COMMUNICATIONS AUTHORITY OF KENYA

QTR 4 FY 2021/2022

(April - June 2022)

BROADCASTING SERVICE REPORT

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EXECUTIVE SUMMARY

The Authority continued processing broadcasting service license applications by issuing a total of 18 licences during the Q4 of the FY 2021/22. This brings the cumulative number of new broadcasting service licences issued during the FY 2021/22 to 146.

During the same quarter, the number of subscriptions to broadcasting services fell by 18,379 to a total of 5,988.631 subscribers in spite of the 97,258 new decoders/set-top boxes being sold during the quarter. The proportion of subscriptions to digital terrestrial television (DTT) broadcasting services increased from 70.4% to 71.5%.

The DTT population coverage increased by 0.71% arising from new coverages in the environs of newly commissioned transmitters in Bomet as well as new mapping data for Kwanza Sub-County in Trans Nzoia County. As of 30th June 2022, the proportion of the population covered by the DTT networks stood at 92.0%, which was the target for the financial year.

With regard to broadcast content regulation, it is noted that local content performance has significantly increased since the inception of the Programming Code, in March 2016. The performance has increased from 60% in in third Quarter of 2015/2016 to 96.2% in Quarter 4 of 2021/2022.

I. INTRODUCTION

The ICT sector law mandates the Communications Authority of Kenya (the Authority) with promoting and facilitating the development of a diverse range of broadcasting services in Kenya. This mandate includes issuing licenses for various broadcasting services, facilitating the development of Kenyan programmes, administering the broadcasting content aspects of the Kenya Information and Communications Act, developing media standards, and regulating and monitoring compliance with these standards. In addition, the Authority promotes the observance of public interest in broadcasting services and ensures that broadcasters provide an internal mechanism for disposing of complaints related to broadcasting services.

This report gives an overview of the performance of the broadcasting services during the fourth quarter of FY 2021/22.

II. STRATEGIC IMPLICATIONS

In its Strategic Plan 2018-23, the Authority, under Key Result Area (KRA) I on Access and Market Development, committed to achieving efficient ICT markets by fostering competition in the ICT sector through licensing of additional operators and service providers. Further, in furthering the strategic objective of ensuring compliance with regulatory requirements, the Authority monitors broadcasters' compliance with content standards as set out in the Programming Code and license requirements as per the regulatory framework in force

III. THE BROADCASTING MARKET

1. Licences Issued in Q4 of the FY 2021/22

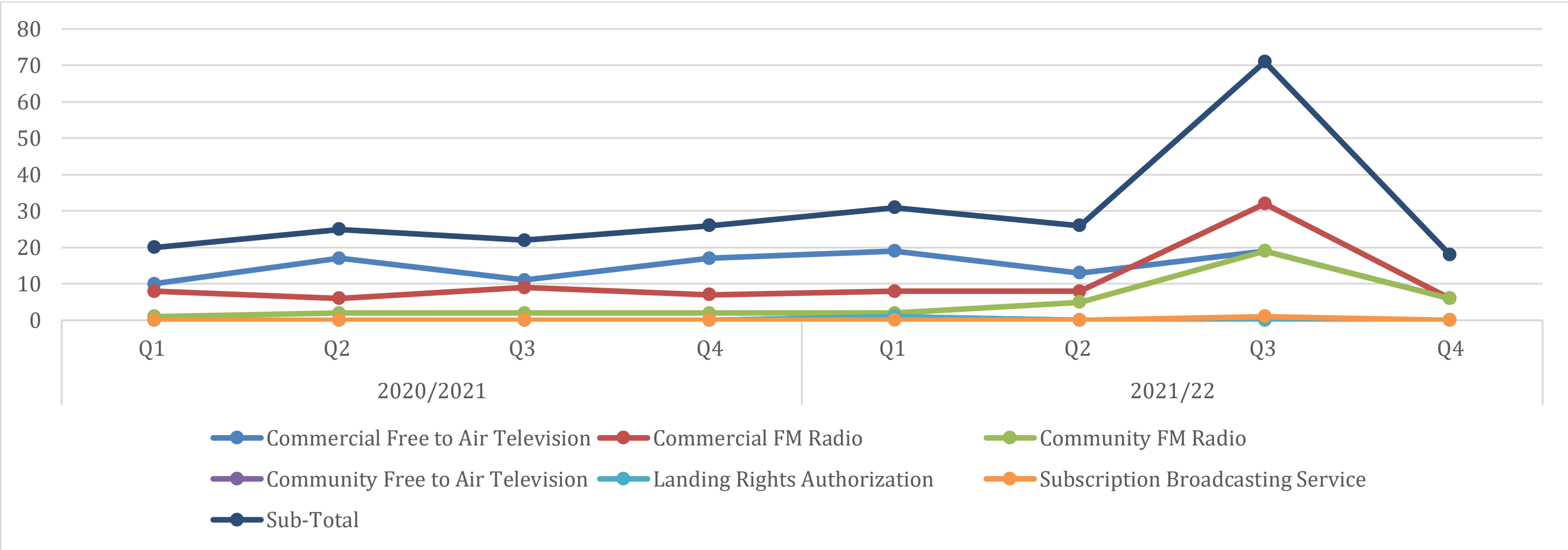
During the FY 2021/22, the Authority committed to processing 100% of all complete applications for broadcast licences. To realize this, the Authority continued processing broadcasting service license applications issuing a total of 18 licenses were issued during the Q4 of the FY 2021/22. A cumulative total of 146 broadcasting service licenses were thus issued during the FY 2021/22. Table 1 gives a breakdown of licenses issued for each quarter as well as for the entire FY 2021-2022.

