



UGANDA  
COMMUNICATIONS  
COMMISSION

**Market  
Performance  
Report**  
4Q2020





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# Introduction

This is a review of the industry performance, trends and key developments for the quarter starting October to December 2020. The report covers:

1. Highlights of the Global Telecom Market Place
2. A spotlight on domestic infrastructure markets
3. Service Access
4. Traffic and Service Demand
5. Revenue Performance
6. Multi Media Markets



# The Global Market Place

## Vaccine Optimism

The game changer in the world of global business and industry in 4Q 2020 has been the hope that has come with announcements of COVID 19 vaccines by a number of leading pharmaceuticals including Pfizer, Biontec and Oxford. These ultimately have been a precursor to a gradual resumption of business across industries like Technology, Entertainment and Sports, Hospitality, Travel and Education among others.



Despite the global vaccine optimism, the cold season across Europe and the Americas has brought with it what has come to be known as a second/third wave of the Corona epidemic leading to a cautious reopening of markets. In some countries a second phase of national lockdowns were announced towards Christmas.

## Subscriber Performance

Consistent with observations in the six months March to September, the TMT marketplace has remained a key business enabler across industries with some segments in the global TMT value chain, setting new performance records on the back of new COVID driven demand.

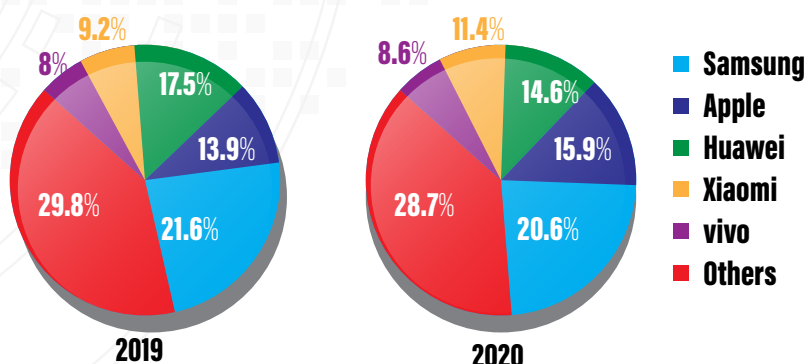
Wireless network brands like Vodafone and Airtel posted mixed performance with Vodafone recording 268,456 new subscriptions (contract and post-paid) across its European and African portfolio.

Airtel Inc. the Afro Asian cellular operator posted 2.5 million new subscriptions across its African operations in 4Q20. Presently, Airtel boasts of a subscriber base of 118.9 million customers on the continent, up from 116.4 million in 3Q20.

## Handset Shipments

In the mobile handsets space, according to IDC's January report global shipments of mobile handsets rose to 385.9 Million units in the period October to December 2020. This translated into a 4.3% growth compared to 4Q19.

### Global handset shipments 4Q20

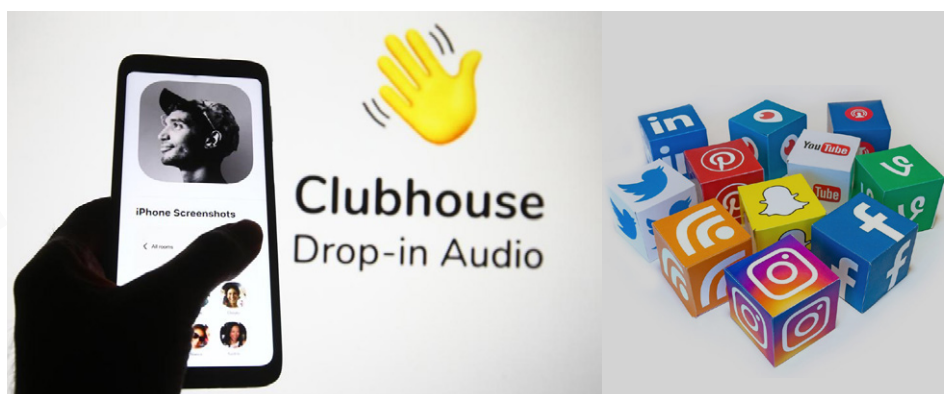


Source: IDC Quarterly Mobile Phone Tracker, January 27, 2021



## The App Space

Social media and the online app space continue to enjoy a purple patch amidst the COVID disruption posting record quarterly revenues and subscriptions by incumbents while new platforms like Clubhouse have been successfully launched during the same period.



Social media giant Facebook Inc. (Nasdaq: FB) posted a record quarterly revenue of 28 Billion USD in the period October – December 2020 translating into a 31% growth in comparison to the 21 Billion USD posted in the same period in 2019.

The social media giant's daily active users grew by 1.8 Billion by the end of December 2020 signaling an 11% growth compared to December 2019.



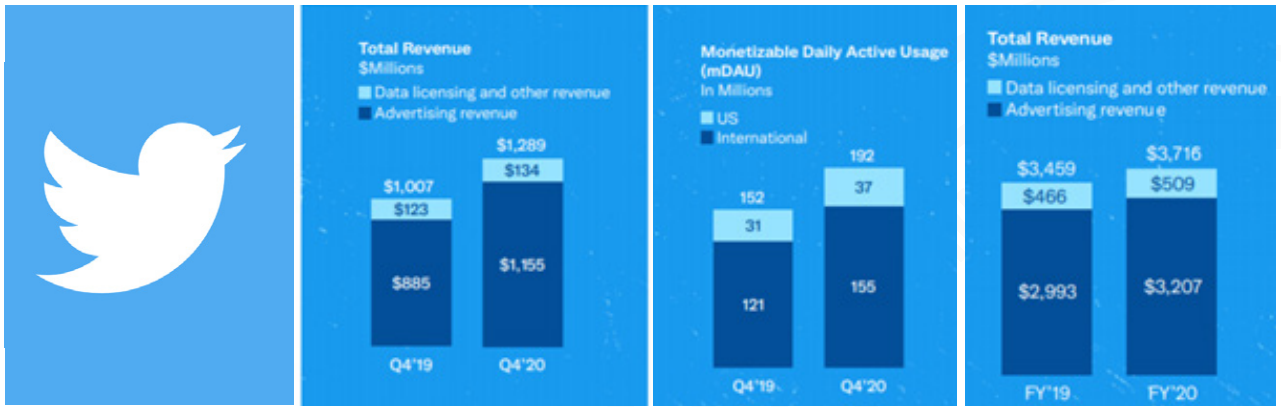
<i>In millions, except percentages and per share amounts</i>	<u>Three Months Ended December 31,</u>		<u>Year-over-Year % Change</u>	<u>Year Ended December 31,</u>		<u>Year-over-Year % Change</u>
	<u>2020</u>	<u>2019</u>		<u>2020</u>	<u>2019</u>	
<b>Revenue:</b>						
Advertising	\$ 27,187	\$ 20,736	31%	\$ 84,169	\$ 69,655	21%
Other	885	346	156%	1,796	1,042	72%
<b>Total revenue</b>	<b>28,072</b>	<b>21,082</b>	<b>33%</b>	<b>85,965</b>	<b>70,697</b>	<b>22%</b>
<b>Total costs and expenses</b>	<b>15,297</b>	<b>12,224</b>	<b>25%</b>	<b>53,294</b>	<b>46,711</b>	<b>14%</b>
<b>Income from operations</b>	<b>\$ 12,775</b>	<b>\$ 8,858</b>	<b>44%</b>	<b>\$ 32,671</b>	<b>\$ 23,986</b>	<b>36%</b>
<i>Operating margin</i>	<i>46 %</i>	<i>42 %</i>		<i>38 %</i>	<i>34 %</i>	
Provision for income taxes	\$ 1,836	\$ 1,820	1%	\$ 4,034	\$ 6,327	(36)%
<i>Effective tax rate</i>	<i>14 %</i>	<i>20 %</i>		<i>12 %</i>	<i>25 %</i>	
<b>Net income</b>	<b>\$ 11,219</b>	<b>\$ 7,349</b>	<b>53%</b>	<b>\$ 29,146</b>	<b>\$ 18,485</b>	<b>58%</b>
<b>Diluted earnings per share (EPS)</b>	<b>\$ 3.88</b>	<b>\$ 2.56</b>	<b>52%</b>	<b>\$ 10.09</b>	<b>\$ 6.43</b>	<b>57%</b>

Source: Facebook end of year report 2020

Similarly, micro blogging site Twitter posted a strong finish to the year grossing 1.29 Billion USD in 4Q revenues up from 1.007 Billion USD during the same period in 2019. USD 1.155 Billion of this was advertising revenue with data licensing accounting for USD 134 Million.

