

RISE FM ANNUAL COMPLIANCE REPORT

MARCH 2024

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2022/2023 ANNUAL COMPLIANCE REPORT

RISE BROADCAST (PTY) LTD BROADCASTING AS RISE FM

Licence Period: 06 November 2018 to 06 November 2028

1. **PREFACE**

The Independent Communications Authority of South Africa ("Authority") has a statutory mandate in terms of the Constitution, the Independent Communications Authority of South Africa Act (ICASA Act¹), the Electronic Communications Act² (ECA) and the Broadcasting Act³ to regulate broadcasting activities in South Africa in the public interest. Among the responsibilities of the Authority is the task to ensure compliance by broadcasting service Licensees with the terms and conditions of their licence and any relevant legislation and/or regulations.

The purpose of the report is to give an account of Rise FM's compliance with the terms and conditions as set out in its licence for the 2022/2023 financial year. Aspects of compliance that are measured comprise of Format, Local Content Obligations, General Programming Obligations, Training and Skills Development, Finances and Complaints.

Additionally, the report will measure compliance with Regulations that include South African Music Content, Standard Terms and Conditions for Individual Licensees, Universal Service and Access Fund, General Licence Fees, and the Code of Conduct for Broadcasters.

2. **BACKGROUND**

Rise FM is an Individual Broadcasting Service Licensee that is licensed to broadcast in the Mpumalanga Province. The radio station is licensed to provide a format of adult contemporary radio music and talk targeting mid to high-LSM groups.

¹ Act No. 13 of 2000, as amended

² Act No. 36 of 2005

³ Act No. 4 of 1999

Rise FM is located in Mbombela, Mpumalanga Province. For the period 2022/2023 the listenership figures for the radio station was 110 000⁴.

3. **COMPLIANCE ASSESSMENT**

3.1 Licensee Details

Clause 1 of the service licence stipulates that:

"The licence is issued to:

- 1.1. Name of Company/Entity: Lebashe Investments (Pty) Ltd
- 1.2. Shareholders: Lebashe Investment Group (Pty) Ltd = 100%
- 1.3. Ownership held by persons from historically disadvantaged groups: 48.33%
 - 1.3.1. Pazomanzi (Pty) Ltd 28.47%;
 - 1.3.2. Little River Trading 305 (Pty) Ltd 21.81%;
 - 1.3.3. Tamibex (Pty) Ltd 21.27%;
 - 1.3.4. WGW Capital (Pty) Ltd 9.76%;
 - 1.3.5. RAPHMAB (Pty) Ltd 7.63%; and
 - 1.3.6. Venture (Pty) Ltd 6.54%.

The information relating to the ownership and control of the Licensee remained unchanged during the period under review.

The Licensee complies with clause 1 of its licence.

3.2 **Geographic Coverage**

Clause 2 of the schedule to the licence provides that:

"Mpumalanga Province as defined in the coverage map attached to the Licensee's radio frequency spectrum licence".

The radio frequency spectrum licence indicates the radio station's coverage area to be Mpumalanga Province, with transmitter sites spread across the region. For the period under review, there were no complaints that were lodged against the Licensee regarding its coverage area.

⁴ <u>https://brcsa.org.za/rams-amplify-radio-listenership-report-may22-apr23/</u>

The Licensee's geographic coverage meets the requirements of the geographic coverage area as defined in the map attached to the radio frequency spectrum licence of its licence.

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

3.3 Broadcast Language/s

Clause 3 of the schedule to the licence stipulates that Rise FM's languages of broadcast are:

"English – 70%; isiSwati - 10%; isiNdebele - 5%; isiZulu - 5%; xiTsonga - 5%; and SePedi - 5%".

For the period under review, the Authority's monitoring exercise has determined that English is the predominant language of broadcast on Rise FM. While other languages are featured in certain programs, their usage is not substantial.

The Licensee complies with clause 3 of the schedule to its licence.

3.4 Format

Clause 4 of the schedule to the licence provides that:

"The Licensee shall have a programming format of talk and music in an adult contemporary format, which will be supplemented with a mixture of urban and contemporary pop music targeting adults within the LSM 5 to 10".

The monitoring exercise verified that the station consistently adheres to its adult contemporary format, complemented by its integration of R&B, neo-soul, and Afropop elements. This adherence to the prescribed format ensures programme and brand consistency and aligns with the station's target audience preferences.

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

3.5 Local Content Obligations

Clause 5 of the schedule to the licence provides that:

- 5.1 "The Licensee shall source and promote music from artists and/or musicians within the province", and
- 5.2 The Licensee must promote and develop South African music talent by airing music events, regular interviews with musicians and promoting new musicians from the Mpumalanga Province".

The Licensee provides a platform for new artists to promote their music through interviews, outside broadcasts, and a general playlist of new music. The Licensee also forms part of musical events in the Mpumalanga Province that highlight local talents such as Jaden D; Kleinkie; Lady Dee; Morda; Phumla Music; Passion Master and others. The Mpumalanga Gospel Music Awards is one of the headlining events in the region where Rise FM is the main media partner.

