



RADIO IGAGASI ANNUAL COMPLIANCE REPORT

MARCH 2017

2015/2016 ANNUAL COMPLIANCE REPORT

RADIO IGAGASI 99.5 (Pty) Ltd

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 Constitution¹, the Independent Communications Authority of South Africa Act² (ICASA Act) the Electronic Communications Act³ (ECA) and the Broadcasting Act⁴, to regulate broadcasting activities in South Africa in the public interest. One of the main functions of the Authority is to ensure compliance by broadcasters with the ICASA Act, the ECA and the Broadcasting Act as well as specific terms and conditions of their licence, any relevant legislation and regulations.

The purpose of the report is to give an account of Radio IGagasi 99.5 (Pty) Ltd (iGagasi FM or Licensee's) performance for the 2015/2016 financial year. Aspects of compliance that are measured comprise of Geographic Coverage, Languages, Format, Local Content Obligations, General Programming Obligations, Training and Skills Development Obligations and Ownership and Control Obligations. These are measured against the backdrop of Regulations on South African Music Content, Regulations Regarding Standard Terms and Conditions, 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, Port Shepstone, Ulundi, Glencoe, Durban North, Greytown, Mooi

¹ The Constitution of the Republic of South Africa , 1996

² Act no. 13 of 2000 as amended

³ Act no. 36 of 2005

⁴ Act no. 4 of 1999

River, Pietermaritzburg and surrounding areas in the KwaZulu Natal Province as outlined in the Licensee's broadcasting service licence.⁵

The radio station is situated at Corner Solstice and Zenith Drive, 2nd floor Solstice Building, Umhlanga Newton Centre, Umhlanga Ridge. iGagasi FM provides a programming format of a mix of music and information.

3. OWNERSHIP AND CONTROL

Clause 1.1 of the schedule to iGagasi FM's sound broadcasting licence (the licence schedule) stipulates that the licence is issued to:

"Name of Company/Entity: Radio iGagasi 99.5 (Pty) Ltd".

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

The Licensee was found to be in compliance with clause 1.1 of its licence.

Clause 1.2 of the licence schedule stipulates as follows:

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

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

The Licensee was found to be in compliance with clause 1.2 of its licence.

Clause 1.3 of the licence schedule stipulates as follows:

"Ownership held by persons from historically disadvantaged groups:

<i>Tsiya Radio</i>	<i>59.96%</i>
<i>Victory Parade Trading 55 Pty Ltd</i>	<i>20.02%</i>
<i>Kagiso Media Ltd</i>	<i>20.02%"</i>

The Licensee was found to be in compliance with clause 1.3 above.

⁵ Appendix A: Broadcasting Service Licence

4. COMPLIANCE ASSESSMENT

4.1. Geographic Coverage

Clause 2 of the licence schedule 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, Port Shepstone, Ulundi, Glencoe, Greytown and surrounding areas in the KwaZulu Natal Province. 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 was found to be in compliance with clause 2 of its licence.

4.2 Language(s)

Clause 3 of the licence schedule stipulates that iGagasi FM's language(s) of broadcast are as follows:

*English – 50%; and
IsiZulu – 50%".*

The monitoring exercise revealed that the Licensee broadcasts in both English and isiZulu. The Licensee uses both languages interchangeably. The language split, as per the Authority's findings, is 50/50 between English and isiZulu.

The Licensee is in compliance with clause 3 of its licence.

Format

Clause 4 of the licence schedule 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 which includes R&B, Soul, Adult contemporary, Classic Soul and Pop.

During the period under review, artists featured, included: Fantasia, Maxwell, Chris Brown, Jay Moss, Jennifer Hudson, Mary Mary, New Direction, West-life, Brian McKnight, John Legend, Bucie, Black Coffee, Uhuru, Kelly Khumalo, Bheki Nqobo, Liquid deep, Zakwe, Ricky Rick, Zonke, Euphonic, Mpumi, DJ Tiro, Zahara, HHP, Joyous Celebration, Khaya Mthethwa, Xolani Mdlalose, Jabu Hlongwane, Thembisile Ntaka, Teargas, Siphokazi, Thandiswa, Lloyd Cele, and Nicki Minaj amongst others.