Table 1: Trends on new licenses issued over the last two years to the end of Q4 of FY 2021/22

LICENSE TYPE	2020/2021				2021/22				TOTAL ISSUED IN 2021/22
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Commercial Free to Air Television	10	17	11	17	19	13	19	6	57
Commercial FM Radio	8	6	9	7	8	8	32	6	54
Community FM Radio	1	2	2	2	2	5	19	6	32
Community Free to Air Television	0	0	0	0	1	0	0	0	1
Landing Rights Authorization	0	0	0	0	1	0	0	0	1
Subscription Broadcasting Service	0	0	0	0	0	0	1	0	1
Sub-Total	**20**	**25**	**22**	**26**	**31**	**26**	**71**	**18**	**146**

Overall, despite a decline in the number of licenses issued in Q4 of FY 2021/22 compared to Q3 of the FY 2021/22, there was strong growth in the number of licenses issued during the FY 2021/22, especially in the commercial FM radio and community FM radio categories. This could be attributed to the enhanced enforcement activities by the Authority on entities that held broadcast frequency assignments but failed to obtain the requisite broadcasting service licenses. Figure 1 below shows the trend over the last two financial years.

Figure 2: Growth in terms of New Licenses from FY 2020/21 to FY 2021/22



The cumulative number of licenses issued in the broadcasting sub-sector as at the end of the financial year 2021/22 is shown in Table 2 below.

Table 2: Licensees Under Broadcast License Framework

License Category	Total Licenses issued as at the end of:			
	Q1 2021/22	**Q2 2021/22**	**Q3 2021/22**	**Q4 2021/22**
Broadcast Signal Distributor	2	2	2	2
Self-Provisioning Broadcast Signal Distributor	3	3	3	3
Commercial Free to Air TV	248	261	280	286
Community Free to Air TV	9	9	9	9
Commercial FM radio	114	122	154	160
Community FM Radio	23	28	47	53
Subscription Broadcasting Service	17	17	18	18
Subscription Management Service	4	4	4	4
Landing Rights Authorization	5	5	5	5
Total	**425**	**451**	**522**	**540**

Table 3 below details the TV and FM Radio broadcasting that were on air in the various quarters.

Table 3: Trend on the number of broadcasting stations on air for the last four quarters to the end of Q4 FY 2021/22

FTA TV STATIONS					
Number of stations	**Q4 2020/21**	**Q1 2021/22**	**Q2 2021/22**	**Q3 2021/22**	**Q4 2021/22**
Commercial FTA TV stations	130	130	142	151	175
Community FTA TV stations	4	3	3	3	4
Public FTA TV stations	3	3	3	3	3
Total	**137**	**136**	**148**	**157**	**182**
FM STATIONS					
Number of stations	**Q4 2020/21**	**Q1 2021/22**	**Q2 2021/22**	**Q3 2021/22**	**Q4 2021/22**
Commercial FM Radio stations	131	131	131	164	164
Community FM Radio stations	42	42	42	51	51
Public FM Radio stations	13	13	13	13	13
Total	**186**	**186**	**186**	**228**	**228**

Table 4 presents a comparative trend of the number of broadcasters who were on air for each of the above categories from fiscal year 2017/2018 to the end of Q4 2021/2022.

Table 4: Comparison of on-air FTA broadcasting services from 2017/18 to Q4 2021/22.

Number of stations	2017/18	2018/19	2019/2020	2020/21	2021/22
FTA TV					
Commercial FTA TV stations	66	85	95	130	175
Community FTA TV stations	1	1	2	4	4
Public FTA TV stations	3	3	3	3	3
FM RADIO					
Commercial FM Radio stations	131	131	131	131	164
Community FM Radio stations	38	42	42	42	51
Public FM Radio stations	13	13	13	13	13

A comparison Tables 2 and 3 reveals that many licensees exceeded the grace period granted to commence operations after obtaining the requisite licences. As at the end of FY 2021/22, the number of licensees who had been licensed but were yet to commence operation beyond the said grace period is shown in Table 4. In addition, the continued non-operation by such broadcasters negatively impacted the broadcasting subsector overall status of compliance with regulatory requirements.

