

2011/2012 ANNUAL COMPLIANCE REPORT

Lesedi FM

Licence Period: 18 December 2008 to 17 December 2018

1. PREFACE

The Independent Communications Authority of South Africa (“the Authority”) has a statutory mandate in terms of the Constitution,¹ the Broadcasting Act,² the ICASA Act of 2000,³ and the Electronic Communications Act (“EC Act”) of 2005⁴ 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 Lesedi FM’s performance for the period 2011/2012 fiscal year. Aspects of compliance that are measured comprise of the Format, Local Content Obligations, General Programming Obligations, Training and Skills Development Obligations, Finances, South African Music Content Regulations and the Standard Terms and Conditions, Universal Service Fund Obligations and Licence Fees Regulations.

2. BACKGROUND

Lesedi FM is an Individual Sound Broadcasting Service Licensee of the South African Broadcasting Corporation (“SABC”). The radio station’s mandate is to provide a full radio spectrum service to the following provinces: Gauteng, Mpumalanga, Northern Cape, Limpopo, Northwest, Western Cape, Kwa-Zulu Natal, Free State and the Eastern Cape provinces. The radio station’s principal language is Sesotho (*See Appendix A*).

¹ The Constitution No, 108 of 1996,

² The Broadcasting Act No,4 of 1999

³ The ICASA Act No, 13 of 2000,

⁴ The Electronic Communications Act No, 36 of 2005

3. COMPLIANCE ASSESSMENT

3.1 Ownership and Control

Clause 1.2 of the licence provides as follows:

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

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

"Shareholders: The State: 100%"

Clause 1.3 of the licence provides that:

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

Lesedi 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.

3.2 Geographic Coverage Area

Clause 2 of the schedule to the licence provides 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 areas are Gauteng, Mpumalanga, Northern Cape, Limpopo, Northwest, Western Cape, Kwa-Zulu Natal, Free State and the Eastern Cape Provinces. The Licensee confirms that its coverage area is as defined in its licence.

The Licensee complies with clause 2 of its licence.

3.3 Language(s)

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

"Principal Language: Sesotho".

The monitoring exercise confirmed that Lesedi FM broadcasts its programmes principally in Sesotho.

The Licensee complies with clause 3 of its licence.

3.4 Format

Clause 4.1 of the schedule to the licence provides that:

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

Clause 4.2 provides that:

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

Lesedi 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 complies with clauses 4.1 and 4.2 of its licence.

3.5 Local Content Obligations

Clause 5 of the schedule to the licence provides that:

"The Licensee shall submit quarterly reports to the Authority which shall include the licensee's compliance measured on:

Clause 5.1 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 05h00 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".

The SABC submitted its quarterly reports for the period under review. The reports are reflective of a week's sample for each quarter. The SABC is of the view that it is unlikely that programming would change in a week.

The figures below demonstrate a breakdown of Lesedi FM's compliance with the quotas set out by the Authority. The figures were verified during the Authority's monitoring exercise from the recordings submitted by the radio station for the period under review.

First Quarter April – June 2011

Content/Genres	ICASA's Quota	Lesedi FM's Provision (Minutes Daily/Weekly)	Lesedi FM's Compliance (%)
News (M-F) News (Sat) News (Sun)	60 min (M-F) 60 min (Sat) 60 min (Sun)	85 min (weekdays) 65 min (Saturday) 60 min (Sunday)	123% 100% 83%
Current Affairs (M-F) Current Affairs (Sat) Current Affairs (Sun)	60 min (M-F) 60 min (Sat) 60 min (Sun)	202min (weekdays) 60 min (Saturday) 60 min (Sunday)	285% 100% 100%
IKB	180 min (weekly)	2750 min (weekly)	1355%
Education (weekly)	300 min (weekly)	380 min (weekly)	165%
Children (weekly)	60 min (weekly)	175 min (weekly)	375%
Drama (weekly)	150 min (weekly)	180 min (weekly)	150%

Second Quarter July-September 2011

Content / Genres	ICASA's Quota	Lesedi FM's Provision (Minutes Daily/Weekly)	Lesedi FM's Compliance (%)
News (M-F)	60 min (M-F)	85 min	150%
News (Sat)	60 min (Sat)	(weekdays)	116%
News (Sun)	60 min (Sun)	60 min (Saturday) 60 min (Sunday)	83%
Current Affairs	60 min (M-F)	195min	225%
Current Affairs	60 min (Sat)	(weekdays)	100%
Current Affairs	60 min (Sun)	60 min (Sat) 60 min (Sun)	200%
IKB	180 min (weekly)	2090 min (weekly)	1566%
Educational	300 min (weekly)	385 min (weekly)	243%
Children's (weekly)	60 min (weekly)	160 min (weekly)	292%
Drama	150 min (weekly)	180 min (weekly)	120%

