THIRD QUARTER SECTOR STATISTICS REPORT FOR THE FINANCIAL YEAR 2018/2019
(JANUARY – MARCH 2019)

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***Disclaimer*:**
Although every effort has been made to ensure accuracy of the data contained in this report, the Authority is not liable for inaccuracies in any of the information contained in this report, which is contingent upon the operator's/service providers' compliance returns.

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LIST OF ACRONYMS

ADN African Digital Network Limited
B2B Business to Business
B2C Business to Customer
C2B Customer to Business
C2G Citizen to Government
DoS Denial-of-Service
DTT Digital Terrestrial Television
EASSy Eastern Africa Submarine Cable Systems
FY Financial Year
Gbps Gigabits per second
ICTs Information Communication Technologies
IP Internet Protocol
KE-CIRT/CC National Kenya Computer Incident Response Team/Coordination Centre
LION2 Lower Indian Ocean Network
Mbps Megabits per second
MMS Multimedia Service
MoU Minutes of Use
MVNO Mobile Virtual Network Operator
NCC National Cybersecurity Centre
OTT Over-The-Top
P2P Person to Person
SEACOM Sea Sub-Marine Communications Limited
SIM Subscriber Identification Module
SMS Short Messaging Service
TCP Transmission Control Protocol
TEAMS -The East African Marine System

PRELIMINARY NOTES

- *This report is based on data provided by the service providers in the communications sector as per their license conditions.*
- *The information provided in this report is subject to review in case of any revisions or updates from the service providers.*

REPORT SUMMARY

The Third Quarter Sector Statistics report provides an overview of the performance and trends of the communications sector for the period 1st January 2019 to 31st March 2019 on the following service categories:

- Mobile Telephony Services
- Fixed Telephony Services
- Data/Internet Services
- Broadcasting Services
- Cyber Security Landscape
- Postal and Courier Services

SUMMARY OF KEY COMMUNICATIONS INDICATORS

INDICATORS	Oct-Dec 2018	Jan-Mar 2019	% change Q2 to Q3
	Q2	Q3	
Mobile Subscriptions (Millions)	49.501	51.032	3.1
Fixed subscriptions	65,644	66,889	1.9
VOICE TRAFFIC IN MINUTES			
Mobile On-Net Voice Traffic (Billions)	12.956	14.692	13.4
Mobile Off-Net Voice Traffic (Billions)	1.759	1.713	-2.6
International Incoming Mobile Voice Traffic (Millions)	140.988	144.407	2.4
International Outgoing Mobile Voice Traffic (Millions)	108.452	109.032	0.5
Roaming-out (Own Subscribers) (Millions)	52.737	56.042	6.3
Roaming-in (Foreign Subscribers) (Millions)	43.477	57.172	31.5
Total Local Fixed network traffic	538,489	564,340	4.8
Fixed VoIP Traffic	127,915	124,685	-2.5
MOBILE SMS TRAFFIC			
SMS On-Net (Billions)	17.051	14.546	-14.7
SMS Off-Net (Millions)	1.14	0.812	-28.8
Roaming In SMS (Millions)	21.0	28.5	26.3
Roaming Out SMS (Millions)	41.7	42.0	0.7
International Incoming SMS (Millions)	11.176	9.603	-14.1
International Outgoing SMS (Millions)	9.124	8.372	-8.2
MOBILE MONEY TRANSFER SERVICES			
Number of Active Registered Mobile Money Transfer Subscriptions (Millions)	31.627	32.062	1.4
Number of Registered Mobile Money Agents	223,931	223,084	-0.4
Number of Transactions-Sending and Withdrawal (Millions)	787.843	784.445	-0.4
Value of Transactions- Sending and Withdrawal (Ksh.) trillion	2.119	2.122	0.1
Number of Mobile Commerce Transactions (Millions)	586.981	571.535	-2.6
Value of Mobile Commerce Transactions (Ksh.) (trillion)	1.804	1.841	2.0
Value of Person-to Person Transfers (Ksh.) Billion	731.9	737.1	-0.7
DATA/INTERNET SERVICES			
Data/ Internet Subscriptions (Millions)	45.705	46.870	2.5
Total Available International Bandwidth (Gbps)	4,605.57	4,655.40	1.1
Total Used International Bandwidth (Gbps)	1,142.34	1,149.32	0.6
BROADCASTING SERVICES			
Number of free-to-air TV channels	75	81	8.0
Number of Radio FM stations	173	173	0.0
Digital Terrestrial Television Signal Population Coverage (%)	86	86	0.0
POSTAL AND COURIER SERVICES			
Postal Outlets	623	623	0.0
Private Courier Outlets	1,027	1,027	0.0
Number of Letters (Up to 350 gms) Posted Locally (Millions)	12.96	12.97	0.0
Total Courier Items Sent Locally (Millions)	1.11	716,193	-35.6
International Incoming Letters (Up to 350 gms) (Millions)	2.56	2.57	0.4
International Outgoing Letters (Up to 350 gms) (Millions)	1.30	1.31	0.8
CYBER SECURITY			
Total Cyber Threats	10,221,191	11,253,576	10.1
Total Cyber Reports	12,138	14,078	16.0
Total Population in Kenya (Millions)*	46.6	47.8	2.6