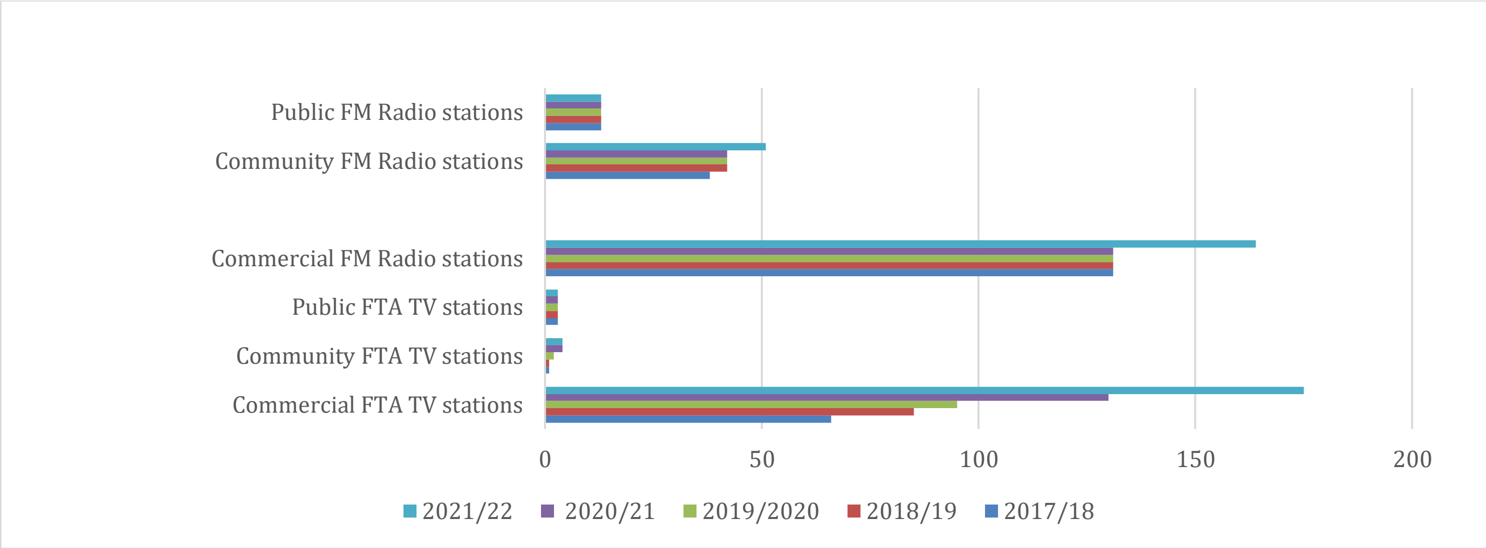


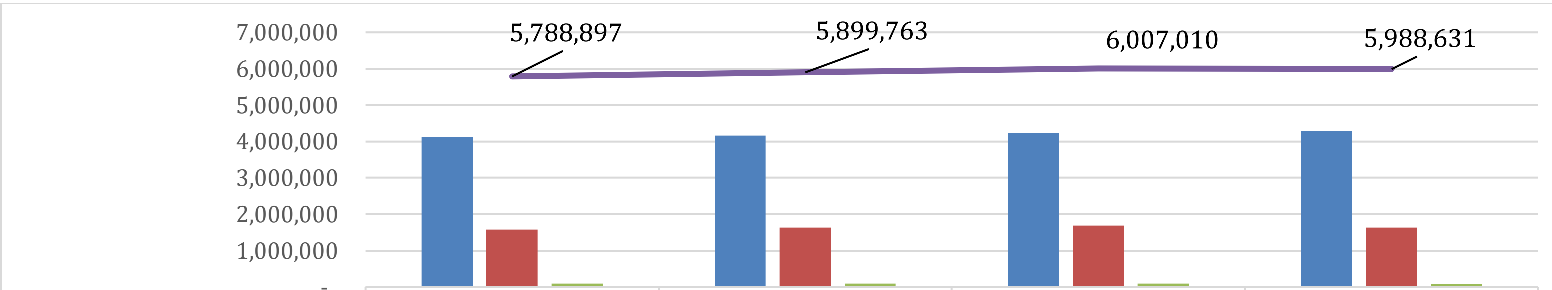
Figure 2: A comparative graphic analysis of the Television and Radio stations on air

2. Subscription to the Broadcasting Services

Until the end of Q3, the Authority reported the subscription levels based on the cumulative number of decoders or set-top boxes sold by each operator. However, the Authority noted that this was inconsistent with the fact that some decoder/set-top boxes may cease the subscription to the services or may never even subscribe to the service at all. The Authority's Guiding Manual for the Collection of Supply-Side Data on Telecommunications/ICT 2019 did not define what constituted broadcasting subscriptions but this has since been incorporated in the current revisions to the manual. On the other hand, International Telecommunication Union's Handbook for the Collection of Administrative Data on Telecommunications/ICT 2020 defined various subscriptions to broadcasting services without providing details on the subject of *active* versus *inactive* subscriptions. In the two documents, the definitions of subscriptions to broadcasting services do not provide define active subscriptions unlike their definitions of similar terms on telecoms services where active subscribers are required to have had a revenue-generating activity within the last 90 days.