Third Quarter October-December 2011

Content/Genre	ICASA Quota (Minutes Daily/Weekly)	Lesedi FM's Provision (Minutes Daily/Weekly)	Lesedi FM's Compliance (%)
News daily (M-F)	60 min (daily)	85 min (daily)	141%
News (Sat)	60 min (Sat)	60 min (Sat)	100%
News (Sun)	60 min (Sun)	60 min (Sun)	100%
Current Affairs (M-F)	60 min (daily)	195 min (daily)	325%
Current Affairs (Sat)	60 min (Sat)	60 min (Sat)	100%
Current Affairs (Sun)	60 min (Sun)	0 min (Sun)	0%
IKB (weekly)	180 min (weekly)	1125 min (weekly)	625%
Education (weekly)	300 min (weekly)	245 min (weekly)	122%
Children (weekly)	60 min (weekly)	90 min (weekly)	150%
Drama (weekly)	150 min (weekly)	155 min (weekly)	103%

Fourth Quarter January –March 2012

Content / Genres	ICASA's Quota	Lesedi FM's Provision (Minutes Daily/Weekly)	Lesedi FM's Compliance (%)
News (M-F)	60 min (M-F)	81 min	142%
News (Sat)	60 min (Sat)	(weekdays)	100%
News (Sun)	60 min (Sun)	60 min (Saturday) 60 min (Sunday)	100%
Current Affairs	60 min (M-F)	177min	325%
Current Affairs	60 min (Sat)	(weekdays)	100%
Current Affairs	60 min (Sun)	60 min (Sat) 60 min (Sun)	100%
IKB	180 min (weekly)	1000min (weekly)	1550%
Educational	300 min (weekly)	265min (weekly)	126%
Children's (weekly)	60 min (weekly)	85 min (weekly)	292%
Drama	150 min (weekly)	155 min (weekly)	120%

The above quarterly submissions indicate compliance by Lesedi FM with the set quotas during the 2011/2012 fiscal year.

3.6 General programming obligations

3.6.1 General

Clause 6.1.1 of the licence provides that:

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

The SABC's editorial policy provides that:

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

The Authority's monitoring exercise revealed that "Dikalaneng" a programme broadcast every Monday to Friday between 03h30 and 06h00, discusses religious issues relevant to the radio station's audience. A scriptural reading was also identified. Christianity and Rastafarian religions were identified.

The Licensee complies with clause 6.1.1 of its licence.

Clause 6.1.2 of the licence provides that:

"The Licensee shall take reasonable steps to provide programming that reflects the cultural and tradition needs of the audience".

Lesedi FM's target audience is primarily the Sesotho speaking people. The Authority's monitoring exercise "Makumane" which is broadcast Monday to Friday between 05h30 and 07h00 is a programme that focuses on Sesotho cultural and traditional issues. One of the topics discussed was about the dress code in Churches and at Cemeteries.

The Licensee complies with clause 6.1.2 of its licence.

Clause 6.1.3 of the licence provides that:

"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".

Lesedi FM's programme content deals with a variety of topical issues that cater for the interest of the South African society. During the period under review, the

Authority's monitoring exercise identified programmes dealing with healthy diet and abuse against women and children (16 days of activism against women and child abuse).

The Licensee complies with clause 6.1.3 of its licence.

3.6.2 News and Current Affairs

Clause 6.2.1 of the schedule attached to the licence provides that:

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

The quarterly reports submitted by the SABC indicate that the radio station broadcasts a minimum of eighty five (85) minutes of news on weekdays, sixty (60) minutes of news on Saturdays and Sundays.

The Authority's monitoring confirmed that Lesedi FM broadcasts news bulletins every hour on the hour from 06h00 to 22h00 and headlines every half hour. The following news stories were amongst news stories covered during the period under review:

- *"The ANC Youth League is advocating for nationalisation of mines ";*
and
- *"George Smith who is accused of killing tycoon Lolly Jackson the owner of the franchise of Strip clubs called Teasers is going to appear at the Cyprus court".*

In total, eighty five (85) minutes of news was monitored each day during the South African performance period.

The Licensee complies with clause 6.2.1 of its licence.

Clause 6.2.2 of the schedule to the licence provides 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 the radio station broadcasts a minimum of one hundred and seventy seven (177) minutes (2 hours 57 minutes) of current affairs programming on weekdays and a minimum of sixty (60) minutes on Saturdays and Sundays during the South African performance period.