Average daily active users for the platform reached 192 million translating into a 27% jump from the same period last year.





Source: Q4 and Fiscal year 2020 Twitter letter to share-holders (Feb 2021)

Probably the biggest highlight in the world of social media apps has been the entry of Clubhouse, an invite-only audio chat platform launched in March 2020 founded by Rohan Seth and Paul Davidson. By December, the social media app had reached a valuation of USD 100 Million and well on its way of achieving a unicorn status by the first quarter of 2021. Early funders included Andreessen Horowitz.

## Government Issued Digital Currencies

In the world of fintech, the highlight has been the launch of public trials for China's Central Bank Digital Currency (CBDC), the Digital Yuan as a digital fiat currency. The Central Bank Issued Digital Currency has been touted as a cornerstone for cashless payments and settlements with backing from the People's Bank of China (PBC) unlike other private coins and crypto wallets, in the Chinese payments market.

The public tests are to be undertaken in the Shenzhen province with government distributing USD 1.5 Million in experimental cash (10 million Yuan) to locals and payments acceptors.



The pilot tests come well ahead of planned public test of the e-krona by Sweden's Riksbank announced in December 2020.

Following its trough of March 2020 in which Bitcoin the global cryptocurrency (BTC) hit a valuation of USD 3,600 against the dollar, the cryptocurrency has continued its appreciation against all major currencies hitting record valuations in the mid-20,000s at the end of December 2020. The appreciation is largely based on new interest by global payments actors like MasterCard and PayPal that have started accepting the coin.





# Market Outlook



# A highlight on domestic infrastructure markets

## Broadcast and Multimedia

In the retail radio space, the quarter yet again saw bigger adoption of online streaming services of both traditional radio and new digital-only radio streams like RX radio. Relatedly, Next Media Group has also focussed on an audio-visual strategy streaming live feeds of their radio shows on Next FM. Next FM also owns an FM broadcast frequency on 106.1FM.



Credits: RX Radio



## Tower Lease Markets

For ATC, with a tower site portfolio of more than 3,300 locations in the country, key strategic focus during the quarter has been the introduction of green power solutions for its network of grid and off grid sites.

A total of US 10 Million Dollars has been committed to renewable energy projects within the ATC Uganda operation in 2020.

At a group level, Boston based ATC group announced closure of its acquisition of US based InSite Wireless Group, LLC. in a USD 3.5 Billion valuation.



Relatedly, following the conclusion of ATC's acquisition of Eaton's infrastructure portfolio in Uganda and as we approach the end of a two year freeze on site rental pricing issued by the Commission to ATC as part of the acquisition approval, the Commission shall undertake a review of reference tower rental prices and terms. This is largely driven by the need to uphold the principles of fairness, reasonableness and non-discrimination in passive cell site markets dominated by a few players. This effort is scheduled for the first half of 2021.

The second highlight of the upstream infrastructure segment of the quarter was the award of the National Public Infrastructure Provider license to Insite Towers. Insite Towers Limited and its sponsors have maintained a 20-year presence in the construction and maintenance of passive network infrastructure and towers in the region including markets like South Africa, Tanzania and Uganda.

In their pre-launch engagements with the Commission, Insite posits that it will launch services with a spectrum of tower solutions that will include traditional Green Field Sites, Rapid Deployment Rural Sites, Intra city solutions as well as Distributed Antenna Solutions (DAS). Commercial operations are planned in 2021.



## Television Infrastructure

In the broadcast and multimedia space, SIGNET the government owned agency charged with the responsibility of establishing and managing a DTT signal distribution network has continued with improvements in the wholesale network service.

At the end of December 2020, SIGNET managed a total of 18 sites along with the Network Operation Centre and the Head End at Kololo. Total DTT transmitters under management stands at 22 while the number of active FTA TV streams under management stands at 35 across the country.



Also, worth noting during the quarter were continued efforts to migrate content delivery (Studio to Head End/MUX) from the traditional microwave links to IP based backhaul services. To date, 9 licensed FTAs deliver their content via IP backbones. This is a trend that is envisaged to continue and subsequently reducing demand for microwave frequencies.

Short term network considerations include introduction of local content insertion to stimulate the introduction of more local content as well as reduce the cost of content transit.

Also, important to note is that it is more than 6 years since the first network installations were done at the onset of the analogue to DTT migration campaign. As such, significant capital expenses are envisaged in the next 3 to 4 years as these key network components approach their End of Life cycle.

Relatedly, the Commission has noted a need to revisit DTT signal distribution prices to achieve the dual goals of quality service and promote the entry of new digital content creators. A review of signal distribution terms and prices is planned in the first half of 2021. Due consideration shall be made for network replacements, fair return on capital, optimal network efficiencies among other key costing considerations.





The DTH and subscription tv market has understandably realized minimal infrastructure investments in the last quarter largely on account of revenue pressures occasioned by reduced household revenues during the pandemic.

As such, strategic focus for players like Multichoice has been revision of bouquets in which more than 10 premium streams previously exclusive to the premium bouquet have been tiered down to lower value bouquets.

In a market first, a local FM station has been carried on the DStv audio channel bouquet probably opening a new alternative distribution channel for domestic FM Stations. Radio One FM 90 can now be accessed on Channel 897 on all Multichoice decoders.



*Radio One FM 90 head of programming Elvis Kalema said: "We are excited and honoured to be the first Ugandan FM radio station to be added to the DStv bouquet. This milestone means that our audiences across Uganda now have an additional avenue to listen to their popular programmes and shows on Radio One live from Kampala, Uganda."*

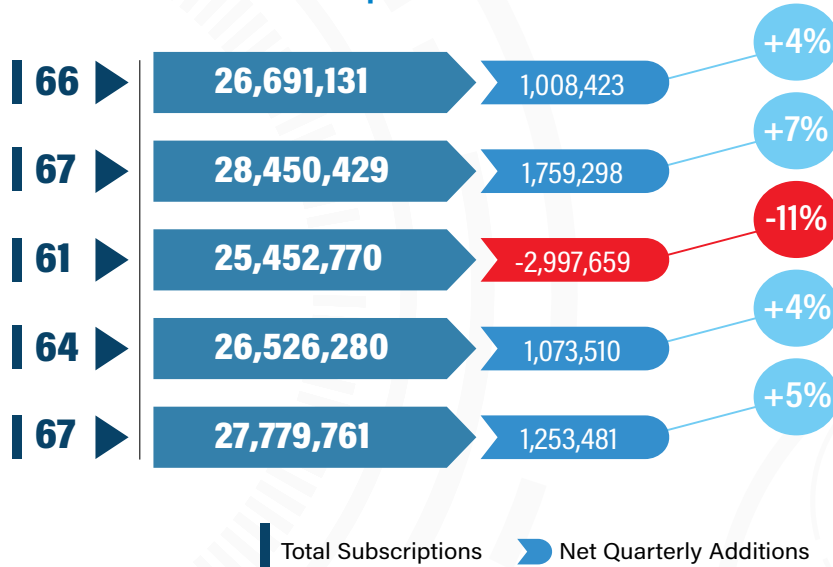


# Service Access



# Subscriptions

## Fixed and Mobile Subscriptions



\*\*\*1.3 Million new fixed and mobile subscriptions compared to 1 million new subscriptions in the same period in 2019 translating into a year on year growth of 4% despite a 3 million subscriber erosion in 2Q20\*\*\*.

The industry has posted back-to-back net quarterly subscriber additions of more than 1 million new customers.