As such, there’s uncertainty to the limitation of active subscriptions in telecommunications in relation to broadcasting. Going forward, the Authority will report subscriptions to various broadcasting services to be inclusive of both active and inactive subscriptions. Thus, the figures cease to tally with the cumulative number of decoders/set-top boxes sold since the service provider commenced operations. This gives the operators room to administratively determine their subscription data rather than being based on the number of receiving devices sold.

From the foregoing, due to the change in the reported statistic, subscriptions to broadcasting services marginally declined by 18,379 (or about 0.3% over the quarter) to 5,988,632 at the end of Q4 of the FY 2021/22. This was despite 97,258 new decoder/set-top boxes which were sold during the quarter. Figure 3 below illustrates the trend in the number of subscribers for broadcasting services for the four quarters to the end of Q4 of FY 2021/22.



	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22
DTT	4,116,528	4,169,601	4,227,658	4,283,070
DTH	1,585,023	1,640,934	1,688,607	1,627,498
CABLE	87,346	89,228	90,745	78,063
TOTAL SUBSCRIPTIONS	5,788,897	5,899,763	6,007,010	5,988,631

Figure 3: Broadcasting subscription for four quarters to the end of Q4 of 2021/22

The proportion of subscriptions to digital terrestrial television (DTT) broadcasting services increased to 71.5% from 70.4%. This increase could be driven by the rising cost of living, with consumers preferring DTT as a cheaper platform compared to DTH. Television access through cable medium remained the least common with only 1.3% of subscriptions being for cable television services which could be attributed to the low fiber footprint apparently due to the high cost of setting up the infrastructure.

During the fourth quarter, subscriptions to DTT grew by 55,412 while Direct to Home (DTH) and cable TV declined by 61,109 and 12,682 respectively. This is largely due to the change in the reported statistic from the cumulative decoder sales to the subscription figures reported by the service providers. However, the number of new set-top boxes sold during the quarter for DTT, DTH, and cable broadcasting services were 54,823, 40,779, and 1,656 respectively.

Digital Terrestrial TV Population coverage

In its 4th Strategic Plan cycle running for the period 2018-2023, under KRA 1 on Access and Market Development, the Authority aims to achieve universal access to ICT services. Therefore, the Authority committed to increase the percentage population covered by digital broadcasting networks (DTT) from 85% in 2018 to 90% by 2023. The Authority's strategy was to achieve this goal by enforcing DTT network rollout obligations on common-carrier broadcasting signal distributors (BSDs) who are licensed to roll out DTT infrastructure.

In the current fiscal year, the Authority aimed to achieve 92.0% DTT population coverage by the end of June 2022. In quarter 4, the Authority carried out mapping in the environs of the new transmitters in Bomet and Kapenguria where Gotv Kenya Limited and Signet Signal Distributors Ltd commissioned transmitters respectively. The new transmitter in Bomet was meant to address the coverage gaps in parts of the South Rift region including in the environs of Bomet Town. The other DTT transmitters that were to be deployed by Signet in Moyale, Lamu, and Mandera as well as the ones that were to be deployed by PANG in Bomet and Nyambene Hill (Meru) were not commissioned due to delays in the deployment process.

By the end of Q4, DTT population coverage stood at 92% as shown in Table 5 below. The Authority continues to monitor the work on the sites that were could not be completed by the end of the last FY to ensure that they get launched in the early parts of the FY 2022/23.

Table 5: DTT population coverage as at the end of Q4 of the FY 2021/22

	Total
Q4 2021/22	92.00
Q3 2021/22	91.28
Q2 2021/22	91.28
Q1 2021/22	91.21

3. Growth in terms of Broadcast Content Performance

The Authority assessed broadcasters' performance on the following standards outlined in the Programming Code:

- Watershed period programming
- Local content including genre performance
- Local Children's programming
- Accessibility to broadcasting services by Persons with Disabilities (PWDs)
- Occultism and superstition
- Advertisement
- Hate speech

Priority was given to five standards namely local content, children's programming, and access to broadcasting content as they are of public interest and therefore have a higher magnitude to the public. Other standards like accuracy, impartiality and privacy are subjective in nature. Enforcing them is mostly based on the complaints received. Other standards are monitored when they occur or on need basis. They include elections and electioneering period, crime, and crisis situations. Meanwhile compliance for copyright of programmes is assessed when carrying out inspections.

The Authority has classified TV stations into eleven different categories namely, Current affairs, Talk shows, Children, Reality, Music, Religious, Drama, Comedy, Documentary/Features, Sports and Magazine. A sample number of stations from each category is selected for monitoring. The sampling criteria is based on the number of stations that each category has.