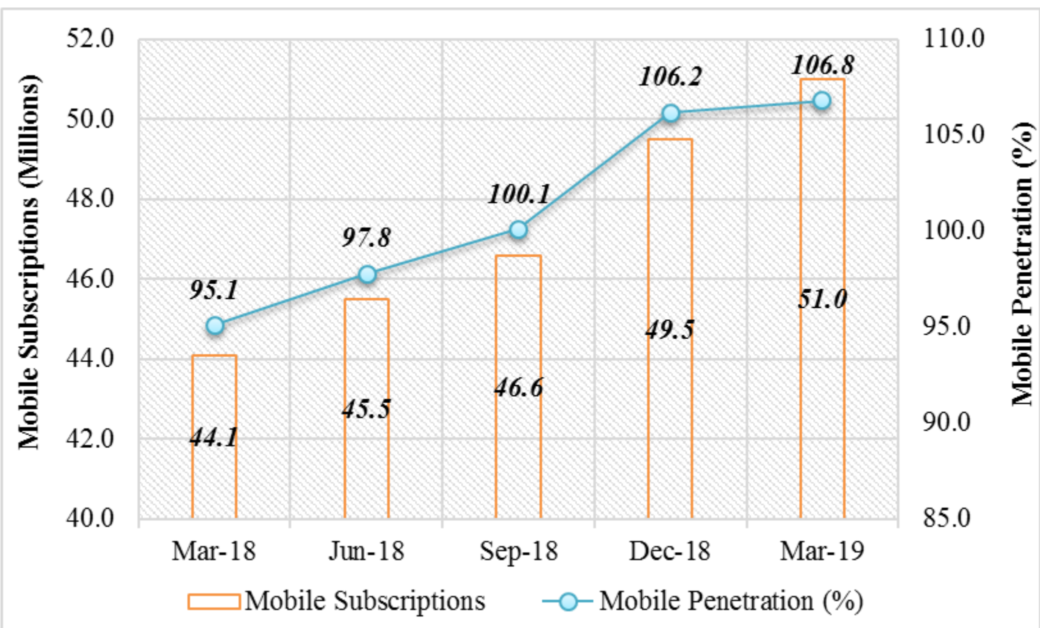
1 CELLULAR MOBILE SERVICES

1.1 Mobile Subscriptions

Kenya's ICT sector has continued to register tremendous growth over the past years. According to Economic Survey 2019 edition, the sector expanded by 12.9 per cent in 2018, and this was mainly contributed by expansion of the digital economy which includes; mobile telephony, uptake of e-commerce and penetration of internet.

As at 31st March 2019, the number of active mobile subscriptions in the country stood at 51.0 million up from 49.5 million registered at the end of the second quarter. Subsequently, mobile penetration rose to 106.8 per cent at the end of the period. Penetration level of above 100 per cent is attributed to multiple SIM ownership by consumers whose aim is to take advantage of the competing voice and/or data plans offered by the various service providers.

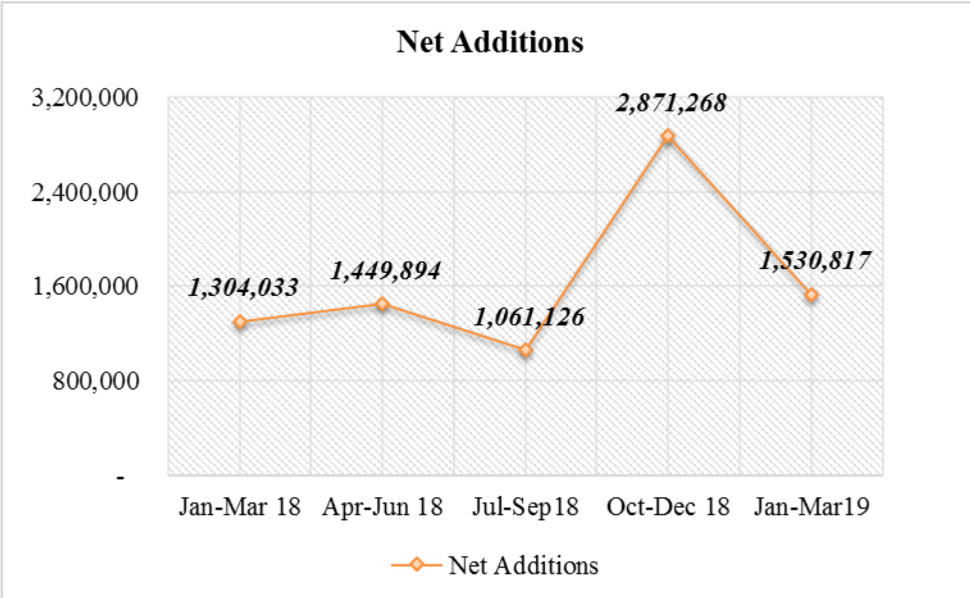
Figure 1 illustrates the trends in mobile subscriptions and penetration levels.



Source: CA, Operators' Returns.

Figure 1:Mobile Subscriptions and Penetration level

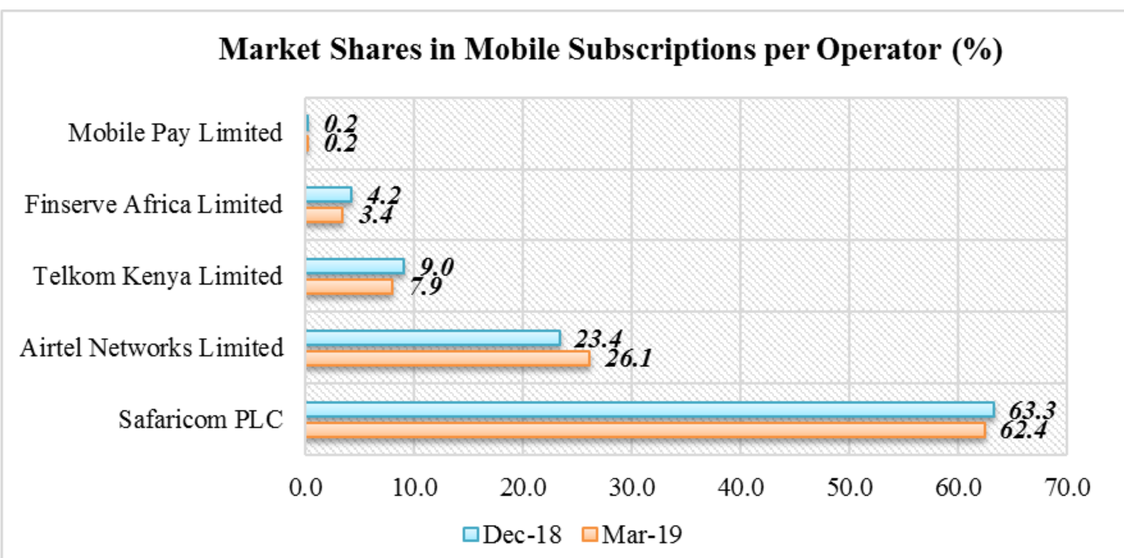
As shown in figure 2 below, there were 1.5 million net additions in mobile subscriptions during the third quarter.



Source: CA, Operators' Returns.