The Licensee complies with clause 5 of the Schedule to its licence.

3.6 **General Programming Obligations**

Clause 6.1 of the schedule to the licence provides that:

"The Licensee shall broadcast Current Affairs between 06h00 and 19h00 during weekdays".

The monitoring exercise found the sports programme, *Marawa Sport WorldWide* which airs on weekdays between 17:30 – 19:00. This is a sports programme and not current affairs as stated on the Licence. The current affairs programme only starts at 19:00 – 20:00. This indicates a possible contravention of its licence conditions concerning current affairs. The Licensee should consider amending the licence or take corrective action.

The Licensee does not comply with clause 6.1 of the Schedule to its licence.

Clause 6.2 of the schedule to the licence provides that:

"At least 20% of Current Affairs programming must be generated from the coverage area".

The monitoring exercise revealed that Rise FM's current affairs programming predominantly focuses on issues relevant to the radio station's coverage area. This focus is evident in the diverse range of topics covered, encompassing matters from school governing bodies to local political developments.

The Licensee complies with clause 6.2 of the Schedule to its licence.

Clause 6.3 of the schedule to the licence provides that:

"The Licensee must broadcast:

- a) forty-four (44) minutes of news (in the form of hourly bulletins between 06h00 and 18h00) each day,
- b) as well as ten (10) minutes of sports news each day from Monday to Friday,
- c) twelve (12) minutes of news on weekends, and
- d) The duration of each bulletin will not exceed three (3) minutes."

The news bulletins and news reports were found to be within the parameters as indicated in clause 6.3 above.

The Licensee complies with clause 6.3 of its licence.

Clause 6.4 of the schedule to the licence provides that:

"The Licensee must broadcast 40% of news that has been generated from the coverage area".

The monitoring exercise found the following extracts of news during the period under review:

• Mpumalanga Premier Ms Refilwe Mtshweni-Tsipane will embark on initiatives aimed at supporting the liberation struggle veterans. These initiatives are based on deliberations with the Inter-Ministerial Committee on Military Veterans' Affairs and the establishment of the Premier's Military Veterans' Counsel. The Premier will be Erecting tombstones for the graves of about two hundred (200) fallen heroes in Emalahleni Local Municipality, which forms part of the initiatives. So far, twenty-seven (27) tombstones have been erected after permission was sought from their families.

- President Cyril Ramaphosa says he is concerned about the ongoing wage strike that is affecting essential services. He was speaking during his question-andanswer session in the National Assembly on Thursday. The president says while workers have a right to strike, acts of violence will not be tolerated. The strike action to demand a 10 percent wage increase has spread across the country. There have also been reports of intimidation by protesting workers and patients being turned away from some hospitals.
- Islamist militants have killed at least 25 people in an attack in a fishing town in Nigeria's Borno state, police and residents said on Thursday. Police commissioner Abdu Umar linked the attack in Dikwa to Boko Haram insurgents. He said a policeman was killed in a separate incident. Dikwa is close to the Sambisa Forest, a Boko Haram stronghold, which has been fought over by Islamic State West Africa Province, who are also active in the area. Bulama Modu, a resident who assisted the military in recovery work, said a total of 33 fishermen had been killed. He said 25 bodies were found at the scene of Wednesday's attack while eight others were recovered on Thursday.

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

Clause 6.5 of the licence provides that:

"The Licensee shall make use of SAPA for national and international news. The Licensee will also use its own news team and stringers as well as African Eye News service to source local news".

For the period under review, the monitoring exercise found that a majority of the news is self-generated through the Arena Holdings digital newswire service.

The Licensee complies with clause 6.5 of the schedule to its licence.

Clause 6.6 of the licence provides that:

"News will be broadcast in English only".

The monitoring exercise confirmed English as the main language of all news broadcasts.

The Licensee complies with clause 6.6 of schedule to its Licence.

Clause 6.7 of Rise FM's schedule to the licence provides that:

"The source(s) of all news material (other than news sourced from the Licensee) shall be disclosed during the news broadcast".

The Licensee has disclosed news sources other than itself as per clause 6.7 above.

The Licensee complies with clause 6.7 of the schedule to its licence.

3.7 Management, Training and Skills Development

Clause 7.1 of the licence stipulates that:

"The Licensee shall ensure that 50% of the people employed in its senior management are black, of whom 30% will be black women within a five (5) year period. Furthermore, the Licensee must ensure that it employs historically disadvantaged individuals from Mpumalanga."

The monitoring exercise found that under senior management, for the period under review, there were no black women. Historically disadvantaged individuals, however, form part of the holding company's ownership structure.

The Licensee partially complies with clause 7.1 of the schedule to its licence.