The Authority's monitoring exercise identified current affairs programmes as follows:

- *"Matshohlo"* which is broadcast Monday to Friday between 18h00 and 19h00;
- *"Mathemalodi"* which is broadcast Monday to Friday between 09h00 and 12h00;
- *"Makumane"* which is broadcast Monday to Friday between 05h30 and 07h00;
- *"Mathumisa"* which is broadcast on Saturday only between 06h00 and 07h00; and
- *"Imatlafatse"* which is broadcast Monday to Friday between 12h00 and 13h00.

The programmes monitored lasted for sixty (60) minutes each. A total of six (6) hours of current affairs programming was monitored each day during the South African performance period.

The Licensee complies with clause 6.2.2 of its licence.

Clause 6.2.3 of the schedule to the licence provides as follows:

"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) meets the highest standards of journalistic professionalism;*
- (iv) provide fair, unbiased, impartial and balanced coverage independent from governmental, commercial or other interference*
- (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.

The Authority's monitoring exercise confirmed that Lesedi FM broadcasts 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 viewpoints from different analysts and experts on matters of public concern (See 6.2.1 and 6.2.2 above). The SABC's Editorial Policies form part of the SABC's Charter and monitoring of Lesedi FM's news and current affairs programmes for the period under review demonstrated compliance with clause 6.2.3 of its licence and the Charter as contained in the Broadcasting Act of 1999.

The Licensee complies with clause 6.2.3 of its licence.

3.6.3 Programming targeted at Children

Clause 6.3.1 of 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".

The SABC's quarterly reports indicate that Lesedi FM broadcasts a minimum of ninety (90) minutes (1 hour 30 minutes) of programming targeting children per week during the South African performance.

The Authority's monitoring exercise revealed compliance by the radio station. The following programmes were amongst programmes identified during the period under review:

- "Ke Moqebelo" which is broadcast on Saturday between 07h00 and 09h00;
- "Kgothala" which is broadcast on Sunday between 07h00 and 09h00; and
- "Mathemalodi" which is broadcast weekdays between 09h00 and 12h00 as well as "Takalani Sesame".

In total, one hundred and fifty (150) minutes (1hours 30 minutes) of programming targeted at children was monitored.

Clause 6.3.2 of the licence provides 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".*

"Ke Moqebelo" is a programme broadcast between 7h00 and 9h00. During this programme, a number of children participate telephonically, indicating that they are at home. Most of the child callers were between the ages of four (4) to nine (9) years old.

The Licensee complies with clause 6.3.2 of its licence.

3.6.4 Educational Programming

Clause 6.4 of the licence provides 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 SABC's quarterly reports indicate that Lesedi FM broadcasts a minimum of three hundred and eighty (380) minutes (6 hours 20 minutes) of educational programming on weekly basis during the South African performance period, notwithstanding a shortfall in quarter three and four.

The monitoring exercise confirmed that Lesedi FM broadcasts a significant amount of educational programmes. The following programmes were identified as educational programmes broadcast by Lesedi FM:

- *"Re a kuboletsa" broadcast Monday to Thursday between 15h00 and 18h00*

- *"Ke ya le wena" broadcast Monday to Thursday between 21h00 to 00h00*
- *"Ha re ye" broadcast Monday to Friday between 07h00 and 09h00*
- *"Mathemalodi" broadcast on Monday to Thursday between 09h00 and 12h00.*

The above programmes overlap with Informal Knowledge Building programming and discussed various educational and informative issues, such as advice on skin care and career guidance was among the issues discussed. More than five (5) hours of educational programming was monitored weekly during the South African performance period.

The Licensee complies with clause 6.5 of its licence.

3.6.5 Drama

Clause 6.5 of the licence provides 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 SABC's quarterly reports indicate Lesedi FM broadcasts a minimum of one hundred and fifty five (155) minutes of drama programming per week during the South African performance period.

The Authority's monitoring exercise identified the following drama programmes as some of the programmes broadcast by Lesedi FM:

- *"Bua le Yona" which is broadcast weekdays between 13h05 and 15h00*
- *"Mphahlolle" which is broadcast between 19h00 and 21h00.*

- “*Dihepehepe tsa Mathlarangthleng*” which is broadcast during weekdays between 14h00 and 14h30 and lasts for fifteen (15) minutes.

In total, two (2) hours and thirty (30) minutes of drama programming per week was monitored.

The Licensee complies with clause 6.5 of its licence.

3.6.6 Informal Knowledge-Building Programmes

Clause 6.6 of the licence provides that:

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

The SABC’s quarterly reports indicate that Lesedi FM broadcasts a minimum of one thousand (1000) minutes (16 hours 40 minutes) of Informal Knowledge Building programming per week during South African performance period.

