to understand and create disability awareness.

Among others, the following disability awareness campaigns were hosted:

- National Blind Buddy Day;
- Autism Awareness;

- Albinism Awareness;
- Deaf Awareness; and
- Casual day.

The Licensee further conducted verifications of all declared disabilities and identification of reasonable accommodation needs, as well as participation in a career exposure initiatives for scholars with disabilities.

SABC also reported that Employees with disabilities represent 1.90% of the entire workforce as some employees left the organisation and thus the organisation did not meet its target of 2%. The SADC further reported that 58% of all employees with disabilities are female and 77% are black. Producers are encouraged to establish relationships with organisations for people with disabilities to use for content when the need arises.

The Licensee has demonstrated that it complies with the Code on People with Disabilities.

4.2 Compliance Procedure Manual – Form 12A

The Licensee is required, in terms of the Compliance Procedure Manual Regulations, to submit a Form 12A⁸ which reports on all complaints received in the course of each financial year. In April 2015, the SABC submitted its complaints report in accordance with the Regulations regarding the Code of Conduct for Broadcasting Service Licensees.

The Licensee did submit its complaints report as stipulated above, however during the period under review, Ikwewezi did not receive any complaints.

The complaints process announcement is aired frequently.

The Licensee has complied with the Compliance Procedure Manual.

⁸ SABC Form 12A

4.3 South African Music Content Regulations

Regulation 3.1 of South African Music Content⁹ as published on 31 January 2006 stipulate that:

"Every holder of a public sound broadcasting licence to which these regulations apply must ensure that after eighteen months of the gazetting of these regulations, a minimum of 40% of the musical works broadcast in the performance period consist of South African music and that South African music is spread reasonably evenly throughout the said period".

During the period under review, the Authority's monitoring exercise revealed that the Licensee broadcast at least 65% South African music.

The following are some of the local Artists that were identified on the various programmes: Fikile Mlomo – 'Jehova'; Caiphus Semanya – 'Mmematswale'; Juluka ahleka – 'Funiseni uBaba'; Ubuhle bethu – 'Uyenzelani'; Vala ngensimbi – 'Nijahe imali'; Vusi Masehla – 'Makhelwane'; Gogo – 'Manikiniki'; Zichema – 'Khamba Lami'; Mhlengi Mchunu – 'Loluthando'; Enoch Majoda – 'Socherere'; Ibhubhesi – 'Emathekisini'; Vela Bahleka – 'Thembalami'; Unathi – 'Imibuzo'; Ntando – 'Uyakhumbula' and Ringo Madlingozi – 'Buyisa uthando'.

The Licensee has complied with the regulations on South African Music Content Regulations.

4.4 Regulations regarding Standard Terms and Conditions for Individual Broadcasting Licensees

Regulation 11 (3) of the standard terms and conditions¹⁰ stipulates that:

"A station must clearly identify itself at intervals of not more than thirty (30) minutes".

⁹ South African Music Content

¹⁰ Regulations regarding the Standard Terms and Conditions for Individual Licensee's

The Licensee's jingles/announcements were broadcast frequently during the period under review and these broadcasts were at intervals of not more than 10 minutes apart. The jingles/announcements always carried the name and frequency location of the Licensee. Furthermore, no non-compliance was detected by the Authority with the Standard Terms and Conditions for Individual Licences Regulations.

The Licensee has complied with the Regulations on Standard Terms and Conditions for Individual Licensees during the period under review.

4.5 Universal Service and Access Fund Regulations

Regulation 3 of the USAF Regulations provides 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 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".*

The Licensee paid its annual contribution to the USAF and received confirmation of payment in a form of a Section 18A certificate from the MDDA. The Licensee submitted proof of payment¹¹ to the Authority within the timeframes.

The Licensee has complied with the regulations in respect of Universal Service and Access Fund.

5. CONCLUSION

The Licensee has complied with its licence terms and conditions as well as the Regulations and relevant legislation.

¹¹ Proof of SABC's contribution to the USAF

6. ANNEXURES

6.1 Ikwewezi FM's service and frequency spectrum licences.