Figure 2: Net Additions

During the quarter under review, Safaricom PLC posted a market share of 62.4 per cent in mobile subscriptions down from 63.3 per cent registered in the previous quarter. On the other hand, Airtel Networks Limited gained 2.7 per centage points to post a market share of 26.1 per cent. Telkom Kenya Limited's market share dropped to 7.9 per cent from 9.0 per cent reported in the previous quarter. Similarly, Finserve Africa Limited lost 0.8 per centage points to register a market share of 3.4 per cent. Mobile Pay Limited market share remained unchanged from last quarter at 0.2 per cent.



Source: CA, Operators' Returns.

Figure 3: Market Shares in Mobile Subscriptions per Operator

Table 1 provides the number of active mobile subscriptions per operator by contract type.

Table 1:Mobile Subscriptions per Operator by Contract Type

Name of operator	Mar-19			Dec-18			*Quarterly variation (%)*
	Pre-paid	*Post-paid*	*Total*	*Pre-paid*	*Post-paid*	*Total*	
Safaricom PLC	30,651,090	1,194,268	31,845,358	30,180,940	1,139,639	31,320,579	1.7
Airtel Networks Limited	13,202,078	114,366	13,316,444	11,475,746	88,221	11,563,967	15.2
Telkom Kenya Limited	4,038,497	15,202	4,053,699	4,435,307	12,638	4,447,945	-8.9
Finserve Africa Limited	1,722,330	-	1,722,330	2,075,676	-	2,075,676	-17.0
Mobile Pay Limited	94,416	-	94,416	93,263	-	93,263	1.2
Total	**49,708,411**	**1,323,836**	**51,032,247**	**48,260,932**	**1,240,498**	**49,501,430**	**3.1**

Source: CA, Operators' Returns

1.2 Mobile Money Services

As at the end of the third quarter of the FY 2018/19, active mobile money transfer subscriptions and agents stood at 32.0 million and 223,084 respectively. A total of 784.4 million transactions were made valued at 2.122 trillion Kenya shillings. During the period, consumers spent 1.84 trillion Kenya Shillings to purchase goods and services, which involved 571.5 million transactions. The person-to-person transfers were valued at 737.0 billion Kenya shillings.

Table 2:Mobile Money Transfer Services

Operator /Indicator	***Jan-Mar 19***						
	Agents	***Active Subscriptions***	***No. of Transactions***	***Value of Transactions (Kshs)***	***No. of M-Commerce Transactions***	***Value of M-Commerce Transactions (Ksh.)***	***P2P Transfers (Ksh.)***
M-Pesa	167,083	26,066,448	623,964,887	1,665,077,507,001	471,758,206	1,478,641,899,000	615,900,799,000
Airtel Money	21,259	4,075,475	4,431,484	929,041,007	3,006,474	1,924,136,220	1,182,913,799
Equitel Money	-	1,722,330	155,433,804	453,742,511,899	95,594,351	360,218,916,937	119,048,122,968
T-Kash	27,766	103,585	248,349	350,536,456	1,175,945	92,436,851	91,677,479
Mobile Pay	6,976	94,416	367,409	1,403,208,969	-	-	834,197,180
Total	**223,084**	**32,062,254**	**784,445,933**	**2,121,502,805,332**	**571,534,976**	**1,840,877,389,008**	**737,057,710,426**

Source: CA, Operators' Returns

1.3 Mobile Number Portability

As illustrated in Table 3, the number of mobile numbers ported during the period under review dropped to 274 from 382 in-ports recorded the previous quarter.

Table 3:Mobile Number Portability

Period	*Jan - Mar 19*	*Oct - Dec 18*	*Quarterly Variation (%)*
Number of in-ports	274	382	-28.3

Source: CA, Operators' Returns

1.4 Mobile Traffic and Usage Pattern

1.4.1 Local Voice Traffic

The total local mobile voice traffic rose by 11.5 per cent during the quarter under review to stand at16.4 billion from 14.7 billion minutes reported during the previous quarter. On-net 14.6 billion from 12.9 billion minutes recorded during the previous quarter. On the other hand, off-net mobile voice traffic dropped by 2.7 per cent to stand at 1.71 billion minutes.

Mobile to fixed network voice traffic stood at 13.4 million down from 13.9 million minutes reported in the previous quarter.

The total local mobile voice traffic originating from mobile networks increased by 11.5 per cent to stand at 16.4 billion minutes.

Table 4 shows a summary of local mobile voice traffic.

Table 4:Local Mobile Voice Traffic in Minutes

Mobile Traffic	*Jan-Mar 19*	*Oct - Dec 18*	*Quarterly Variation (%)*
	By Traffic originating (outgoing traffic)		
Own Network –Own Network	14,691,693,823	12,956,018,729	13.4
Own Network to Other Mobile Networks	1,712,639,827	1,759,368,421	-2.7
Mobile** Network to **Fixed Network	13,461,372	13,994,491	-3.8
Total Traffic Origination (Outgoing)	**16,417,795,022**	**14,729,381,641**	**11.5**

Source: CA, Operators' Returns

1.4.2 Voice Traffic by Operator

During the quarter under review, Safaricom PLC registered a total of 9.8 billion minutes originating from its network to other local networks up from 9.4 billion minutes reported in the previous quarter. Despite this growth, its voice market share dropped to 59.9 per cent from 64.3 per cent reported in the previous quarter.

The total outgoing local mobile voice traffic registered by Airtel Networks Limited increased remarkably by 29.8 per cent to 5.8 billion from 4.5 billion minutes reported in the previous quarter. Consequently, the operators' market shares for local voice grew by 5.1 percentage points to stand at 35.8 per cent during the quarter. This could be attributed to the promotion dubbed super tubonge promotion ran by the operator during the period, which enabled its customers to purchase 100 on-net minutes at a cost of Ksh. 15 per day and make off net calls at a reduced cost of Ksh. 1/Min from the usual Ksh. 2/Min.

Telkom Kenya Limited's outgoing mobile voice traffic declined to 671.8 million minutes during the period under review from 706.5 million minutes recorded in the previous quarter. Similarly, the local outgoing voice traffic for Finserve Africa Limited dropped to 33.2 million from 35.2 million minutes reported during the previous period.

Mobile Pay Limited registered 30,503 minutes of outgoing voice traffic during the period.

The traffic volumes per service provider and the respective market shares are shown in Table 5.