During the fourth quarter, the Authority monitored a total of fifty-three (53) FTA TV and fifteen (15) FM Radio stations.

a) Performance of FTA TV stations

The broadcast monitoring findings for the sampled FTA TV Stations in the fourth quarter, are summarized in Table 6 below:

Table 6: Q4 FTA TV Broadcasting Monitoring Findings

Requirement	Compliant TV stations	Non-Compliant TV Station	% Compliance Quarter 4 2021/22	% Compliance Quarter 3 2021/22	% Compliance Quarter 2 2021/22	% Compliance Quarter 1 2021/22
Local content quota requirement of 40%	51	2	96.2	94.5	92.6	84.6
PWDs sign language insert requirement	17	0	100	94.7	94.7	94.7
Advertisement (maximum limit of 10 minutes in every 30 minutes of TV programming)	53	0	100	100	100	100
Local Children's programming requirement of at least 5hrs per week	11	42	20.8	15.54	15	25
Appropriate content requirement during the watershed period	53	0	100	94.5	94.4	98

Details of individual TV stations performance as monitored during the quarter are also depicted in Figure 4 below.

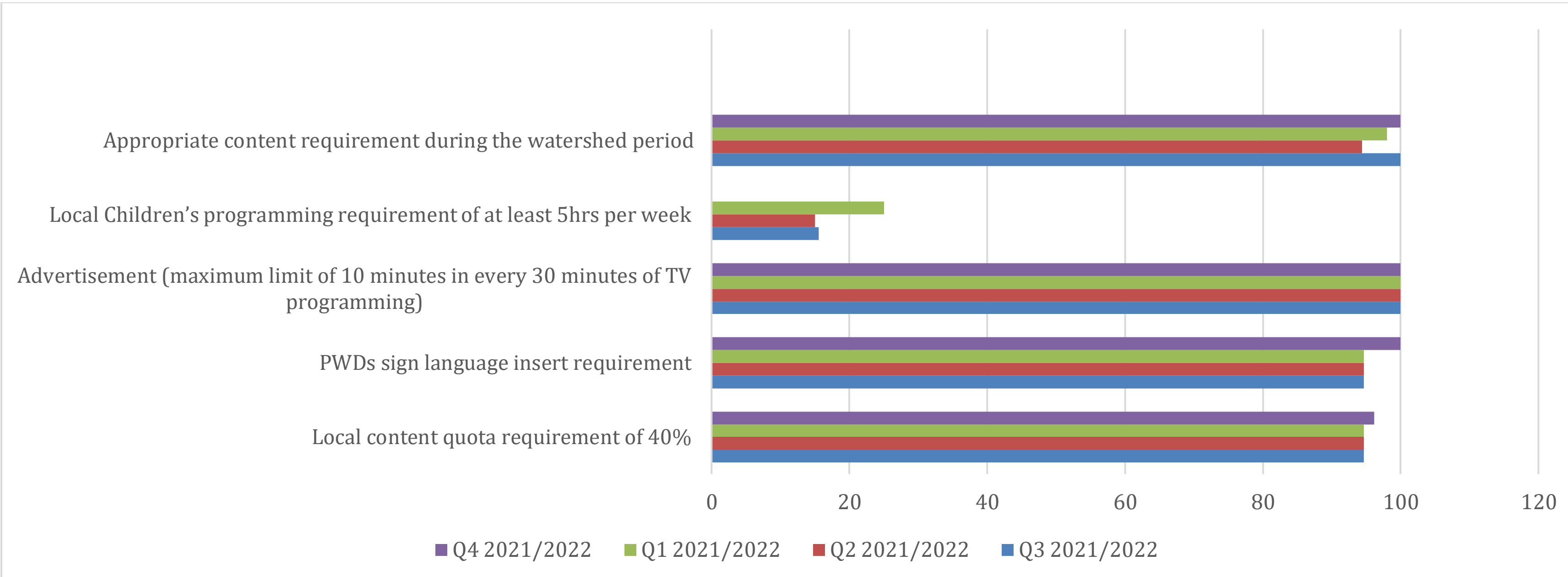


Figure 4: Q4 FTA TV Broadcasting Monitoring Findings

4. Analysis of the Findings

i. Compliance to the Local Content Quota

During the monitoring exercise in Quarter 4, we established that fifty-one (51) of the fifty-three (53) TV stations monitored met the 40% threshold. This means that, 96.2% of the stations monitored were compliant with the 40% quota requirement. The stations that did not comply with the 40% local content threshold were two (2), a decrease to the previous quarter. The non-compliant stations were KTN Home and Akili TV. The Authority has taken the necessary regulatory actions against the non-compliant stations to ensure compliance with this requirement.

The TV stations with the highest local content during the watershed period were Faith TV, Mwangaza TV and Sasa TV registering 95.9%, 90% and 88.2% respectively. The stations with the lowest local content during the watershed period were Akili Kids, KTN Home and Nuru TV registering 32.7%, 34.6% and 40.5% respectively. This is summarised in Table 7 below with the detailed captured under Appendix 1 (Performance of the TV stations on monitored parameters for Quarter 4, 2021/2022).

Table 7: Local Content Performance

	Q4 2021/22		Q3 2021/22	
	Stations	**Highest to lowest local content %age**	**Stations**	**Highest to lowest local content %age**
1.	JCDH	95.9	Faith TV	89.7%
2.	Faith TV	90	Mwangaza TV	84%
3.	Goshen Wonders	88.2%	Sasa TV	83.1%
4.	Nuru TV	40.5%	Star Africa	30.3%
5.	KTN Home	34.6%	Akili	29.9%

6.	Akili	32.7	KTN Home	28.4%

The details of local content quota performance for all monitored TV stations are provided in Appendix 3. The Authority has also analysed the Performance in term of local content for the last four quarters. This is detailed in Table 8 and Figure 5 below.

