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TREND OF TELEVISION DELIVERY IN EAST AFRICAN COUNTRIES:

OPPORTUNITIES AND CHALLENGES

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Presentation Outline

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1. Background
2. Broadcasting Landscape - EAC
3. Digital Terrestrial Television (DTT) Broadcasting
4. Opportunities
5. Challenges
6. Conclusion

1.0 Background

- This presentation will focus on trend of television delivery for five Countries namely **Burundi, Kenya, Rwanda, Tanzania and Uganda**.

- These Countries are Member of East Africa Communication Organisation – EACO. Issues related to Broadcasting Services are discussed under the Committee dealing with Broadcasting matters.

- Before introduction of DTT in these Countries, the main means of television delivery was **Analogue Terrestrial Television. DTH and Cable Television were there but in small scale and was for Pay television.**

- Through EACO initiatives and programmes, four (4) EACO Countries were able to **switch off analogue television systems before June 2015.**

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2.0 TELEVISION BROADCASTING LANDSCAPE

2.1 Broadcasting Landscape

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Three types of television Broadcast Content Delivery

1. **DTT broadcast based content**;

- This is the main television delivery platform for EACO and It was fully operational from 2015 after switching off analogue networks;
- DTH is used as an extension of DTT to complement coverage.

2. **Internet based Content;**

- Digitalisation of broadcasting networks, media transmission paved the way to *internet based content. We have On line television, Radio, streaming video, Pay per view, IPTV and electronic news paper .*

3. **Cable Television**

- Cable television is a platform for pay television and in most cases is available in rural areas with subscribers ranging from 50 – 1000.

2.2 Broadcasting Landscape (Tanzania case)

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Receivers for digital broadcasting include:

- **DTH and DTT decoders**

  As of March 2021, there were 2,814,003 DTT and DTH decoders.

  - DTH decoders (extension of programs for DTT) =1,341,686
  - DTT decoders =1,472,317
  - Cable decoders = 100,000
  - DTH decoders (Dstv and Zuku) = 250,000

- **Smartphones receivers**

  As of March 2021, smartphone penetration is estimated to be 26% while Internet penetration is 49% (with 29,071,817 Internet users). Uganda smartphone penetration as of 2021 is 16%. **An average penetration of smartphone in sub-Saharan Africa is 30%**

- **Smart Television Receivers**

No information available for Smart TV receivers in the market.

2.3 Broadcasting Landscape

- As of March, 2021, there are ***estimated number of viewers 13,225,814.1***

- Total number of active users of decoders = 2,814,003

  Number of people per Household = 4.7 persons (2014/15 NPS).

3.0 DIGITAL TERRESTRIAL TELEVISION (DTT)

3.1 DTT VALUE CHAIN - EAC

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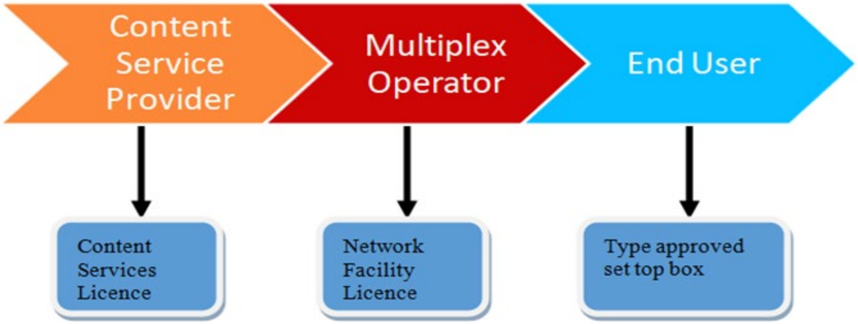
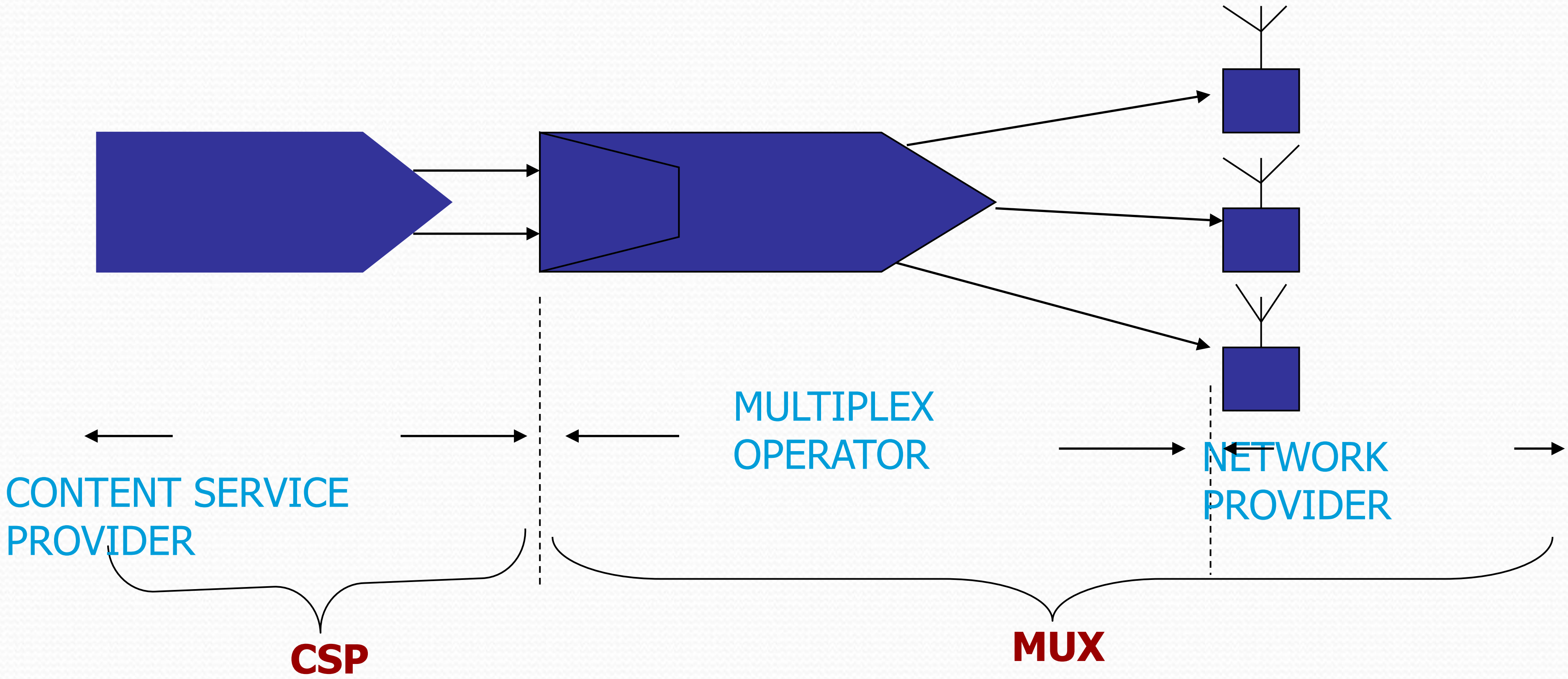
- The five (5) Countries in EAC have adopted similar DTT value chain where we have Content Service Provider, Signal Distributor (SD) and Consumer.
  - RRW – 2SD;
  - UGA – 2SD;
  - KEN - 5SD (2 Common carrier and 3 Self Provision);
  - TZA – 3SD;
  - BUR – 1 SD
- ❖ All with average of **FOUR Multiplexes**
- The DTT standards and Minimum technical specifications have been harmonised within EACO Member States and available in EACO website.



