



KARABO FM ANNUAL COMPLIANCE REPORT

MARCH 2017

2015/2016 ANNUAL COMPLIANCE REPORT

KARABO YOUTH DEVELOPMENT BROADCASTING AS KARABO FM

LICENCE PERIOD: 08 December 2013 to 07 December 2018

1. PREFACE

The Independent Communications Authority of South Africa (the Authority) has a statutory mandate in terms of the Constitution¹, the ICASA Act² and the Electronic Communications Act³ (ECA) and the Broadcasting Act to regulate broadcasting activities in South Africa in the public interest. The Authority is tasked with ensuring compliance by broadcasters with the terms and conditions of their licence, any relevant legislation and regulations.

The following report is intended to give account of Karabo FM's compliance with the 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, community participation, programming, format, news and information, local content obligations, language(s), South African Music Regulations, Regulations Regarding Standard Terms and Conditions and Compliance Procedure Manual Regulation (CPMR).

2. BACKGROUND

Karabo FM is a Class Sound Broadcasting Service Licensee. The Licensee's language(s) of broadcast are SeSotho, isiXhosa, English, isiZulu, SePedi, Street Lingo and Afrikaans. The radio station's mandate is to provide a service to the geographic areas of Sasolburg and surrounding areas in the Free State Province.

Karabo FM broadcasts from the studios situated at Unit 2, Themba lethu, Zamdela Location, Sasolburg. The radio station's signal distributor is Sentech.

The radio station commenced full broadcast on 16 April 2009, though it suffered a setback when the radio stations premises suffered an arson attack on 07 September 2013 due to political unrest in the area. This left the radio stations

¹ The Constitution of the Republic of South Africa, No 108 of 1996

² ICASA Act No 13 of 2000, as amended

³ Electronic Communications Act No 36 of 2005

premises completely unusable and forcing the radio station to suspend broadcasting services. The radio station has since recovered with the assistance of the Department of Communications to find new premises and build new studios and commenced full broadcast on 12 December 2014.

3. COMPLIANCE ASSESSMENT

3.1. Ownership and Control

Clause 1 of the schedule to the licence terms and conditions stipulate that:

"The Licence is issued to:

1.1 Name of Company/Entity: Karabo Youth Development.

1.2 Control of the Licensee: Control shall vest in the Board of Director of a non-profit organisation known as Karabo FM".

There were no changes reported by the Licensee to its company name and control structure.

The Licensee complies with clauses 1.1 and 1.2 of the Schedule to its licence.

Clause 1 of the schedule to the licence stipulates as follows:

"Name of the radio station: Karabo FM".

The radio station's name is Karabo FM as stipulated in the licence.

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

3.2 Geographic Coverage Area

Clause 3 of the schedule to the licence stipulates that Karabo FM's coverage area is as follows:

"Sasolburg and surrounding areas as set out in the Licensee's radio frequency spectrum licence".

The Licensee confirms that it covers Deneysville, Orangeville, Wolwehoek, Vanderbijlpark and Clydesdale. These are the geographic areas specified in the spectrum licence.

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

3.3 Community

Clause 4.1 of the licence stipulates that:

"The Licensee should provide services to a community residing within the geographic coverage area specified herein".

Karabo FM confirms that it broadcasts from Sasolburg and provides its services to the geographic community residing within its coverage area.

The Licensee complies with clause 3.1 of the Schedule to its licence.

Clause 4.2 of the Schedule to the licence stipulates that:

"The Licensee shall provide for the participation of community members in the affairs of the station in the following ways:

4.2.1 "The Licensee shall hold at least two (2) meetings annually with its community on programming and programme related matters for the selection and provision of programmes;

4.2.2 "The Licensee shall furnish the Authority with proof of such meetings as well as the attendance thereof by members of the community;

The Licensee has not submitted proof that the above meetings have been held with the community.

The Licensee was found not to comply with clause 4.2.2 of the above.

Further clause 4.2.3 stipulates that:

"The Licensee shall hold an Annual General Meeting (AGM) for the following purposes:

4.2.3.1 To provide feedback on the Licensee's compliance with licence conditions,

4.2.3.2 To provide feedback on the Licensee's operational and financial performance; and

4.2.3.3 To elect members of the controlling structure e.g. Board of Directors, Trustees etc. Subject to the licensee's founding documents.