Table 8: The comparison of the Performance in terms of local content for the last four quarters

Local Content Quota (%)	Number of broadcasters (1st Quarter 2021/2022)	Number of broadcasters (2nd Quarter 2021/2022)	Number of broadcasters (3rd Quarter 2021/2022)	Number of broadcasters (4th Quarter 2021/2022)
≥ 40	44	50	52	51
30 to < 40	5	2	1	2
20 to < 30	3	1	2	0
10 to < 20	0	1	0	0
<10	0	0	0	0

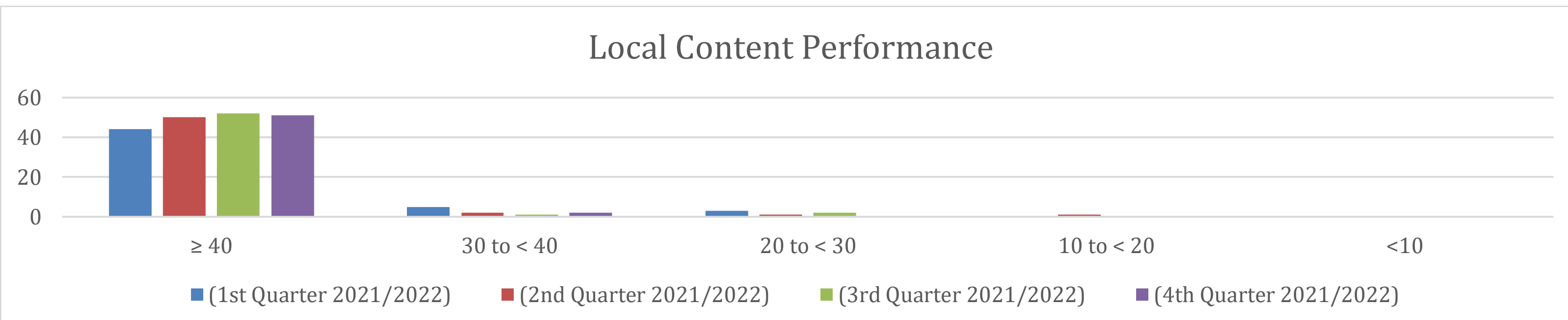


Figure 5: Local Content Performance

ii. Performance of the various genres of local content during watershed

The performance of the various genre of local content is summarized in the table below:

Table 9: Performance of the various genres of local content

Genre	1st Quarter 2021/2022	2nd Quarter 2021/2022	3rd Quarter 2021/2022	4th Quarter 2021/2022
Music	31.8	31.4	31.26	27.8
Religious	36.5	36.8	37.68	39.2
Talk shows	8.9	6.9	6.31	7.3
Children	3.8	4	3.4	3.7
Reality	3.3	1.2	1.02	1.1
Drama	1.4	1.9	2.13	2.1
Comedy	0.2	0.7	0.71	0.7
Docs/Features	5.7	9.6	9.51	8.5
Sports	0.7	1	1.03	0.9
Current affairs	3.9	3.5	3.63	3.6
Magazine	3.3	3	3.28	5.1