Table 5:Local Mobile Voice Traffic by Operator in Minutes

Period	***Name of Operator/Indicator***	***Safaricom PLC***	***Airtel Networks Kenya Limited***	***Telkom Kenya Limited***	***Finserve Africa Limited***	***Mobile Pay Limited***	***Total***
Jan-Mar 19	*On-net*	9,323,093,508	4,926,497,190	438,025,847	4,074,067	3,211	14,691,693,823
	Off-net	507,096,952	942,523,022	233,850,534	29,142,027	27,292	1,712,639,827
	Total	**9,830,190,460**	**5,869,020,212**	**671,876,381**	**33,216,094**	**30,503**	**16,404,333,650**
	Market share (%)	**59.9**	**35.8**	**4.1**	**0.2**	**0.0**	
Oct - Dec 18	*On-net*	8,921,525,809	3,580,991,014	449,167,055	4,331,697	3,154	12,956,018,729
	Off-net	533,458,215	937,593,318	257,377,368	30,912,713	26,807	1,759,368,421
	Total	**9,454,984,024**	**4,518,584,332**	**706,544,423**	**35,244,410**	**29,961**	**14,715,387,150**
	Market share (%)	**64.3**	**30.7**	**4.8**	**0.2**	**0.0**	

Source: CA, Operators' Returns

1.4.3 Domestic Short Messaging Service (SMS) Traffic

The number of outgoing SMS dropped by 15.6 per cent during the quarter under review to stand at 15.3 billion from 18.19 billion messages sent during the previous quarter. This is attributed to the end of the busy festive season that lasted from October to December 2018.

SMS traffic and the corresponding market shares per operator is shown in Table 6.

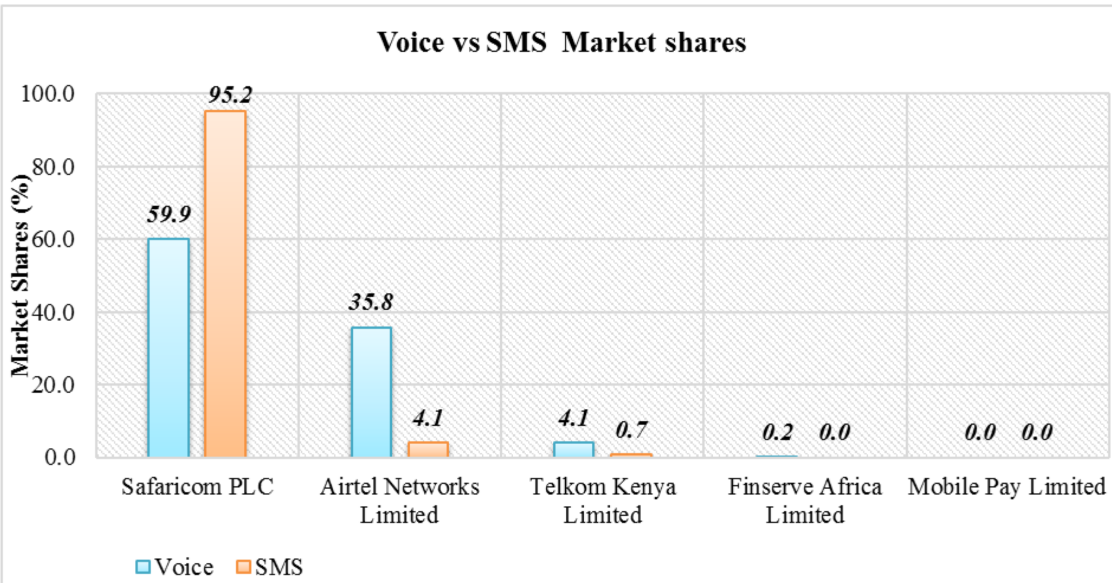
Table 6:Local Mobile SMS Traffic by Operator

Period	***Name of Operator/Indicator***	***Safaricom PLC***	***Airtel Networks Kenya Limited***	***Telkom Kenya Limited***	***Finserve Africa Limited***	***Mobile Pay Limited***	**Total**
Jan-Mar 19	*On-net*	14,228,137,313	299,142,920	16,434,012	1,870,004	2,455	14,545,586,704
	Off-net	394,986,898	323,047,409	88,502,247	5,572,021	20,774	812,129,349

	Total	**14,623,124,211**	**622,190,329**	**104,936,259**	**7,442,025**	**23,229**	**15,357,716,053**
	Market share (%)	95.2	4.1	0.7	0.0	0.0	
Oct - Dec 18	*On-net*	16,654,154,484	370,168,861	24,906,626	1,907,064	2,411	17,051,139,446
	Off-net	456,657,612	574,105,426	103,491,991	6,590,498	20,404	1,140,865,931
	Total	**17,110,812,096**	**944,274,287**	**128,398,617**	**8,497,562**	**22,815**	**18,192,005,377**
	Market share (%)	94.1	5.2	0.7	0.0	0.0	

Source: CA, Operators' Returns

Figure 4 shows the Voice vs SMS market share per operator during the quarter.