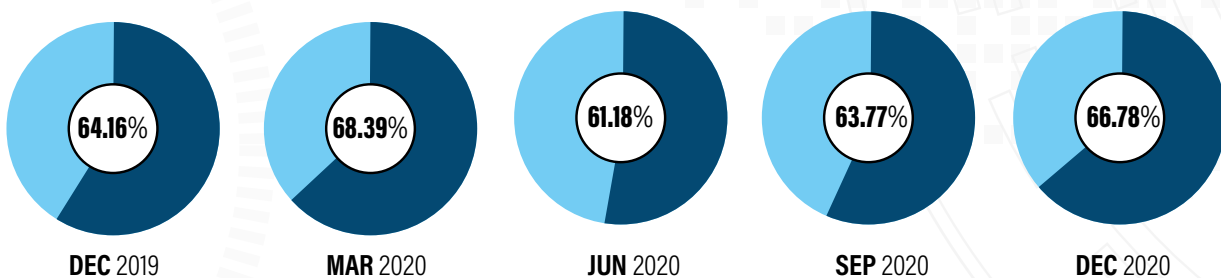
During the quarter ended December 2020, the market posted 1.3 million new fixed and cellular subscriptions in spite of a dampened holiday season devoid of the influx of holiday travellers traditionally associated with the end of year festivities.

This 5% quarter on quarter growth rate is the 2nd highest three months growth (in terms of new additions) in the last 5 Quarters only bettered by 1Q20 addition of 1.7 million subscriptions.

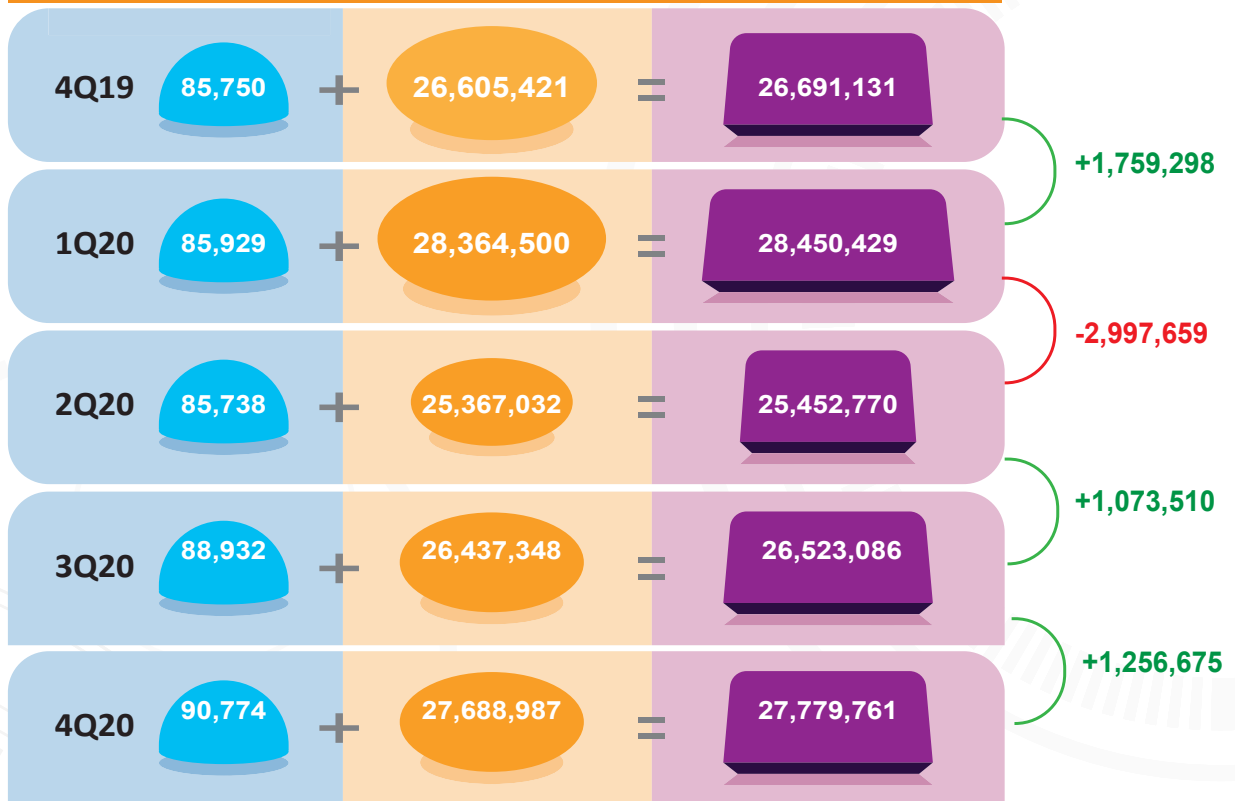
Also, important to note that the new market growth betters the sub 3 % growth rate reported by Pan African networks like Vodafone and Airtel in the last quarter of 2020.

The growth in subscriptions has resulted into an increase in service access with number of lines per 100 inhabitants jumping from 64 lines in September 2020 to 67 lines per 100 individuals at the end of December 2020.

## Penetration rates

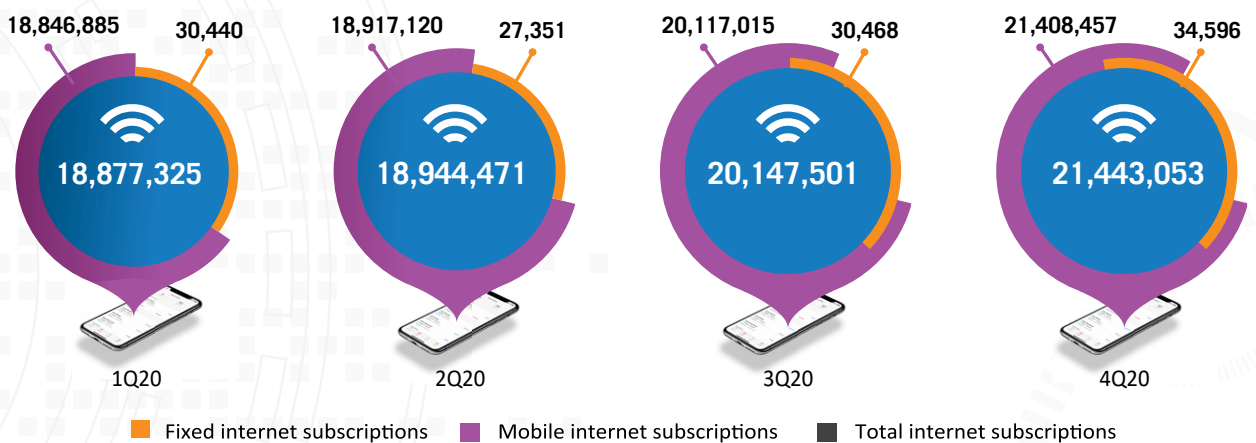


Note: These numbers are drawn from registered mobile subscriptions that have undertaken at least one billable service in the 90-day period ending December 31st, 2020.



■ Fixed line Subscribers 
 ■ Mobile Subscribers 
 ■ Total Subscribers 
 ■ Net quarterly Additions

### Data Subscriptions



■ Fixed internet subscriptions 
 ■ Mobile internet subscriptions 
 ■ Total internet subscriptions

For the 2nd Quarter running, the market posted a growth of more than 1.2 million new internet connections. The bulk of these are mobile accounting for more than 98% of new internet connections in the quarter.

The 1million plus growth in internet subscriptions may largely be attributed to the seasonality effects associated with December as well as promotional activity in the sale of smart phones by both independent vendors and through vendor/MNO partnerships.

At the end of December 2020, the number of active internet subscriptions had grown to 21.4 million translating into an internet access reach of more than 1 active connection for every 2 Ugandans



## Network Connected Device Distribution

### BASIC MOBILE PHONE

Limited to voice calls and text messages.



#### Monthly Users

Dec-19	3,409,724
Mar-20	5,076,937
Jun-20	5,087,856
Sep-20	5,446,716
Dec-20	5,010,673

### FEATURE PHONES

Limited app and browsing functionality



#### Monthly Users

Dec-19	17,179,345
Mar-20	17,278,770
Jun-20	17,090,406
Sep-20	17,630,033
Dec-20	17,944,456



### SMARTPHONES

A class of mobile phones and of multi-purpose mobile computing devices. They are distinguished from feature phones by their stronger hardware capabilities and extensive mobile operating systems, which facilitate wider software, internet (including web browsing over mobile broadband), and multimedia functionality (including music, video, cameras, and gaming), alongside core phone functions such as voice calls and text messaging.