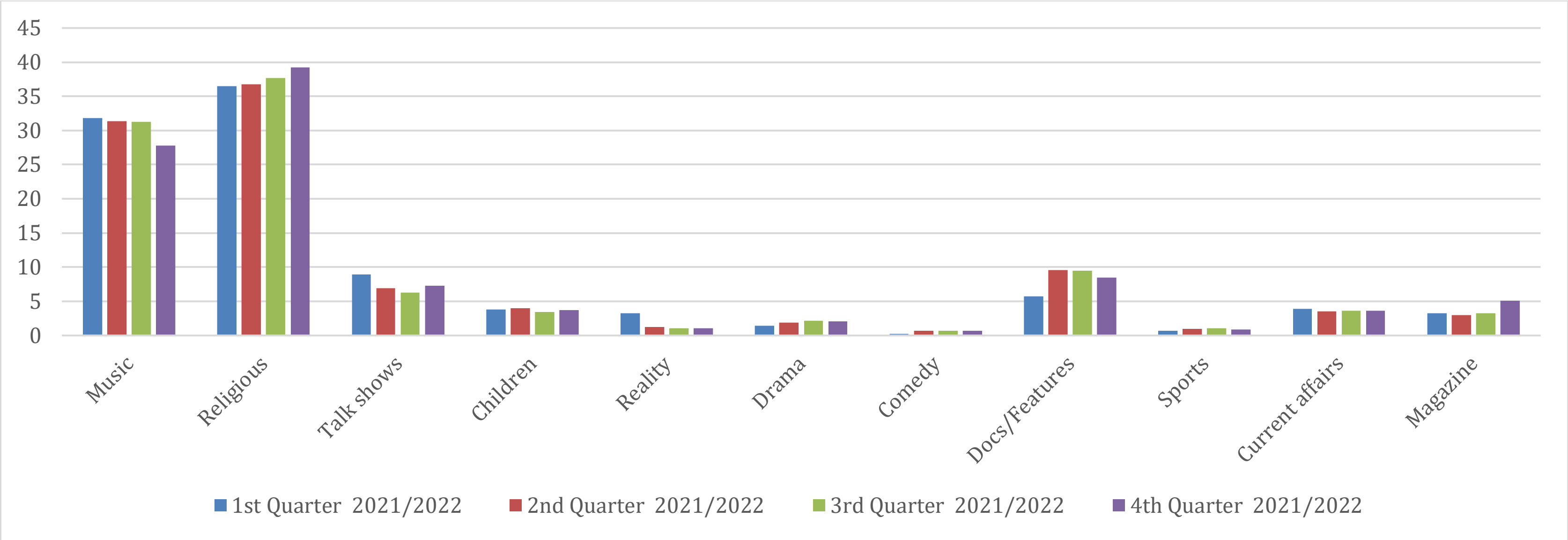


Figure 6: Performance of the various genres of local content

The results in this quarter show that religious content had the highest weekly average of 39.2% while music programming was rated second with a weekly average of 27.8%, features came in third at 8.5%. Comedy, sports and reality had the lowest local content across most of the stations monitored during the review period registering 0.7%, 0.9% and 1.1% respectively.

iii. Performance of the various genres during prime time

The results in this quarter show that religious programmes had the highest weekly average of 49%, music shows came in second at 22.5% and talk shows came in third at 9.1%. Comedy, sports and drama had the lowest local content across most of the stations monitored during the period under review registering 0.6%, 0.8% and 1.1% respectively. These findings are summarised in Table 10 and Figure 7 below. Appendix 4 provides details of the genre performance.

Table 10: Performance of the various genres during prime time

Genre	1st Quarter 2021/2022	2nd Quarter 2021/2022	3rd Quarter 2021/2022	4th Quarter 2021/2022
Music	20.3	20.8	21.14	22.5
Religious	46	41.4	43.77	49
Talk shows	11.8	12	11.4	9.1
Children	1	1	0.66	2.9
Reality	3.6	2	1.39	1.4
Drama	3.8	4.4	3.69	1.1
Comedy	0.2	0.6	0.75	0.6
Docs/Features	10	12.4	12.92	5.1
Sports	0.5	0.9	0.11	0.8
Current affairs	1.9	2.8	2.72	3.7
Magazine	0.3	1.7	1.14	3.6

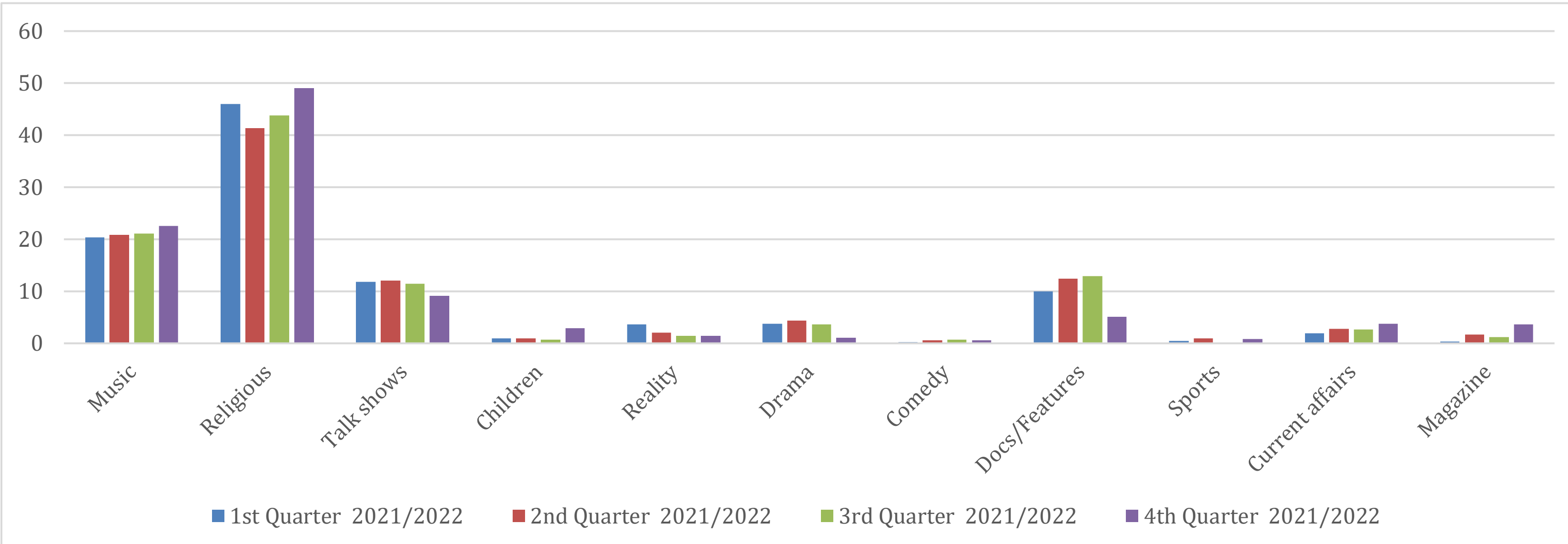


Figure 7: Performance of the various genres of local content during prime time

iv. Advertisement requirements

During the quarter under review, no TV station contravened this requirement.