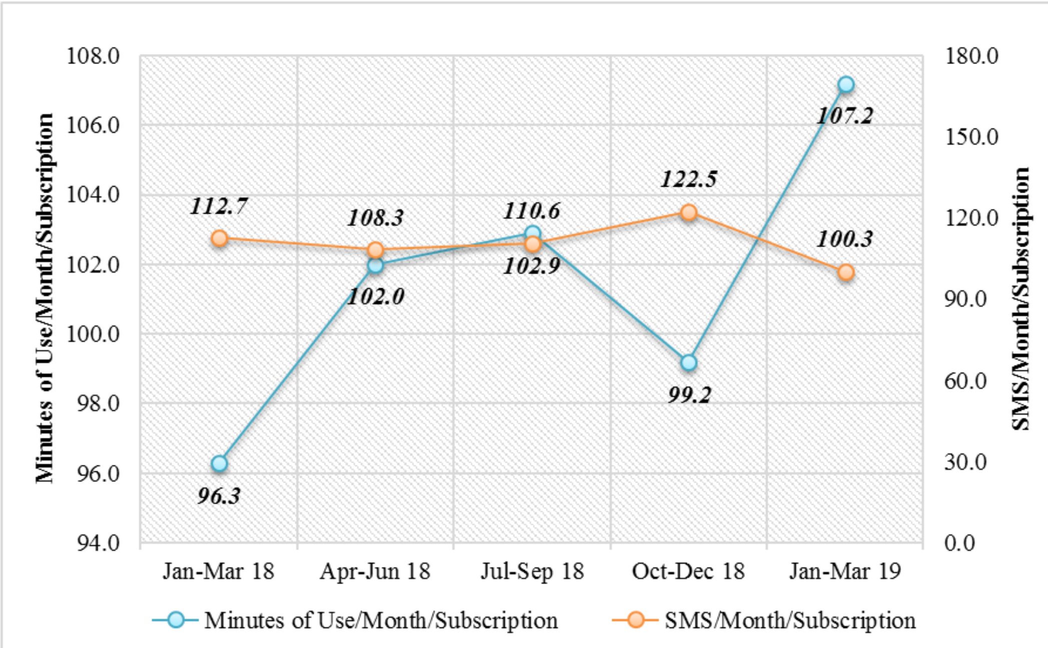


Source: CA, Operators' Returns

Figure 4: Voice vs SMS Market Shares

The Minutes of Use per Month per Subscription rose from 99.2 registered the previous period to to stand at 107.2 minutes during the quarter under review. This could be attributed to the significant increase of 1.3 billion minutes in Airtel Networks voice traffic following the promotion dubbed *super tubonge promotion* ran by the operator during the period, and which enabled its customers to purchase 100 on-net minutes at a cost of Ksh. 15 per day and make off-net calls at a reduced cost of Ksh. 1/Min from the usual Ksh. 2/Min.

Contrary, SMS per Subscription per Month dropped to 100.3 from 122.5 messages recorded during the second quarter of the FY2018/19. This is attributed to the end of the busy festive and holiday season, which usually falls within the previous quarter (1st Oct-31st Dec 2018)



Source: CA, Operators' Returns

Figure 5: Minutes of Use /Month/Subscription and SMS/Month/Subscription

1.4.4 Roaming Traffic

During the period under review, roaming-out voice and SMS traffic stood at 56.0 million minutes and 42.0 million messages respectively. Out-roamers consumed 7.4 million MB of mobile data. On the other hand, In-roamers generated 57.1 million minutes and sent 28.5 million messages. Further, they consumed 40.8 million MB of mobile data.

Table 7:Roaming Traffic

	Jan-Mar 2019					
	Roaming-Out (Own Subscribers)			***Roaming-In (Foreign Subscribers)***		
	Voice (Minutes)	***SMS***	***Data (MB)***	***Voice (Minutes)***	***SMS***	***Data (MB)***
Uganda	42,074,774	6,546,569	2,297,086	39,049,845	4,984,722	504,578
Tanzania	1,198,133	10,860,255	1,272,061	341,350	9,955,876	412,125
Rwanda	2,416,766	502,113	397,125	10,657,907	1,392,665	163,709
Burundi	15,451	254,720	11,956	6,788	28,295	309
S. Sudan	2,904,984	1,152,379	71,697	3,337,743	170,894	0
Others	7,432,158	22,774,604	3,443,578	3,780,621	12,065,052	39,733,909
Total	**56,042,266**	**42,090,640**	**7,493,503**	**57,174,254**	**28,597,504**	**40,814,630**

Source: CA, Operators' Returns

1.4.5 International Mobile Traffic

The trends in Regional and International Voice and SMS Traffic are as outlined in Table 8.

Table 8:International Mobile Traffic

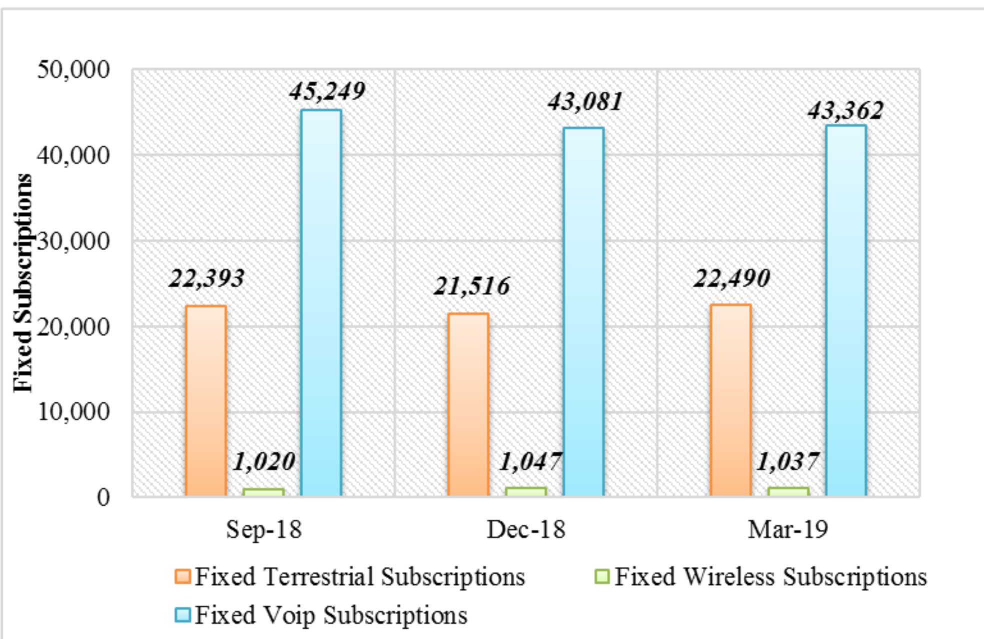
Traffic	*Region*	*Jan-Mar 19*	*Oct - Dec 18*	*Quarterly Variation (%)*
International Incoming Mobile Voice Minutes	*EAC*	78,875,833	74,841,143	5.4
	Others	65,531,059	66,147,022	-0.9
	Total	**144,406,892**	**140,988,165**	2.4
International Outgoing Mobile Voice Minutes	*EAC*	54,494,003	54,403,619	0.2
	Others	54,537,550	54,048,720	0.9
	Total	**109,031,553**	**108,452,339**	**0.5**
International Incoming Mobile SMS		**9,603,275**	**11,176,653**	**-14.1**
International Outgoing Mobile SMS		**8,371,919**	**9,124,361**	**-8.2**

Source: CA, Operators' Returns

2 FIXED TELEPHONE SERVICE

2.1 Fixed Network Subscriptions

As at 31st March 2019, the number of fixed wireline, wireless and VoIP connections stood at 43,362, 22,490 and 1,037 respectively.