#### Monthly Users

Dec-19	6,609,717
Mar-20	7,091,860
Jun-20	6,961,778
Sep-20	7,426,229
Dec-20	7,905,660

At the end of December 2020, 30.8 million devices were connected to the network. These include mobile handsets, laptops, tablets and other IOT terminals.



## 3.7 million new network connected devices in the 12 months ending December 2020

In terms of quarterly growth net device additions on the network stood at 350,000 new devices in the 3 months October to December 2020. This is the second highest net quarterly addition in the last 12 months only bettered by 3Q20 at the peak of new remote learning programs in Uganda.

Note worthy during the quarter is the fact that the networks are seeing a contraction of basic gadgets on the network. In 4Q20, the number of basic gadgets connected on the networks contracted by almost 500,000 devices while smart and feature gadgets grew by more than 700,000 units.

This shift in profiles of network connected devices maybe attributed to continued drop in global basic device shipments as well as focussed marketing campaigns by MNOs and device distributors towards smart gadget sales. Case in point is Airtel Uganda's Credit financing campaign in partnership with Mastercard to finance a range of Samsung handsets on the market.

Similarly, MTN Uganda in December launched its Pay Mpola Mpola scheme allowing customers to pay for a limited range of devices in easy instalments.

**airtel**  
THE SMARTPHONE NETWORK

**KWATA ESSIMU**  
Own a smartphone mpola mpola and pay as you use.  
**Get 500MB FREE\***

Device Model (Samsung)	A3 Core	A01	A11
Initial Instalment (US\$)	152,550	173,550	243,550
Monthly Instalment (US\$)	48,000	54,000	72,000
Weekly Instalment (US\$)	11,200	12,600	16,800
Daily Instalment (US\$)	1,600	1,800	2,400
Payment Period	12 months	12 months	12 months

\*Free data valid every month for loan repayment period.  
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asante x **SAMSUNG**

mastercard

**MTN Kabode**  
**20,000/-\***  
per month  
**2GB**  
per month for 7 months  
Great smartphone.  
Great Price.  
Great payment plan.

The network driven efforts towards smartphone adoption may be indicative of new spare capacity in 3/4G network investments by the incumbent operators.

### Mobile Financial Services

Following the President's assent to the National Payments Act 2020, the bulk of the eco system activity has been around realignment of MNO strategies and operational procedures in preparation for compliance to new obligations enshrined within the new Act.

**National Payment Systems Act**



Key amongst these has been the internal restructuring and separation of mobile money units within the MNOs to separate GSM and financial service operations.

MTN Uganda and Airtel have since established independent wholly-owned mobile financial service subsidiaries in compliance with Section 48 of the National Payment Systems Act 2020.

The change in the mobile financial services legal regime presents new regulatory considerations for UCC in the promotion of competition, consumer protection and service quality for mobile payments input communication services.

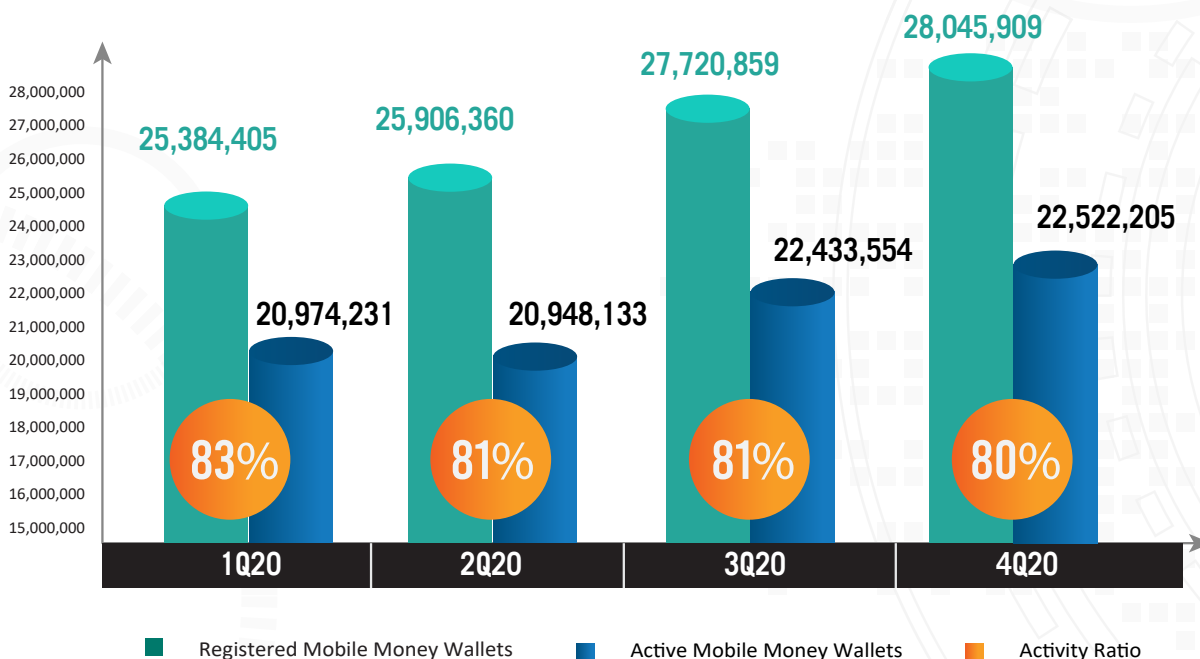
The Commission has commenced a number of regulatory inquiries to address potential exploitative and exclusionary conduct by vertically integrated actors in the mobile payments and wireless service value chains.



The regulatory inquiries are focussed on the integrity of communication channels for mobile payments services as well as equality of treatment of downstream mobile payments actors like aggregators and independent e-money issuers.

Following record net quarterly new mobile money accounts registered in 3Q20 of 1.8 million, 4Q20 posted a subdued performance with only 325,000 new mobile money accounts.

The new growth translates into a national mobile money account total of 28 million from 27.7 million accounts at the end of September 2020. This translates into a national mobile money penetration of 66 accounts per 100 persons in Uganda.



*\*\* Registered mobile money accounts may exceed total active sims due to the difference in regulatory treatment of account activity\*\* an inactive SIM card does not necessarily translate into termination of a tethered mobile money account.*

In terms of mobile money account activity, the market maintained an activity ratio of 80% implying that every 4 out of 5 mobile money accounts have conducted at least one mobile money related transaction in the preceding 90 days.

In the Quarter ending December 2020, total active mobile money accounts stood at 22.5 million of the 28 million registered accounts.

While the 80% gross account activity ratio is commendable, we note that only 88,000 of the newly registered 320,000 accounts are active mobile money accounts. This is a less than 30% activity conversion for newly registered accounts.

The low activity conversion between registration and account activity maybe be indicative of default MM registrations at the time of sim card registration. As such, some registered account owners may be involuntary MM account holders.