The Licensee was found to be in compliance with clause 4 of its licence.

5. GENERAL PROGRAMMING OBLIGATIONS

5.1 General

Clause 5.1 of the licence schedule provides for the Licensee:

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

The Licensee submits that it broadcasts at least 40 minutes of news daily during weekdays and at least 30 minutes of news on weekends.

The monitoring exercise confirmed that news is broadcast from 06h00 to 18h00 and comprise local, national and international news. The duration of the news in general, throughout the day is between 3 to 4 minutes on the hour and 1 minute headlines during the breakfast and late afternoon show on the half hour. On average the Licensee broadcasts 40 minutes of news per day during the performance period.

The following are some of the news items monitored:

- *"Deputy President Cyril Ramaphosa has taken a swipe at religious leaders criticizing government saying they should rather pray for the ruling party and its*

President. This week a delegation of church leaders refused to back down on calls for President Jacob Zuma to resign”;

- *“The IEC continues to urge people who could not verify their details or register for the first time to do so until the election date is proclaimed. The IEC’s second and last leg of voter registration has suffered a small number of disruptions.”;*
- *“Political analyst Bheki Mngomezulu says people should not be quick to judge Corporative Government and Traditional Affairs Minister Des van Rooyen about his alleged meeting with the Gupta family in Dubai until he is found guilty of wrong doing. Minister van Rooyen has denied claims that he had a meeting with one of the Gupta family members in December last year.”;*
- *“First national Bank business agriculture says the 34% tariff increase on wheat production is good news to the wheat producers. Consumers have been feeling the effects of the struggling economy with electricity price hikes in the last few years.”; and*
- *“The Indian Government has ordered for an inquiry to determine the cause of an explosion and fire at a Hindu temple in Kerala that killed more than 100 people and left over 400 injured. It is believed that the temple was holding a fireworks display when it collapsed. The building had been denied permission to have the fireworks display but it had gone ahead because of the pressure from the crowd.*

The Licensee was found to be in compliance with clause 5.1 of its licence.

Clause 5.2 of the licence schedule 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 generates news from the following sources amongst others: The South African Press Association (SAPA), Parliamentary TV, GCIS, local tip-offs, Police and Emergency Services.

The Licensee was found to be in compliance with clause 5.2 of its licence.

Clause 5.3 of the licence schedule licence stipulates that:

"The Licensee shall broadcast news for an average six (6) minutes every hour between 06h00 and 09h00 on all weekday mornings. News shall be broadcast in English and isiZulu".

The monitoring exercise confirmed that the duration of news is 6 minutes on an hourly basis between 06h00 and 09h00, broken down in the following manner; 4 to 5 minutes and 1 to 2 minute(s) headlines during the breakfast shows.

There is also a newly added clause that the Licensee should broadcast news in both English and isiZulu. The Licensee broadcasts news in both languages daily, in certain instances, they use both languages interchangeably.

The Licensee therefore complies with clause 5.3 of its amended 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".

The Licensee broadcasts news and information from the continent as per clause 5.4 above.

The Licensee was found to be in compliance with clause 5.4 of its licence schedule.

6. TRAINING AND SKILLS DEVELOPMENT OBLIGATIONS

Clause 6.1 of the licence schedule 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.

The training undertaken in the following areas: Marketing Programmes and Management Programmes.⁶

The Licensee was found to be in compliance with clause 6.1 of its licence.

Clause 6.2 of the licence schedule 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 R402 800.82 on training.

The requirement of R500 000, is measured over the Licensee's licence period. To date the Licensee has spent over R1 480 639.70. **Thus far the Licensee has exceeded its obligation as per the above mentioned clause.**

Clause 6.3 of the licence stipulates that:

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

The Licensee has, during the year under review, confirmed that it has 14 female on-air presenters.

The Licensee was found to have complied with clause 6.3 of its licence.