Source: CA, Operators' Returns

Figure 6:Fixed Network Subscriptions

2.2 Fixed Network Traffic

Local fixed network traffic experienced mixed trends during the quarter under review. The total local fixed network voice traffic increased to 564,340 minutes from 538,489 minutes recorded during the previous quarter. Conversely, fixed VoIP traffic declined marginally to 124,685 minutes from 127,915 minutes reported in the previous quarter. This decline is equally attributed to the end of the busy holiday season and resuming of schools' period.

Table 9:Local Fixed Network Traffic in Minutes

Local Fixed Network traffic	*Jan-Mar 19*	*Oct-Dec 18*	*Quarterly Variation (%)*
Fixed-fixed	269,198	252,000	6.8
Fixed wireless-fixed wireless	295,142	286,489	3.0
Total Local Fixed network traffic	564,340	538,489	4.8
Fixed VoIP Traffic	124,685	127,915	-2.5

Source: CA, Operators' Returns

2.3 International Fixed Voice Traffic

Table 10 shows the trends in international fixed voice traffic.

Table 10:International Fixed Voice Network Traffic in Minutes

International Fixed Network traffic	*Jan-Mar 19*	*Oct-Dec 18*	*Quarterly Variation (%)*
International Incoming Fixed Network Voice traffic	6,677,432	7,123,167	-6.3
International Outgoing Fixed Network Voice traffic	3,678,676	3,930,185	-6.4
International Outgoing Fixed Network VoIP traffic	476,269	514,232	-7.4

Source: CA, Operators' Returns

3 DATA/INTERNET SERVICES

3.1 Data and Broadband Services

Smartphones are an important feature of the mobile Internet landscape around the world. Access to Internet by Kenyans is mostly through mobile phones and especially smartphones that have become more available and relatively affordable.

As at the end of the quarter under review, the total data/Internet subscriptions stood at 46.8 million, out of which 46.7 per cent (21.9 million) were on broadband.

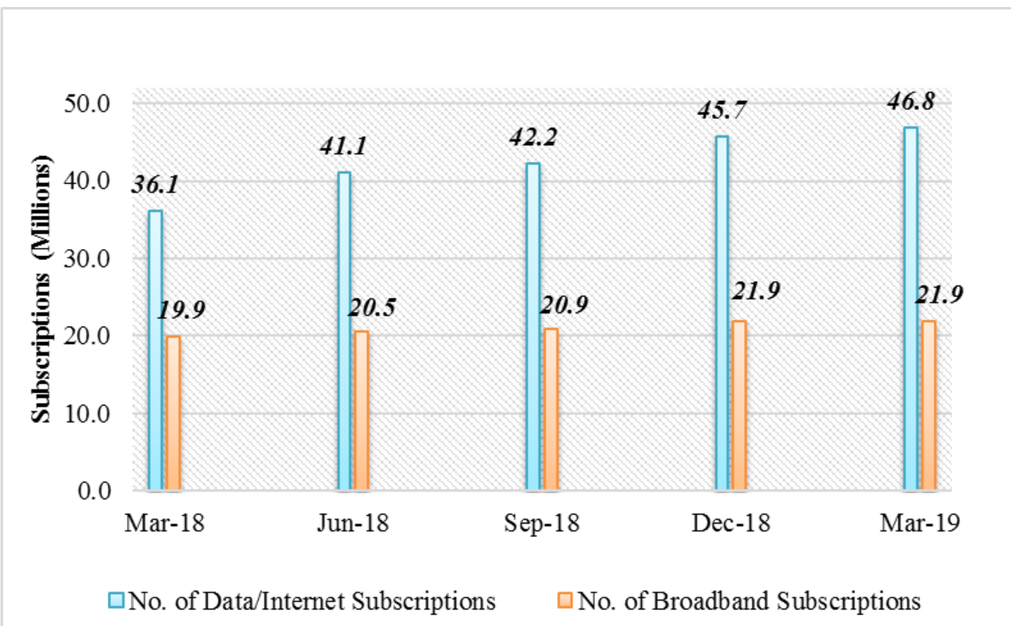
Table 11 provides trend in total number of data/Internet subscriptions

Table 11:Data/Internet Subscriptions

	Jan-Mar 19	*Oct-Dec 18*	*Quarterly Variation (%)*
Total Wireless Internet Subscriptions	**46,527,513**	**45,394,353**	**2.5**
Mobile data Subscriptions	46,461,719	45,333,942	2.5
Terrestrial Wireless data Subscribers	64,282	58,864	9.2
Satellite data Subscribers	1,512	1,547	-2.3
Total Fixed (Wired) Internet Subscriptions	**336,309**	**311,087**	**8.1**
Fixed DSL Data Subscribers	1,192	976	22.1
Fixed Fibre Optic Data Subscribers	197,617	175,824	12.4
Fixed Cable Modem Subscribers	129,657	126,808	2.2
Other Fixed Data Subscribers (e.g Radio)	7,843	7,479	4.9
Total Data/Internet Subscriptions	**46,870,422**	**45,705,440**	**2.5**