The Licensee convened an Annual General Meeting (AGM) on 17 September 2016, the AGM was also an elective meeting. The purpose of the AGM was to provide feedback with regards to the Licensee's compliance with licence terms and conditions, operational, financial performance, elect new board members as well as to amend the constitution of the organisation.

The Licensee submitted minutes of the AGM, reports presented at the AGM and the proposed amendments to the constitution as per the Authority's request.

The proposals for the amendments were accepted and adopted at the AGM. The Authority is in possession of the Licensee's amended constitution.

The Licensee's Acting Chairperson of the Board and Station Manager reported on the operational and administrative activities of the radio station and its financial performance. The reports were subsequently adopted by the members present at the AGM. The board reported to have achieved the following objectives during its term of office. These were mainly directives given to the board of Directors at the 2012 AGM:

- The radio station has 44 000 listeners and 4 100 online, this is giving them 48 000 listeners in general;
- The radio station has 32 personnel working full time and part time on a voluntary basis and a stipend is allocated depending on the availability of funds;
- Sasol has assisted the radio station with the installation of security features;
- The radio station has two graduates from Wits University for an internship and training purposes as well as to provide broadcasting experience;
- The radio station intends to broaden its programming to accommodate English speaking listeners in the area so as to improve their advertising revenue;
- The radio station has established good working relations with both local and district municipalities;

- The radio station gets involved in community service initiatives if needed. They assist in raising funds for struggling students, assisting troubled communities in the area by giving away warm clothes to the underprivileged school children;
- The radio station also reported its challenges and those include disruption of programming during power cuts, the radio station stated that this affects advertising and also reported on labour related challenges experienced during the year under review. It was further reported that the Chairperson of the board was released of his duties and his membership of the radio station was suspended for two years.

The AGM was not without its challenges and there were a few members who questioned the dismissal of the Chairperson and whether it was a legitimate decision. The remaining board members defended the decision and after lengthy debates on the matter a vote was taken and it was decided that the AGM move forward and a new board be elected as scheduled.

The AGM of 17 September 2016 elected the following members as Board of Directors:

1. Chairperson: Mr Dika Kheswa;
2. Deputy chairperson: Mr Mahlomola Sibiya;
3. Secretary: Ms Dorah Mayekiso;
4. Deputy secretary: Mr Pinkwane Enock;
5. Treasurer: Mr Rankoe Piet;

Additional members:

6. Mrs Mokoena Esther;
7. Mr Gugu Nhlapo;
8. Mrs Mpho Manoto;
9. Mr Johannes Mofokeng; and
10. Miss Mahadi Nkheloane

The Licensee complies with clause 4.2.3 of the Schedule to its licence.

5.1 Programming

Clause 5.1 of the schedule to the licence stipulates that:

"The Licensee shall provide programming as follows:

Clause 5.1.1 of the schedule to the licence stipulates that:

"The Licensee shall broadcast a total of ninety (90) minutes of news per day, of which forty-five (45) minutes shall be local, thirty-six (36) minutes national and nine (9) minutes international news".

The monitoring exercise conducted for the period under review indicated that Karabo FM broadcasts news bulletins every hour on the hour. The duration of the news bulletins is between 3 to 5 minutes. The Licensee broadcasts an average of 60 minutes of news per day.

The following were among the news bulletins covered for the period under review:

- *"Former Intelligence Minister Ronnie Kasrils has urged politicians to mature with South Africa's democracy. He say they should stop calling each other provocative names and accusing people of being foreign agents. He made the statements at the High Court, after reaching a R500 000 settlement in a defamation suit he bought against the MKMV head Kebby Maophatsoe. In 2014 the MKMV Head called the former Minister a counter revolutionist and accused him of arranging a plot accusing President Zuma of rape";*
- *"Cosatu says it fully supports student calls for a zero percent tuition fee increase for the 2017 academic year. The Union reported back on its executive committee meeting and says that issues relating to local elections results and tuition fees were discussed"; and*
- *"Outgoing University of the Free-State Vice Chancellor Jonathan says the country's Universities cannot handle another zero percent tuition free increase and it will breakdown decades of hard-work".*

Monitoring exercise revealed that the Licensee does not comply with the minutes as stipulated in the licence. As indicated above, the total minutes of news

broadcast per day is 60 minutes of which 15 minutes is local, 40 minutes national and approximately 5 minutes is international.