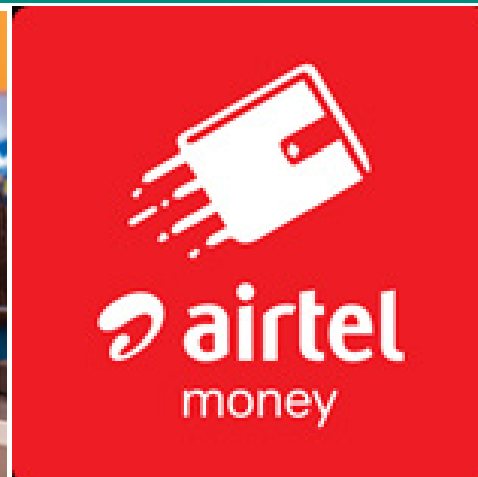
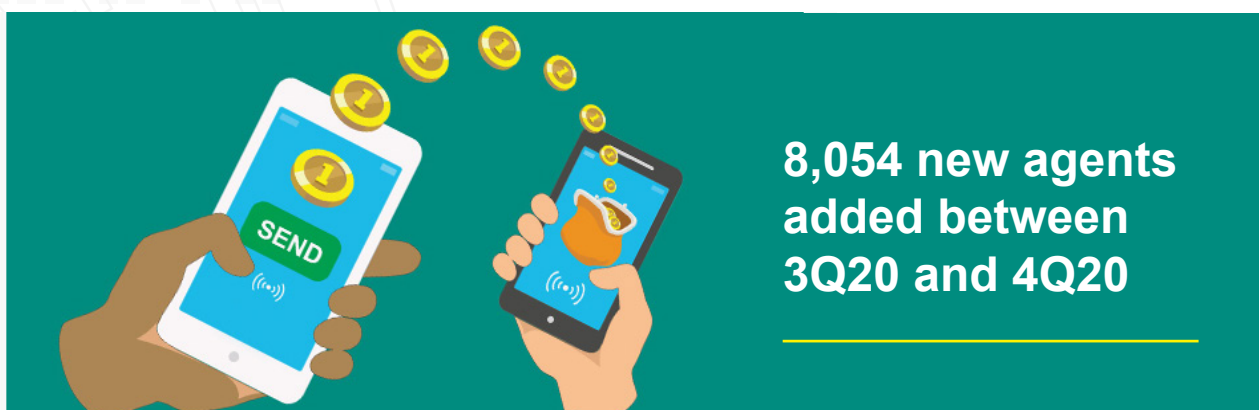
Further, we note a growing disparity between new registered SIM cards and registered mobile money accounts. In 4Q20, while new registered mobile subscriptions stood at 1.3 million accounts, only 320,000 of these translated into new mobile money accounts. This may imply that the new SIM card registrations are either second or third SIM cards or they are internet connected gadgets.

## Mobile Money Agent Network

The performance of the industry regarding mobile money agents has generally been on an upward trend for the year 2020. Active mobile Agents grew from 227,736 in September 2020 to 235,790 agents in December 2020.

This may signal a complete recovery from the dip realised in December 2019 resulting from the resumption of global businesses and an increased demand of cashless transactions as well as agent banking which is now prominent for most banks.

Noteworthy has been a more than 5,000 growth in number of mobile money accepting businesses in the 3 months ended December 2020. At the end of December 2020, there were 32,000 MTN Momo Pay and Airtel Money pay accepting businesses. These have grown from 26,000 in September 2020.



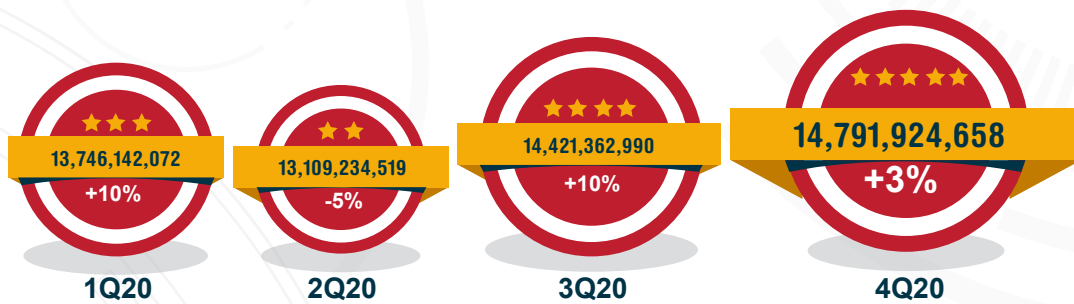


# Traffic and Service Demand

## Voice Traffic

The market yet again posted record volumes of domestic voice traffic recording 14.8 billion minutes in the months October to December 2020. This surpasses the earlier set domestic quarterly traffic record of 14.4 billion set in 3Q20 by more than 370 million minutes of talk.

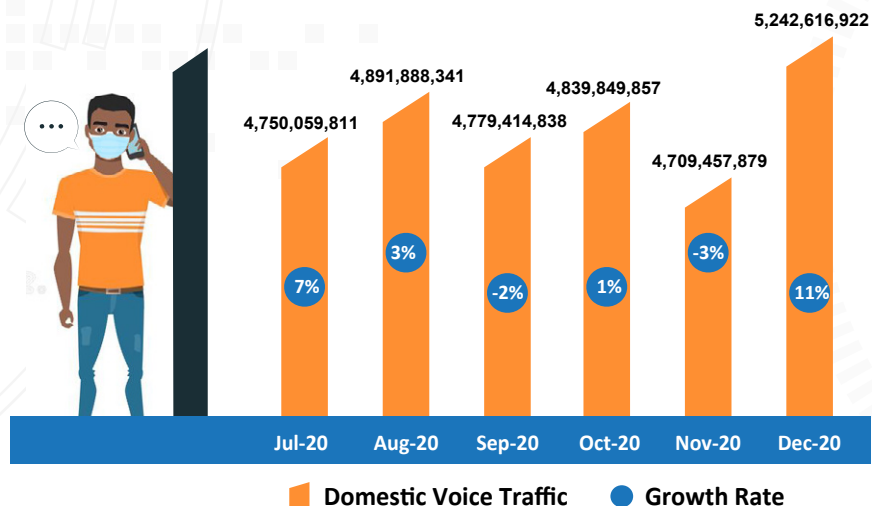
This record performance translates into an average of 177 minutes per month for every active line.



The record domestic traffic volumes notwithstanding, the market failed to match up with the growth in subscriptions recorded in 4Q20. The quarter-to-quarter growth in domestic traffic stood at 3% while subscriptions growth during the same period topped 5%.

This asymmetry in traffic and subscriber growth rates may further reinforce the assertion that new subscriptions are most likely not new unique users. This asymmetry has also been witnessed in the mobile money numbers.

In terms of monthly performance, December yet again posted the annual domestic traffic peak accounting for more than 5.2 billion domestic minutes outperforming previous performance peaks occasioned by the stay at home protocols prompted by the COVID pandemic.





In terms of year-on-year growth, 4Q20 represented an additional 2.7 Billion minutes of domestic traffic in comparison with 4Q19. This is an 18% year-on-year growth in quarterly domestic traffic.

In terms of domestic traffic spread, the market remains an on-net market with domestic on-net traffic accounting for 99% of total domestic traffic during the quarter. This is almost 90 times the number of domestic off-net minutes during the quarter.

To further put this imbalance into context, a typical customer would make 9 minutes of on-net calls for every 1 minute of off-net domestic calls.

This traffic asymmetry despite falling domestic Mobile Termination Rates (interconnect) may be symptomatic of the tariff design by incumbents aimed at heightening entry barriers for new upstarts. It may also indicate that the market has a significant share of multiple SIM holders.

## Mobile money transactions

The number of mobile money transactions during the quarter for the first time ever crossed the 1 billion transactions mark surpassing the previous quarterly record of 954 million transactions posted in 3Q20.

This translates into an average of 15 transactions per active mobile money account every month.

This included agent assisted deposits, mobile money-bank transfers, mobile betting and merchant payments among other transaction categories.



**1 billion  
mobile money  
transactions  
during the quarter**

Agents remain the single most important point of interface in the last mile mobile money value chain accounting for more than 25% of total mobile money transactions in the 3 months October-December 2020.

Of the 270 million agent assisted transactions, 170 million of these were deposits while withdrawals only accounted for 100 million transactions.