Source: CA, Operators' Returns

Figure 7 illustrates the trends in Internet and broadband[1] subscriptions



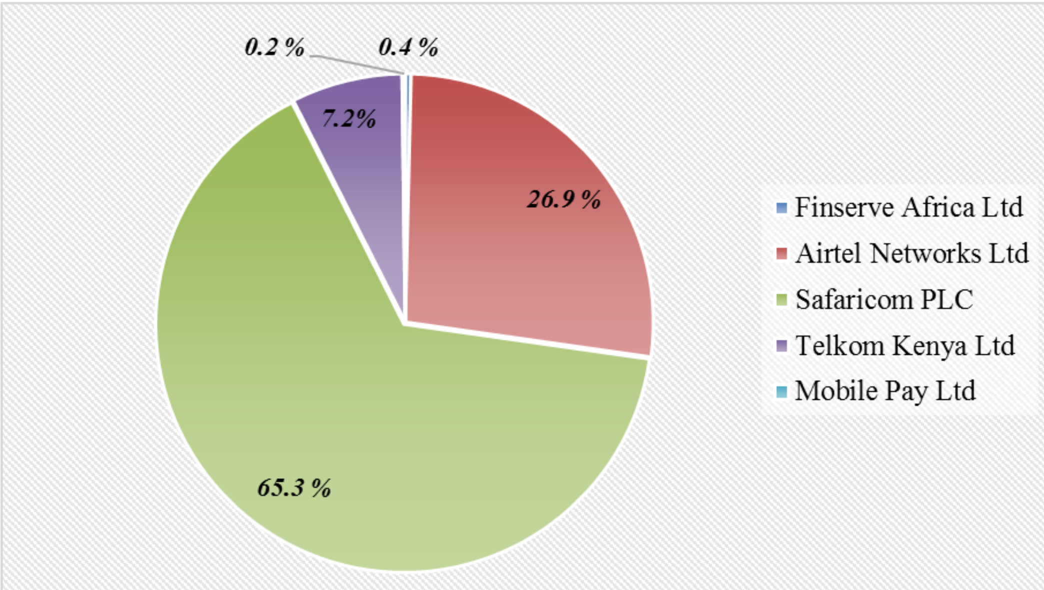
Source: CA, Operators' Returns

Figure 7:Internet and Broadband Subscriptions

As illustrated in figure 8, Safaricom PLC registered the highest market share for mobile data subscriptions at 65.3 per cent, followed by Airtel Networks Limited and Telkom Kenya Limited

[1] Broadband refers to Internet speeds equal to or greater than 256 Kbps

at 26.9 per cent and 7.2 per cent respectively. Finserve Africa Limited posted a market share of 0.4 per cent while Mobile Pay Limited stood at 0.2 per cent.



Source: CA, Operators' Returns.

Figure 8: Mobile Data Market shares per Subscription per Operator

3.1.1 Fixed Broadband Subscriptions by Speed

Table 12 presents the breakdown of fixed broadband subscriptions by speed

Table 12: Fixed Broadband Subscriptions by Speed

Broadband Speeds	*Mar-19*	*Dec-18*
≤ 256Kbps	696	570
>256Kbps ≤ 512Kbps	459	505
>512Kbps ≤ 1Mbps	9,930	8,905
>1Mbps ≤ 2Mbps	66,662	87,772
>2Mbps	324,356	273,746

Source: CA, Operators' Returns.

Table 13 shows Fixed Data Subscriptions per Service Provider.

Table 13:Fixed Data Subscriptions per Service Provider

March 2019		
Name of Service Provider	*No. of Subscriptions*	*Market Share (%)*
Wananchi Companies Ltd*	143,957	35.8
Safaricom PLC	126,792	31.5
Jamii Telecommunications Ltd	56,396	14.0

March 2019		
Name of Service Provider	***No. of Subscriptions***	***Market Share (%)***
Poa Internet Kenya Ltd	29,765	7.4
Internet Solutions Kenya Ltd	15,712	3.9
Mawingu Networks Ltd	12,400	3.1
Liquid Telecommunications Kenya Limited	8,565	2.1
Telkom Kenya Ltd	4,799	1.2
Mobile Telephone Networks Business Kenya Ltd	623	0.2
Frontier Optical Networks Ltd	561	0.1
Other Fixed Service Providers	2,533	0.6

Source: CA, Operators' Returns. * Data includes Wananchi Telecom, Wananchi Group, Simbanet Ltd and ISAT Africa Kenya Limited

3.2 International Bandwidth

During the period under review, the total international available Internet bandwidth in the country increased slightly to 4,655.40 Gbps from 4,605.57 Gbps recorded in the previous quarter. The utilized bandwidth stood at 1,149.32 Gbps which is 24.7 percent of the Lit capacity.

The trend on International Lit/Equip and Used Bandwidth is as shown in table 14

Table 14:International Internet Bandwidth (Gbps)

Indicator/ Operator		***Jan-Mar 19***	***Oct-Dec 18***	***Quarterly Variation (%)***
Undersea Bandwidth Capacity	***SEACOM***	2,840.00	2,840.00	0.0
	TEAMS	702.00	702.00	0.0
	EASSY	892.84	853.027	4.7
	Lion 2	214.84	204.826	4.9
Satellite Bandwidth Capacity		5.72	5.72	0.0
Total Available (Lit/Equip) Bandwidth Capacity		**4,655.40**	**4,605.57**	**1.1**
Utilized Bandwidth Capacity				
Undersea Bandwidth Capacity		1,144.1	1,137.1	0.6
Satellite Internet Capacity		5.22	5.24	-0.4
Total Utilized Bandwidth Capacity		**1,149.32**	**1,142.34**	**0.6**

Source: CA, Operators' Returns.

3.3 Registered Domain Names

As illustrated in Table 15, the number of .KE domains stood at 83,915 at the end of quarter under review up from 83,646 reported in the previous quarter.

Table 15:Number of Domain Names

		Mar-2019		Dec-2018	
SUB-DOMAIN	***Entity Allocated***	***No. of Domains***	***% Share***	***No. of Domains***	***% Share***
CO.KE	*Companies*	78,615	93.7	77,820	93.0
OR.KE	*Non Profit Making Organizations*	1,912	2.3	1,976	2.4
AC.KE	*Institutions of Higher Education*	898	1.1	891	1.1
SC.KE	*Lower and Middle Level Institutions*	1,227	1.5	1,212	1.4
NE.KE	*Personal Websites and E-mail*	160	0.2	277	0.3
ME.KE	*Personal Websites and E-mail*	258	0.3	345	0.4
MOBI.KE	*Mobile Content*	91	0.1	180	0.2
INFO.KE	*Information*	239	0.3	443	0.5
GO.KE	*Government Institutions*	515	0.6	502	0.6
Total		**83,915**		**83,646**	

Source: CA, Operators' Returns.

4 BROADCASTING

4.1 Broadcasting Services

The total number of Free to Air TV Stations grew by 8.0 per cent to record 81 stations from 75 stations recorded in the previous quarter. Similarly, digital TV subscriptions increased slightly by 1.5 per cent to 5.8 million during the quarter under review.

Table 16 illustrates the trends in broadcasting and media services.