The Licensee does not comply with clause 5.1.1 of the schedule to its licence.

Clause 5.1.2 of the schedule to the licence stipulates that:

"The Licensee shall broadcast South African music content of 65%".

Monitoring exercise confirmed that the Licensee broadcasts at least 65% of local content.

The Licensee complies with clause 5.1.2 of Schedule to its licence.

Clause 5.1.4 of the schedule to the licence stipulates that:

The Licensee shall have a format of 60% talk and 40% music.

The monitoring confirmed that the Licensee has a 60% talk and 40% music split.

The Licensee complies with clause 5.1.4 of the Schedule to its licence.

Clause 5.1.5 stipulates that the Language(s) of broadcast are as follows:

- "(a) 23% English*
- (b) 22% SeSotho*
- (c) 16% isiXhosa*
- (d) 15% isiZulu*
- (e) 13% Sepedi*
- (F) 7% Street Lingo*
- (g) 4% Afrikaans".*

The monitoring exercise confirmed that the Licensee broadcasts predominantly in SeSotho, Sepedi, and English as well as in other languages as stipulated in clause 5.1.5 of its licence. The Licensee broadcast 50% in SeSotho.

The Licensee failed to comply with clause 5.1.5 of the Schedule to its licence.

Clause 5.2 of the schedule to the licence requires that:

"The Licensee shall keep a log of programmes broadcast which must be submitted on a monthly basis to the Authority. A pro-forma of the log to be kept will be supplied by the Authority".

The Licensee does not submit the above log sheets to the Authority on a monthly basis. The CCA division has been to the radio station and emphasized the important of monthly submissions as well as record keeping.

The Licensee failed to comply with clause 5.2 of the schedule to the licence.

4. REGULATIONS

4.1. South African Music Content Regulations

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

"Every holder of a community 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 such South African music is spread reasonably evenly throughout the said period".

Karabo FM broadcasts a significant amount of South African music. The music genres range from gospel, kwaito, RnB, jazz, Afro-jazz, hip hop, house as well as traditional music. The local music broadcast by the radio station includes the following: *Unathi, Zahara, Mafikizolo, Malaika, Bongo Muffin, Mandoza, Zonke, HHP, Caiphus Semenya, Brenda Fassie, Simphiwe Dana and Lira.*

On average Karabo FM broadcasts 65% South African music on a daily basis.

Karabo FM has, during the period under review complied with the required local music content quota, as prescribed by the South African Music Content Regulations

4.2 Regulations Regarding Standard Terms and Conditions for Class Broadcasting Licences

During the year under review, the Authority did not identify instances of non-compliance by the Licensee with the standard terms and conditions for class licensees.

4.3 Information in accordance with Compliance Procedure Manual Regulation (CPMR)

The Licensee is required to submit the following information to the Authority in following manner:

- a) Form 1 & 7C: These forms are annual submissions and are to be submitted each year by end of March;
- b) Form 6B and 12A: These forms are bi –annual submissions and are to be submitted second week of October and second week of April each year; and
- c) Form 8A-E: These are monthly reports pertaining to general programing logs, they are to be submitted at the beginning of every month to report on the previous month.

The Licensee does not submit the above information to the Authority as set out in the Regulations.

The Licensee has failed to comply with the Regulation above.

5. CONCLUSION

Karabo FM, for the period under review, was found not to comply with some obligations as set out in their licence terms and conditions, particularly programming related obligations as well as the requirements as set out in the Compliance Procedure Manual Regulations. The CCA Division will engage the Licensee further on matters relating to compliance and attempt to assist where possible.

6. TERMS OF REFERENCE

- 6.1 Appendix A: Karabo FM's broadcasting service and frequency spectrum licence;