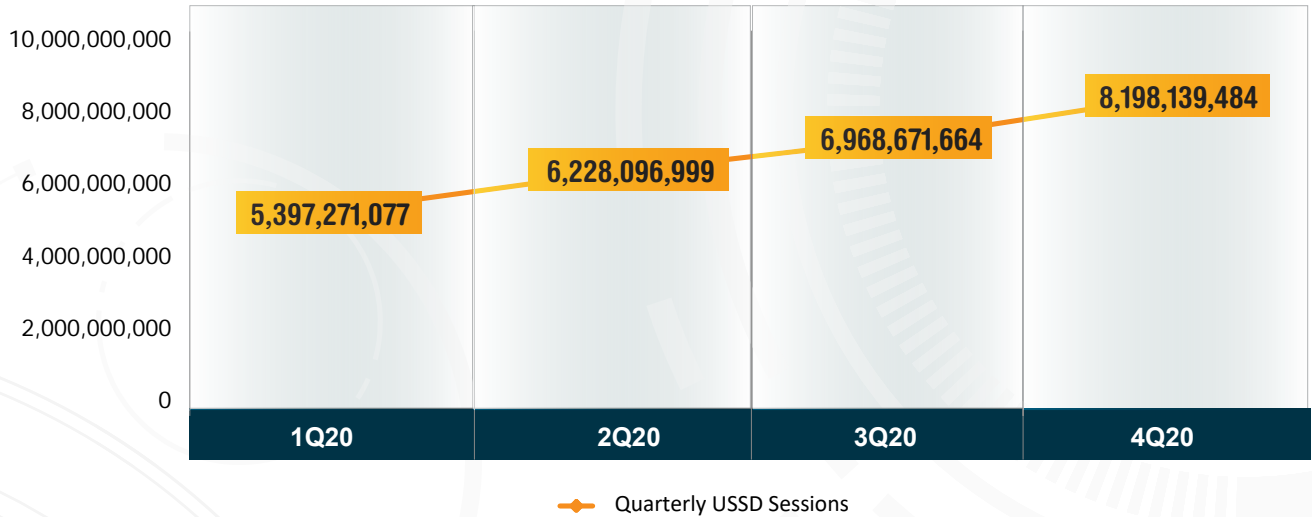
The withdraw/deposit asymmetry may be attributed to the growing B2B mobile money applications, increasing mobile money to bank applications as well as behavioural changes in light of the mobile money withdraw tax. Overall, mobile money wallets are becoming stickier.



## Unstructured Supplementary Service Data (USSD)

4Q20 posted an 18% growth in USSD sessions largely driven by the 8% growth in mobile money transactions during the same period.

During 4Q20, 8.2 billion USSD sessions were realised up from 7 billion sessions in 3Q20. This is a record number of quarterly USSD sessions.



In terms of year-on-year comparisons, the 8.2 Billion sessions in 4Q20 represent a 58% growth from the 5.2 Billion sessions recorded in 4Q19. This is indicative of full post COVID recovery of mobile money and other USSD based services.

In light of the enduring role of USSD in ancillary services like mobile money and the growing role of third parties like aggregators, the Commission is reviewing market conduct with respect to the use of short codes and to pricing of USSD services.

This assessment is to among others identify key antitrust challenges in the USSD and mass messaging markets as well as make new regulatory proposals towards addressing nascent abuses like market foreclosures and other forms of exclusionary conduct.





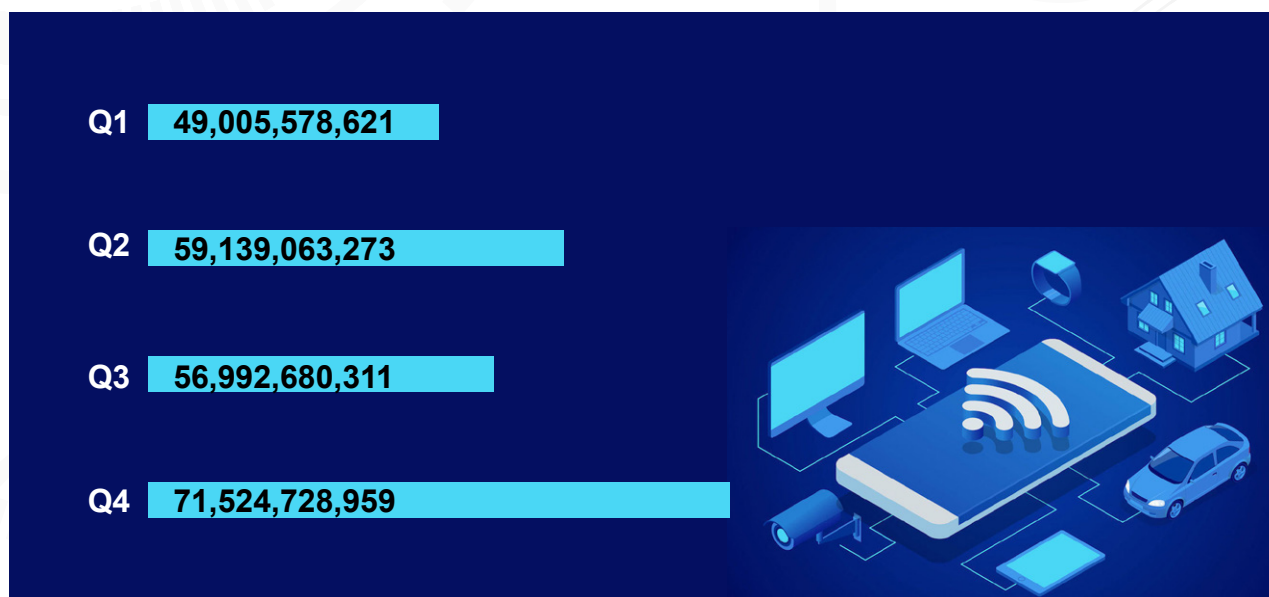
## Broadband Traffic

The volume of broadband traffic during 4Q20 has grown to 71.5 Billion MBs from the 59 Billion MBs posted in 3Q20. This is a quarter-to-quarter broadband demand growth rate of 11% outperforming the 6% growth in broadband subscriptions.

This is indicative of deeper broadband usage patterns by the market.



## Monthly Broadband Traffic in MBs

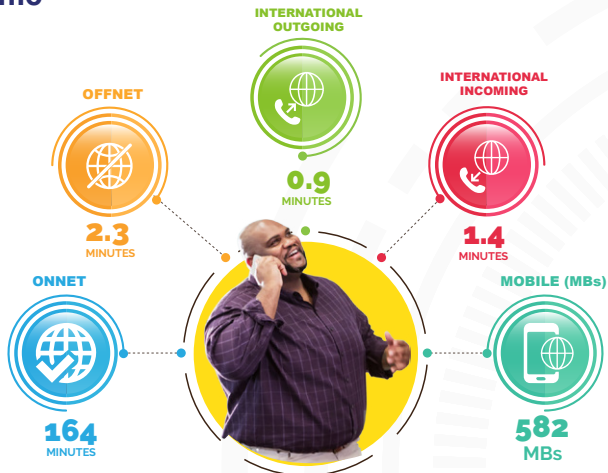


The increase in downloads per user is not peculiar to Uganda but it is a pattern that has been witnessed in other markets following the COVID-19 occasioned changes in work, entertainment, education as well as other related sectors.

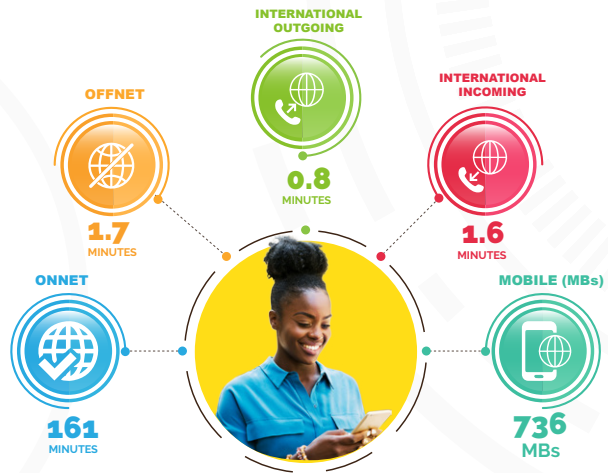
By the end of December 2020, average monthly traffic overactive broadband subscriptions had grown to 880 MBs per line up from 700 MBs per line per month in September 2020.

