

Address by Dr. Bitange Ndemo, Permanent Secretary, Ministry of Information and Communications, during the Pre-bidders Conference for the Broadcasting Signal Distribution on 11th May 2011 at the CCK Boardroom

Mr. Charles J.K. Njoroge
Director-General – CCK
Media owners represented here today
Representatives of bidding firms
Distinguished guests
Ladies and gentlemen

Today marks an important milestone in the country's grand march towards digital terrestrial TV broadcasting. We are gathered here to share our expectations as Government with the firms that have expressed interest in the two additional broadcast signal distribution licences that the sector regulator is offering through a competitive tendering process. This pre-bidders conference has also been convened to provide the pre-qualified firms with an opportunity to seek clarifications on any issue regarding the broadcast signal distribution tender from the Communications Commission of Kenya. I wish to thank the bidding firms and other stakeholders for finding time to participate in this important pre-bidders' conference.

Kenya's quest to migrate from analogue to digital TV broadcasting dates back to 2001 when the country expressed its desire to the International Telecommunication Union (ITU) to be enjoined to a digital broadcasting planning conference initially meant to cover Europe only. This effort bore fruit when the ITU Council adopted Resolutions by which it agreed to convene Regional Radio-communication Conferences (RRC) for planning of the digital terrestrial broadcasting service in parts of Regions 1 and 3.

Subsequently, Kenya participated in the first and second sessions of Regional Radio communication Conferences of 2004 and 2006, both of which were convened by the ITU.

In order to internalize the outcome of the RRC-06 in respect to migration to digital TV broadcasting and chart the way forward for Kenya, my Ministry set up a task force in 2007 to advise on a framework for digital migration.

The taskforce finalized its work in September 2007 with a number of recommendations which the Government adopted including the framework and timelines for digital transition and the establishment of the Digital Transition Committee. I wish to confirm that the Government is committed to ensuring that the analogue switch off is effected before the close of next year in line with the recommendations of the said Taskforce.

As most of you are aware, the Digital Transition Committee comprising experts from my Ministry, the National Communications Secretariat, CCK and Media Owners Association was established to oversee the implementation of the migration process and to advise the Government on issues relating to digital migration in Kenya. The DTC continues to meet on a regular basis to discuss and resolve issues related to digital migration.

I wish to note here that it was initially foreseen that the Government would fund the entire migration process. In light of the fact that both analogue and digital transmissions were to co-exist during the simulcast period, it was resolved that only one broadcast signal distributor would be authorized to set up the digital platform. Being a government entity, the Kenya Broadcasting Corporation provided an easier channel for direct Government funding as earlier envisaged.

To demonstrate this initial commitment, the government provided initial funding that made it possible for KBC to set up the infrastructure that facilitated the launch of the digital platform in Nairobi in December 2009. The launch was presided over by none other than the President of the Republic of Kenya, His Excellency Hon. Mwai Kibaki, underlining the importance that the government attaches to the migration process.

However, due to unforeseen challenges such as biting food shortages and the heavy burden of implementing the new constitution, the Government has been constrained to provide funding priority to digital migration. The Government nonetheless remains committed to funding the digital migration process as demonstrated by allocation of some budgetary provision to KBC. In addition, the Communication Commission of Kenya has been kind enough in meeting expenses relating to DTC and consumer awareness /education campaigns.

Ladies and gentlemen, the challenges faced by Kenya in funding the migration process are not unique as other African countries are facing similar if not more daunting problems. It is for this reason that the DTC recommended to the Ministry consideration of a policy review to allow introduction of competition in the broadcast signal distribution market through the licensing of additional broadcast signal distributors.

Following this new approach, I am glad to note that the CCK moved with speed and commenced the licensing process through a competitive tendering process early this year. I am also happy to note that the process is progressing well, as demonstrated by this pre-bidders conference which is part of the process. Let me be quick to clarify that the CCK is bound by the provisions of the Public Procurement Act in this tendering process. Therefore your patience will be appreciated as the ICT sector regulator has to go through the due process which sometimes appears too long.

I would also like to assure you that the Government is committed to providing a favourable environment for investors like yourselves. In order to fast-track the uptake of digital broadcasting services by the majority of Kenyans, my Ministry is in consultations with the Ministry of Finance in an effort to have digital broadcasting equipment and digital set top boxes or integrated digital TV sets considered for zero rating of taxes.

I would also like to bring to your attention that as a country, we are working towards a mutually agreed East African deadline of 2012 to fully migrate television broadcasting to the digital platform.

Successful bidders will therefore be expected to rollout the digital broadcasting signal distribution / transmission infrastructure within the shortest possible time to ensure Kenyans have access to the digital signal in every corner.

I therefore take this opportunity to wish you all success as you compete for the two licences on offer. I have full confidence in the CCK who have consistently demonstrated professionalism in administering similar beauty contests for major network licences. Feel at liberty to ask whatever question or clarification you may have regarding the tender document or tendering process

The Director General of the CCK, Mr. Charles Njoroge will chair the subsequent sessions of this pre-bidders conference and I take this opportunity to wish you all fruitful discussions.

It now gives much pleasure to declare this BSD Pre-bidders conference officially open.