Clause 6.4 of the licence schedule 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 no interns from tertiary institutions. The provision states that it shall "regularly" as opposed to annually receive and train interns. The Licensee has received and trained interns in previous

⁶ Appendix B: Training development schedule

years. **Therefore, it would be fair to conclude that the Licensee complies with the provision regularly.**

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".⁷

Monitoring conducted confirmed that iGagasi FM plays approximately 42% South African music.

iGagasi FM plays a significant amount of South African music. The music genres range from gospel, Kwaito, R&B, Afro Pop, Classic Soul, Hip Hop and House. The local music played by the radio station include, amongst others, Bucie, Black Coffee, Uhuru, Kelly Khumalo, Bheki Nqobo, Liquid deep, Zakwe, Ricky Rick, Zonke, Euphonic, Mpumi, DJ Tiro, Zahara, HHP, Khuli, Chana, Naima Kay, Malini, Afrotraction, Swazi Dlamini, Brian Temba, Musa, Loyisa, Nokwazi, Mahoota, Micasa, Ntokozo Mbambo, Zakes Bantwini, Lulo Café, Lulu Dikana, Big Nuz, DJ Cyndo, Joyous Celebration, Khaya Mthethwa, Xolani Mdlalose, Jabu Hlongwane, Siphokazi, Thandiswa, Lloyd Cele and Ringo.

The Licensee was found to be in compliance with the Regulations on South African Music Content.

⁷ Appendix C: South African Music Content Regulations

7.2 Regulations regarding Standard Terms and Conditions for Individual Broadcasting Licensees

No areas of non-compliance with the standard terms and conditions for individual licences were identified during the period under review.⁸

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)".⁹

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".

The Licensee paid R 161 412.98 in USAF fees and submitted proof of payment to the Authority on 15 February 2017.

The Licensee was found to be compliant 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:

⁸ Appendix D: Regulations regarding Standard Terms and Conditions for Individual licences

⁹ Appendix E: Universal Service and Access Fund Regulations

"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".¹⁰

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:

- (a) *In respect of payment, such are due and payable within 6 months from the end of the licensee's financial year;*
- (b) *May only be paid by way of an electronic transfer or via direct deposit into the Authority's bank account".*

The Licensee paid R316 656.14 towards licence fees during the period under review.

The Licensee was found to be in compliance with Licence Fees Regulations.

7.5 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".¹¹

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;*

¹⁰ Appendix E: General Licence Fees Regulations

¹¹ Appendix F: Code on People with Disabilities

- ii. *Expand knowledge on various adjustments such as induction loops, Mincom/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 engaged with the promotion of disability rights awareness and established links with organisations for people with disabilities to generate story ideas and to identify potential contributions. The Licensee established links with the following organisation; Inkosihawukele Disability Centre.

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.

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

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

- Form 1, 2 & 7C: These forms are annual submissions and are to be submitted each year by end of June;
- 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;
- Form 9A & 9B: These are quarterly reports pertaining to general programing logs, they are to be submitted at the end of each quarter i.e. at the end of May, August, November and February of each financial year; and
- At least two weeks of programme recordings should be submitted on a quarterly basis.

The Licensee has submitted the above Forms in accordance with CPMR.

7.7 Compliance Procedure Manual – Form 12A

The Licensee is required, in terms of the Compliance Procedure Manual Regulations, to submit a Form 12A¹² which reports on all complaints received in the course of each financial year. In June 2016, iGagasi FM submitted its complaints report in accordance with the Regulations regarding the Code of Conduct for Broadcasting Service Licensees.

For the period under review, the Licensee did not received complaints.

The Licensee was found to be in compliance with the above requirement.

8. CONCLUSION

The Licensee generally was found in compliance with its licence terms and conditions and applicable regulations.

¹² Appendix E: SABC Form 12A

9. TERMS OF REFERENCE

- 9.1 Appendix A: Broadcasting Service and Frequency spectrum Licence;
- 9.2 Appendix B: Training development schedule;
- 9.3 Appendix C: South African Music Content Regulations;
- 9.4 Appendix D: Regulations Regarding Standard Terms and Conditions for Individual Licences;
- 9.5 Appendix E: Universal Service and Access Fund Regulations; and
- 9.6 Appendix F: General Licence Fees Regulations Appendix F: Code on People with Disabilities