Table 16:Broadcasting and Media services

Indicator/Period	*Jan-Mar 19*	*Oct-Dec 18*	*Quarterly Variation (%)*
DIGITAL TV SIGNAL DISTRIBUTORS			
Broadcast Signal Distributors (Common Carrier)	2	2	0.0
Self-Provisioning Broadcast Signal Distributors	3	3	0.0
Total Digital TV Signal Distributors	**5**	**5**	**0.0**
Commercial FTA TV Stations	80	74	8.1
Community FTA TV Stations	1	1	0.0

Indicator/Period	*Jan-Mar 19*	*Oct-Dec 18*	*Quarterly Variation (%)*
Total FTA TV Stations	**81**	**75**	**8.0**
Digital Terrestrial Television Signal Population Coverage (%)	86.0	86.0	0.0
DIGITAL TV SUBSCRIPTIONS			
Cable TV	170,852	169,698	0.7
Direct to Home Satellite	1,161,220	1,110,563	4.6
Digital Terrestrial Televisions (STBs)	4,546,448	4,512,690	0.7
Total Digital TV Subscriptions	**5,878,520**	**5,792,951**	**1.5**
Radio Stations			
Commercial FTA Radio	131	131	0.0
Community FTA Radio	42	42	0.0
Total Radio Stations	**173**	**173**	**0.0**

Source: CA, Operators' Returns.

4.2 Local Content Quota Genre Performance

As illustrated in table 17, Music had the highest weekly average of 32.4 per cent while talk shows genre was rated second with a weekly average of 21.6 per cent in local programming

Table 17:Performance of the Various Genre of Local Content

Genre	*Local Content (%)*
Music	32.4
Religious	20.4
Talk shows	21.6
Children	3.6
Reality	2.2
Drama	3.4
Comedy	0.6
Documentaries/Education	5.8
Sports	1.1
Current affairs	1.9
Magazine	7.0

Source: CA, Operators' Returns.

5 National Cyber Threat Landscape

5.1 Cyber Threats Statistics

The National KE-CIRT/CC detected 11.2 million cyber threats during the quarter under review compared to 10.2 million recorded in the previous quarter. This translated to an increase of 10.1 per cent during the period and this is attributed to enhanced cyber threat detection systems and censors deployed by National KE-CIRT.

Table 18: Cyber Threats Detected

Cyber Threat Events/Period	*Jan – Mar 2019*	*Oct – Dec 2018*
Malware	8,883,862	9,026,924
Web application attacks	1,222,237	737,289
Botnet/DDOS	1,133,893	453,371
System Misconfiguration	13,319	3,449
Online Abuse	265	158
Total	**11,253,576**	**10,221,191**

Source: National KE-CIRT/CC

In response to the cyber threats detected, the National KE-CIRT/CC issued 14,078 cyber threat advisories to the affected organizations, which is an increase from the 12,138 issued during the previous period. The cyber threat detection capabilities of the National KE-CIRT/CC are supported by our systems as well as systems from global collaborating partners.

Table 19:Cyber Threat Advisories

Cyber Threat Advisories/Period	*Jan – Mar 2019*	*Oct – Dec 2018*
Malware	1,286	2,365
System Misconfiguration	11,900	9,101
Web Application Attacks	249	271
Botnet/DDOS	378	243
Online Abuse Cases	265	158
Total	**14,078**	**12,138**

Source: National KE-CIRT/CC

6 POSTAL AND COURIER TRAFFIC

During the period under review, the number of letters sent locally stood at12.97 million from 12.96 million letters reported during the preceding quarter. Similarly, the total courier items sent declined by nearly half to post 716,193 items from 1.1 million items posted last quarter.

Letters received from other countries increased by 0.4 per cent to post 2.57 million from 2.56 million letters received during the previous quarter. In the same breath, international outgoing letters increased by 0.8 percent to stand at 1.31 million during the period under review.

This was expected considering that the previous quarter is usually marked by the busy festive season and examination period.

The postal and courier traffic is as shown in Table 20.

Table 20:Postal and Courier Traffic

Post and Courier Traffic/Period	*Jan-Mar 19*	*Oct - Dec 18*	*Quarterly Variation (%)*
Number of Letters (Up to 350 gms) Posted Locally	12,973,347	12,968,202	0.0
Total Courier Items Sent locally	716,193	1,112,639	-35.6
International Incoming Letters (Up to 350 gms)	2,572,217	2,562,543	0.4
International Outgoing Letters (Up to 350 gms)	1,316,255	1,305,908	0.8

Source: CA, Operators' Returns.

7 TARIFFS, PROMOTIONS AND SPECIAL OFFERS

During the period under review, the Authority received and considered a total of 19 applications for tariffs, promotions & special offers.

A detailed distribution of the applications for tariffs, and promotions & special offers for the quarter is illustrated in Tables 21 and 22 respectively.

Table 21: Tariffs

Period/Indicator	Type of Tariff							
	Voice	*SMS*	*Data*	*Airtime*	*Bundle*	*Mobile Money*	*Other*[2]	*Total*
Jan-March 2019	0	0	2	0	3	0	0	5
Oct-Dec 2018	0	1	1	0	3	0	0	5

Source: CA, filed promotions and special offers

Table 22: Promotions and Special Offers

Period /Indicator	Type of Promotion and Special Offer								
	Voice	*SMS*	*Data*	*Bundle*	*Airtime*	*Lucky Draw*[2]	*Mobile Money*	*Other*[3]	*Total*
Jan-March 2019	0	0	7	2	2	1	1	1	14
Oct-Dec 2018	4	0	5	1	2	1	0	1	14

Source: CA, filed promotions and special offers

8 CONCLUSION

The outlook of the communication sector in Kenya continues to be strong, and growth has been boosted by increased competitive products and services in the mobile market segment. The

[2]Lucky draw is a game of chance where the operator has no control over the specific user to receive a reward set out.

[3]"Other" refers to promotions that cannot be clearly attributed to any particular service or bundle of services, neither can they be attributed to a lucky draw

mobile telephony sub-sector is expected to maintain steady growth during the next quarter following the growing technological innovations and increasing demand for cellular services. The influential factors in the uptake of mobile services are but not limited to the following; rapid growth in the Internet, increasingly data hungry applications and attractive promotions and special offers. Further, mobile money transfer service will continue to reach new heights considering the numerous emerging mobile banking services that aim to reach large portions of the population that has been financially excluded from mainstream banking facilities.

Over the past years the Internet service has completely revolutionized from slow dial-up to incredibly fast Internet speeds that can be accessed in most parts of the country. The Internet market is expected to grow significantly in the next quarters as the availability of 4G ratchets up and demand for faster connectivity speeds gradually increases.