# Monthly User Traffic Profile

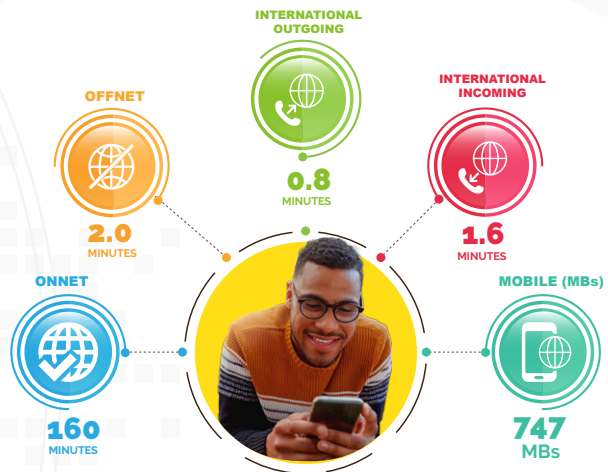
1Q20



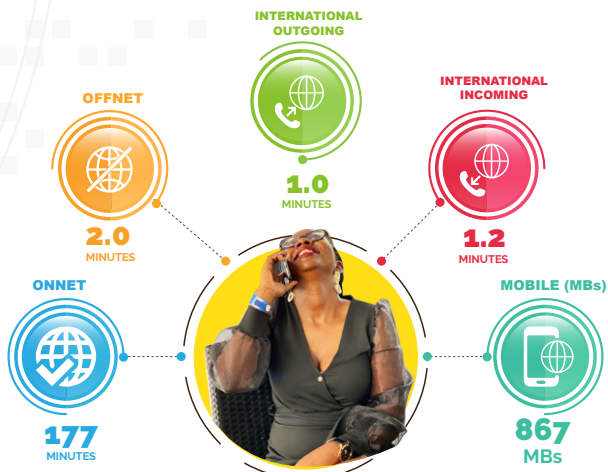
2Q20



3Q20



4Q20



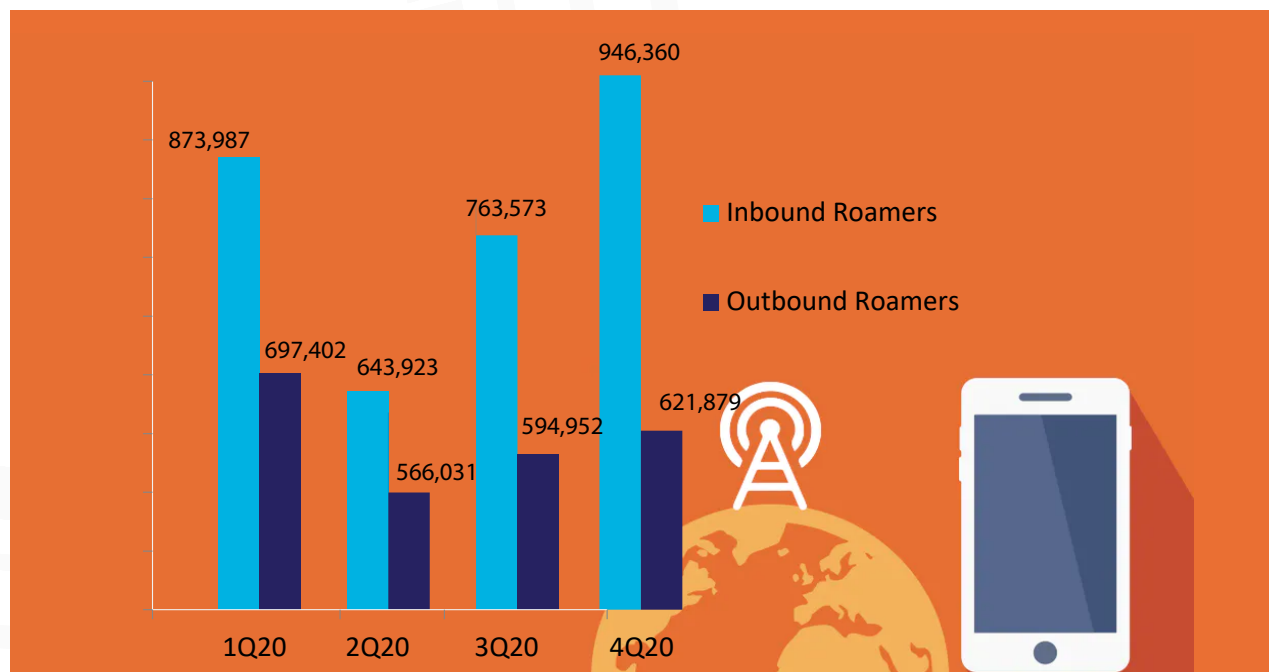


## Roaming

From October to December 2020 the number of Ugandans roaming on foreign networks increased from 594,952 to 621,879 roamers. This represents an increase of over 25,000 out-roamers between 3Q20 and 4Q20.

The number of foreigners roaming on Ugandan networks stood at 946,360 as of December 2020 representing an increase of 182,787 in-roamers.

The increase is largely due to seasonality factors associated with the December holiday season and continued resumption of international travel.



## OTT Services



The number of OTT using mobile subscriptions grew by 1.4 million from 12.4 million accounts in September 2020 to 13.7 million accounts in December 2020.

This growth in usage is again largely on account of emergence of new messaging and conferencing applications in the face of global travel restrictions and social distancing protocols adopted in light of COVID 19.



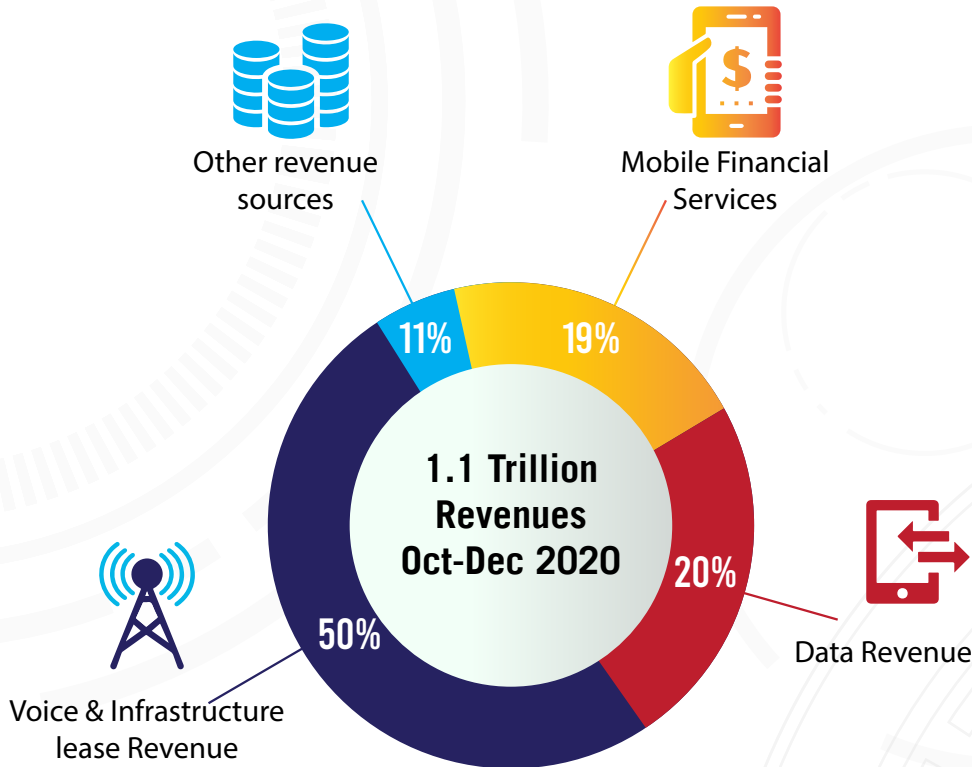
# Financial and Revenue Performance



The market yet again surpassed the previous revenue record of UGX 1.095 trillion (of 3Q20) posting UGX 1.144 trillion in the 3 months of October to December 2020.

The record performance was attributed to sustained growth in digital and mobile financial services jointly accounting for more than 39% of total quarterly revenues. This performance as earlier provided was on the back of increase in number of accounts as well as deepened consumer engagement and spend during the quarter.

During the quarter, Infrastructure lease and traditional voice services accounted for 50% of total industry revenues.



### 4Q20 FINANCIAL & REVENUE PERFORMANCE

Preliminary review of the 12-month performance shows that the market has grossed more than USD 1 Billion for the first time in annual revenues.



A photograph of a postal worker in profile, wearing a white face mask and a red high-visibility vest over a blue patterned shirt. He is holding a stack of mail and looking down at it. The background is a blurred industrial setting with blue and yellow lights.