3.8 **Ownership and Control Obligations**

Clause 8 of the licence stipulates that:

8.1 The Licensee must ensure equitable representation of women on its board and management structures.

8.2 Directors of the Licensee shall retain control and responsibility for the running of the station.

The monitoring exercise indicates that the directors of the Licensee hold the responsibility of running the station, however, the management structure currently lacks women representativity during the period under review.

The Licensee partially complies with clause 8 of the schedule to its licence.

3.9 **Developing the on-air Talent of Local Community Sound Broadcasters:**

Clause 9 of the licence stipulates that:

9.1 The Licensee shall offer ongoing on the job training support to community sound broadcasters broadcasting within the coverage area by:

9.2 Offering individual on-air presenters of such community sound broadcasting services the opportunity to volunteer as guest presenters on the early morning show of Rise FM; and

9.3 Offering news staffers of such community sound broadcasting services the opportunity of engaging in job-shadowing in Rise FM's news department.

For the period under review, the licensee was still unable to meet its obligations with regards to talent development.

The Licensee did not comply with clause 9 of the schedule to its licence.

4 **REGULATIONS**

4.1. South African Music Content Regulations

Regulation 3(2) of the Regulations on South African Music Content as published on 23 March 2016 provides that:

"Every holder of a commercial sound broadcasting licence must ensure that after eighteen (18) months from the date of gazetting of these Regulations, a minimum of 35% 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." The monitoring exercise confirmed at least 35% of SA Music Content during the period under review. Artists found on the playlist include *LKG*, *DJ Tira*, *Oscar Mbo*, *Tyler ICU*, *Inkabi Zezwe*, *De Mthuda*, *Big Nuz*, *Lady Amar*, *Spirit of Praise* and many others.

The Licensee complies with the South African Music Content Regulations.

4.2. Regulations regarding Standard Terms and Conditions for Individual Broadcasting Licences

The Authority is satisfied that during the period under review, the Licensee did not contravene the regulation in respect of the Standard Terms and Conditions for Individual Licences.

4.3 General Licence Fees Regulations

Regulation 3(1)(a) of the General Licence Fees Regulations provides 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".

Schedule 2 under Annual Licences Fees provides that:

"Individual Commercial Broadcasting Service Licensees to pay an annual licence fee of 1.5% of gross profit to the Authority".

Schedule 3(4)(b) and (c) provides 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"

The Licensee paid their annual licence fees in accordance with the applicable regulations within the stipulated timeframes.

The Licensee complies with the General Licence Fees Regulations.

4.4 Universal Service and Access Fund (USAF) Regulations

Regulation 3 (1) of the prescribed annual contribution of licences to USAF regulations published on 10 February 2011 provides that:

"Every holder of the licence granted in terms of Chapter 3, 4 and /or 9 or converted in terms of Chapter 15 of the Act, must pay an annual contribution of 0.2 % of the annual turnover, to the Fund".

Regulation 3 (2) stipulates that:

"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 fulfilled its statutory obligations by making the requisite payment in accordance with the USAF regulations within the prescribed timeframes.

The Licensee complies with the USAF Regulations.

5. COMPLAINTS

Form 12A: Complaints Report of the Compliance Procedure Manual Regulations read with the Code of Conduct for Broadcasters, requires that broadcasters complete the form bi-annually in accordance with the Licensees' Financial Year.

The Licensee maintains membership in the National Association of Broadcasters ("NAB"). By this affiliation, any complaints lodged against the Licensee are processed through the established grievance mechanism of the Broadcasting Complaints Commission of South Africa ("BCCSA"). During the review period, no complaints were escalated to the Authority.

6. CONCLUSION

While the Authority acknowledges the Licensee's general compliance with most licence conditions, the monitoring exercise identified areas requiring improvement on specific key obligations. These include the development of talent and the provision of job shadowing opportunities for community broadcasters.

The Licensee is strongly encouraged to prioritize addressing these shortcomings and develop a comprehensive plan with actions and timelines to demonstrably fulfil its talent development obligations. Gender parity must also be prioritised in senior management by the Licensee.

7. TERMS OF REFERENCE

- Annexure A : Rise FM's Broadcasting Service Licence
- Annexure B : Rise FM's Frequency Spectrum Licence
- Annexure C : Rise FM Compliance Submission
- Annexure D : The Licensee's Music Report
- Annexure E : ICASA South African Music Content Regulations, 2016 as published in Government Gazette No. 39844 dated, 23 March 2016. (Repealed entirely the ICASA South African Music Content Regulations, 2006 as published in Government Gazette No. 28453 dated, 31 January 2006)
- Annexure F : Standard Terms and Conditions for Individual Licences, 2010 as published in Government Gazette No. 33294 dated, 14 June 2010, as amended.
 - Annexure G : USAF Regulations, 2011 as published in Government Gazette No. 34010 dated, 10 February 2011.
 - Annexure H : General Licence Fees Regulations, 2012 as published in Government Gazette No. 36323 dated, 28 March 2013, as amended.

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