3.2 DTT VALUE CHAIN



Granted CSP Licence /

Granted Spectrum User licence &
Infrastructure licence(NF)

Source: 2nd PCD- 2006, TCRA

3.3 DTT – Business Model

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- Described by key players in the value chain, roles and revenue stream for each are explicitly defined.
- In DTT - two categories of content is broadcast (Free to Air (FTA) and Content by subscription (Pay TV))

S/N	Name of the player	Role	Source of Revenue.
1.	Content Services Providers (FTA)	Content creation, production and packaging and delivery to MUX for carriage to end user	- Commercial advertisements - Sale of air time - Program Sponsorships
2.	Content Services Providers (Pay TV)	Content aggregation and delivery to MUX for carriage to end user	- Subscription fees - Sponsorships and commercial adverts of live events
3.	Signal Distributor	To carry CSPs television programs to end users	- Transmission fees - Subscription fees

3.4 DTT – Licensing Framework

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Type of right	DTT Value Chain Licensing Framework				
	Content Creator (Independent Producers)	Content Service Provider	Content Aggregator	Multiplex Operator	**Device Vendor**
Spectrum rights				X	
Broadcast rights		X	X		
Operating rights				**X**	**X**

4.0 OPPORTUNITIES

4.1 OPPORTUNITIES

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3.1 DTT with coverage Extension using DTH

- **Content diversity and pluralism**.
- Kenya has 80 FTA and approximately 140 Pay television channels; increase choice.
- Tanzania has 44 FTA channels and approximately 120 Pay television channels;
- **Empower youth through local subscription content**
- Local content creation and development with establishment of Community Television.
- Creating movies, documentaries and other appealing local content;
- Creating new source of revenues;
- Create specialised content/channel (local sports premium leagues, children, news and current affairs, movies)
- **Creating employment**
- Decoders dealers
- Youth participation in content development

4.2 OPPORTUNITIES

3.2 ONLINE CONTENT

- **Business opportunities**
  - Business opportunities has been realised in multimedia industry such as developing App for movies, online advertisements, e-sports, online business, e-market and bill payment.

The said business opportunities have increased online content users.

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Challenges

4.3 CHALLENGES

- **Content Service Provider Perspective**.
  - Sustainability of Free To Air Business Model as digitalisation of DTT has brought many channels on board and compete to Commercial adverts.
- **Consumer Perspective**
  - Still STBs and Television receivers are not affordable for lower income earners. **Price of DTT decoders ranges from USD 30 - 35** while for **DTH ranges from USD 40 – 50**
  - Interoperability of Set Top Boxes: Consumers would like to use one decoder especially when switching from one service provider to another.
- **Regulator Perspective**
  - Content Monitoring
  - Regulating online media.

Conclusion

- Mainstream/DTT&DTH and Online Media platforms Complement each other and will remain to be main means of television delivery in East Africa Countries. The Regulator should continue to develop and improve conducive regulatory environment to enable growth of internet based content

- The Pay Television industry on DTT platform is growing exponentially competing with other platforms. One-third multiplex capacity is used for Free To Air television programs while the remaining two-third is for Pay television.

- Long term strategy to exploit use of optic fibred for provision of broadcasting services is slowly growing (FTH) to capitalised on the existing National ICT Broadband Backbone Network in EAC.

Thank You