During the period under review, the Authority’s monitoring confirmed that Lesedi FM broadcasts fifty five (55) minutes of IKB on weekdays. The following are some of the programmes identified:

- “*Makumane*” broadcast Monday to Friday between 05h30 and 07h00;
- “*Mathemalodi*” broadcast Monday to Friday between 09h00 and 12h00;
- “*Rea Kubeletsa*” broadcast Monday to Friday between 15h00 and 18h00; and
- “*Re Mmoho*” broadcast Monday to Friday between 21h00 and 00h00

In total, four (4) hours thirty (30) minutes of Informal Knowledge Building programming was monitored.

The Licensee complies with clause 6.6 of its licence.

3.6.7 Training and Skills development Obligations

Clause 7 of the schedule 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 takes 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 with written information regarding its compliance with the above requirements”.*

The SABC submitted a skills development and training report of the entity as a whole, indicating that its management and staff are representative of South African society. The SABC submits that it is in the process of vetting information which relates to its implementation of equal opportunity employment practices.

This information will detail the SABC's management and control structures and procurement allocations. The information will be submitted as soon as the process is complete.

The Licensee further submits that Skills Development is not only a national priority, but that of the SABC at large. The Licensee submits that the technological landscape that keeps on evolving calls for the SABC to continually equip its employees with the necessary skills in order to remain competitive and sustainable. The Licensee states that in the year 2011/12, there have been a number of positive developments in response to the myriad challenges posed by the change in technology (migration from analogue to a digital space). The SABC submits that more than half of the total SABC employee population (2049) was trained in the respective divisions/clusters. Furthermore, its total expenditure on training amounted to twenty two million, nine hundred and eight thousand, seven hundred and sixty three rand (R22, 908, 763) spread across various divisions for 4612 interventions which included Learnerships/Internships. Of the 2049 employees that were trained, 47% are females and 53% are males.

Further, the SABC states that a total of 93 new bursaries were awarded in 2011/2012, bringing a total number of bursaries to 231, which includes bursaries awarded under the SABC foundation. According to SABC, the amount invested to maintain these new and existing bursaries was three million two hundred thousand rand (R3, 200 000); and were awarded in line with the critical and scarce skills identified within the broadcast industry (*See skills development report attached as Appendix B*).

3.7 Provision of Audited financial statements to the Authority

Clause 8 of the licence provides that:

"The Licensee shall provide the Authority with the audited annual financial statements of the licensed service within four (4) months of the end of the licensee's financial year, provided that the licensee may on good cause apply to the Authority for extension".

The SABC submitted its Audited Financial Statements for the 2011/12 financial year within the stipulated timeframe.

During the period under review the Licensee has complied with clause 8 of its licence.

4 REGULATIONS

4.1 South African Music Content Regulations

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

“All public sound licensees must play a minimum 40% South African music” (See Regulations on South African Music Content attached as Appendix C).

Monitoring conducted by the Authority confirmed that the radio station plays approximately sixty five (65%) of South African music. The following local artists were identified: Zahara, Lira, Letta Mbuli & Caiphus Semenya, Busi Mhlongo, Zola 7, Brown Dash, Freshly Ground, Judith Sephuma, Gloria Bosman, Zonke Dikana, Ringo, etc. On the Gospel music, the following Artist were identified: Sechaba, Amadodana Aseweseli, Phuka Special Tradition, North West Youth Choir, Soldiers Choir, Johannesburg Festival Orchestra, Soweto Songsters and Alexandra Brass Band.

The Licensee complies with the above regulation.

4.2 Regulations regarding Standard Terms and Conditions for individual Broadcasting Licences

During the year under review, the Authority did not identify any non-compliance by the Licensee with the standard terms and conditions for individual licensees (*See Regulations regarding Standard Terms and Conditions for Individual Licences attached as Appendix D*).

4.3 Universal Service and Access Fund Regulations

Regulation 3 of the Universal Service and Access Fund Regulations ("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 fee of eight million fifty seven thousand, seven hundred and fifty two rand (R 8, 057 752. 00) to the fund and received confirmation of payment in a form of a Section 18A certificate from the MDDA.

The Licensee submitted proof of payment to the Authority in March 2012.

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

4.4 General Licence Fees Regulations

Regulation 4(b) of General Licence Fees Regulations provides for the exemption of Individual Licences for Public Broadcasting Services.

Lesedi FM is part of Public Broadcasting Services is exempted from paying licence fees.

5. CONCLUSION

The Licensee has sufficiently complied with the licence terms and conditions and applicable regulations.

6. APPENDICES

Appendix A: Sound broadcasting service and frequency spectrum licences;

Appendix B: Skills Development Report;

Appendix C: Regulations on South African Music Content; and

Appendix D: Regulations regarding Standard Terms and Conditions for Individual Licences.