5. Accessibility to broadcasting services by Persons with Disabilities (PWDs)

On accessibility to broadcasting services by PWDs, of the seventeen (17) TV stations that air news and programs of national importance and none was found to be non- compliant with this requirement.

6. Religious programming guidelines

During the period under review, no station was found to be in contravention with this requirement.

7. Appropriate content during watershed period requirement

During the period under review, no stations monitored were found to be in contravention with this requirement.

8. Local Children programming performance

The TV stations that were compliant with the 5 hours of local children's programming this quarter were eleven (11) namely NTV, Family TV, GBS TV, KUTV, Kameme TV, K24, Deliverance TV, TV 47, Noor Al Huddah, Horizon TV and Akili TV. There was no change from the previous quarter, which registered eleven (11) stations that complied with the requirement.

Table 11: Children's Programming Performance

Duration of Children Programming (Minutes)	NUMBER OF BROADCASTERS			
	1st Quarter 2021/2022	2nd Quarter 2021/2022	3rd Quarter 2021/2022	4th Quarter 2021/2022
<100	28	27	27	24
≥100 and <300	16	16	20	18
≥300	8	11	8	11

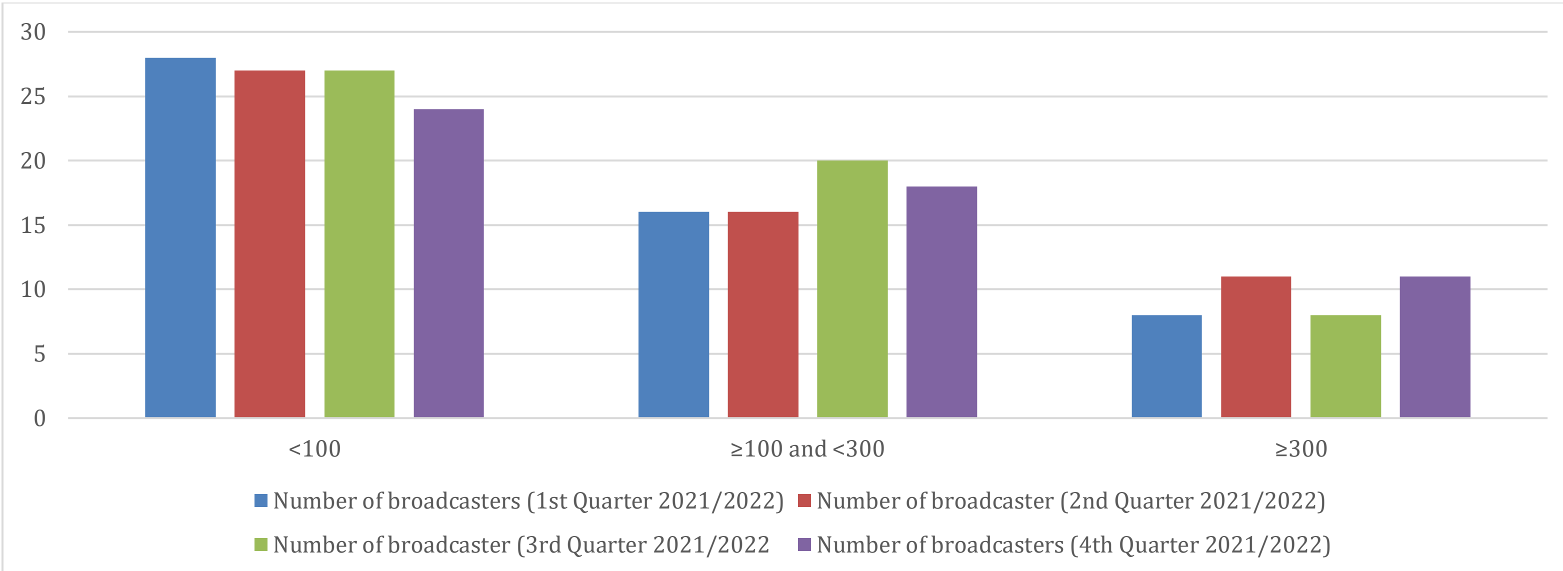


Figure 10: Children programming performance

9. Sensitizations on the Programming Code and complaints Handling Procedure

During the period under review, there were four (4) sensitizations carried out in the Nairobi, Western, Lower Eastern and Central Rift region. There was a total of 38 licensed broadcasters sensitized in Q4.

b) Performance of FM Radio Stations in Q4

During the period under review, fifteen (15) radio stations were monitored. None of these stations aired inappropriate content during the watershed period.