# Postal & Courier Market

With COVID 19, a number of order fulfilment players within the mail and parcel delivery marketplace has emerged. The latest of these has been global order fulfilment player Glovo who entered the Ugandan marketplace in October 2020.

This makes Uganda only the fourth African market and the second East African market in which Glovo has an operational presence.



source: Techjaja

The presence of on demand order fulfilment last mile providers like Glovo, Safetoda (Safe deliveries), Uber (Uber package) and Jumia present new regulatory challenges including,

- I. Safeguarding the integrity of goods in transit by new unlicensed players
- II. Consumer protection and pricing transparency in the remittance of last mile deliveries

To this end, the Commission has made the matter of order fulfilment services a key focus in the ongoing Post and Courier Market Definition 2021 exercise. The assessment aims to,

- I. Identify emerging market segments and subsequently make proposals for licensing amendments/improvements.
- II. Establish key market conduct and performance failures in the mail and parcel distribution space with a view of making new regulatory proposals and operational protocols to enhance consumer protection and overall sector competitiveness.



# Broadcasting & Multimedia Markets



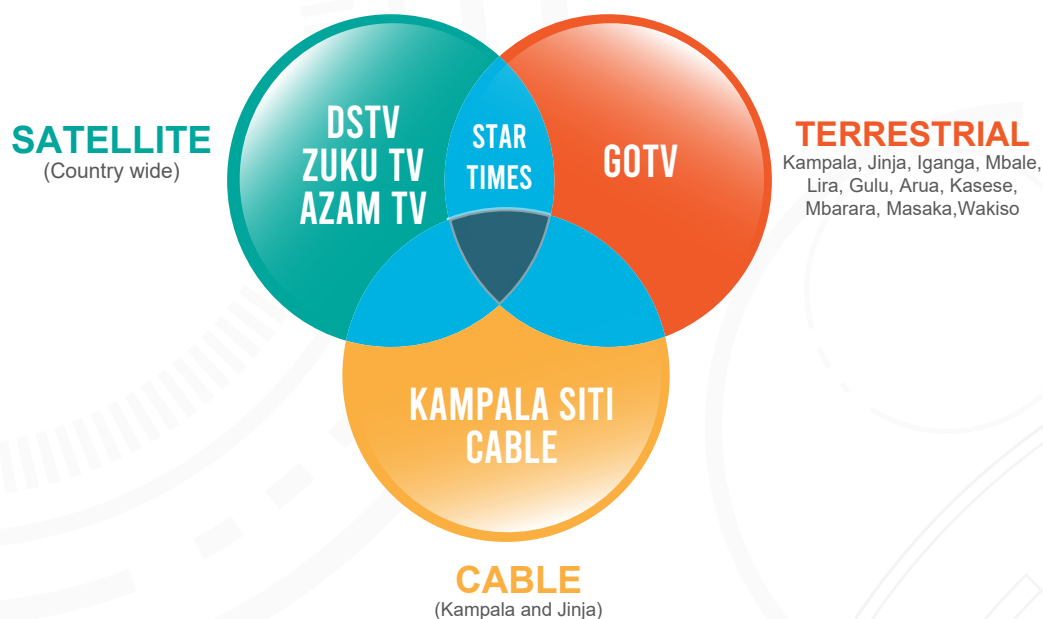
## TV Market

### Free-to-Air

The delivery of FTA channels is mainly via the government-owned SIGNET UG Ltd. By the end of December 2020, 39 FTAs were carried on the SIGNET platform.

### Pay TV

The Pay-TV market in Uganda is served by a combination of satellite, cable and digital terrestrial networks, with 7 licensed content aggregators.



4Q20 has seen an increase in the total active subscribers from a total of 1.54 million as of September 2020 to 1.61 Million in December 2020. In terms of year on year comparison, the 4Q20 subscriber growth equals the 6% subscriber additions realized in 4Q19.

In terms of promotional activity, different campaigns were run concurrently by DSTV as well as StarTimes, the two most prominent pay tv providers to stimulate demand. Some of the offers include;

1. DSTV cut price deals
2. StarTimes recharge and get upgraded offer.



**REFRESH YOUR MOOD FOR XMAS**  
RECHARGE AND GET UPGRADED

**Christmas Bonanza**  
With **STARTIMES**

Pay 2 Months NOVA	▶ GET 2 Months BASIC & 28,000/- Shopping voucher
Pay 1 Month NOVA	▶ GET 14,000/- Shopping voucher
Pay 2 Months BASIC	▶ GET 2 Months CLASSIC & 86,000/- Shopping voucher
Pay 1 Month BASIC	▶ GET 28,000/- Shopping voucher
Pay 2 Months CLASSIC	▶ GET Extra 10 Days CLASSIC & 86,000/- Shopping voucher
Pay 1 Month CLASSIC	▶ GET 28,000/- Shopping voucher
Pay 2 Months NOVA	▶ GET 2 Months SMART & 28,000/- Shopping voucher
Pay 1 Month NOVA	▶ GET 14,000/- Shopping voucher
Pay 2 Months SMART	▶ GET 2 Months SUPER & 86,000/- Shopping voucher
Pay 1 Month SMART	▶ GET 28,000/- Shopping voucher
Pay 2 Months SUPER	▶ GET Extra 10 Days SUPER & 112,000/- Shopping voucher
Pay 1 Month SUPER	▶ GET 86,000/- Shopping voucher

StarTimes  
ENJOY DIGITAL LIFE

**DStv Uganda**

Whatever your festive  
**Choose DStv today**  
It's your moment

**GET DStv COMPACT AT UGX 84,000**

1300 Hours

W DStv S

COMPLISE

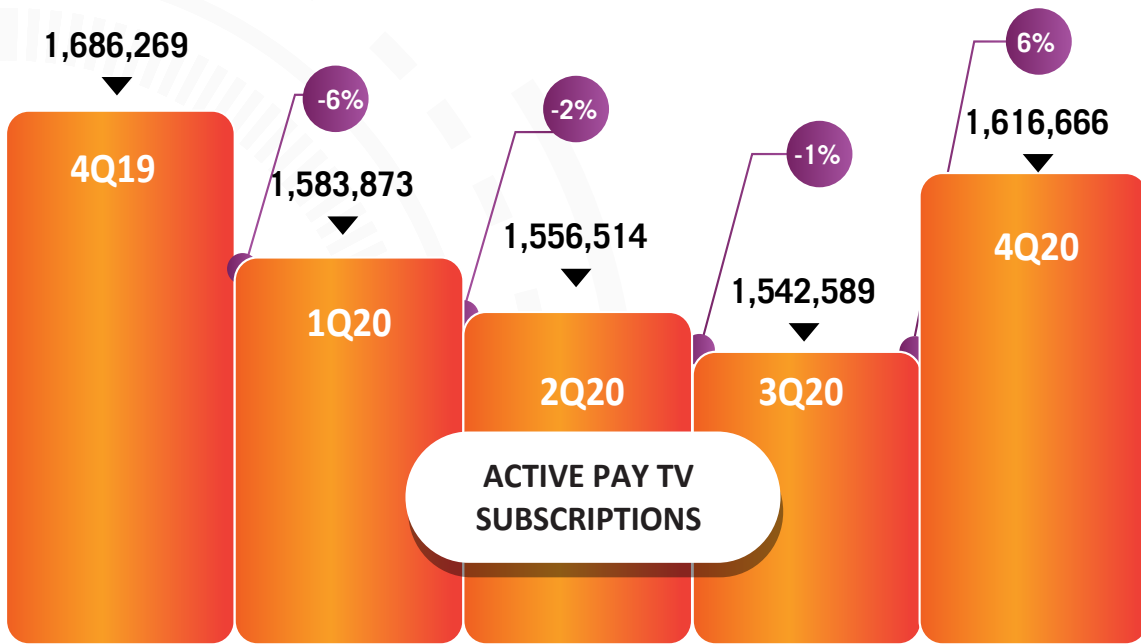
Over and above traditional DTT and DTH pay Tv channels, also of emerging prominence in the Pay tv space is the emerging role of video on demand and online streaming services.

Players like Netflix have grown their footprint in Africa to almost 2 million subscribers riding on increased proliferation of fixed and mobile Internet services in the region.



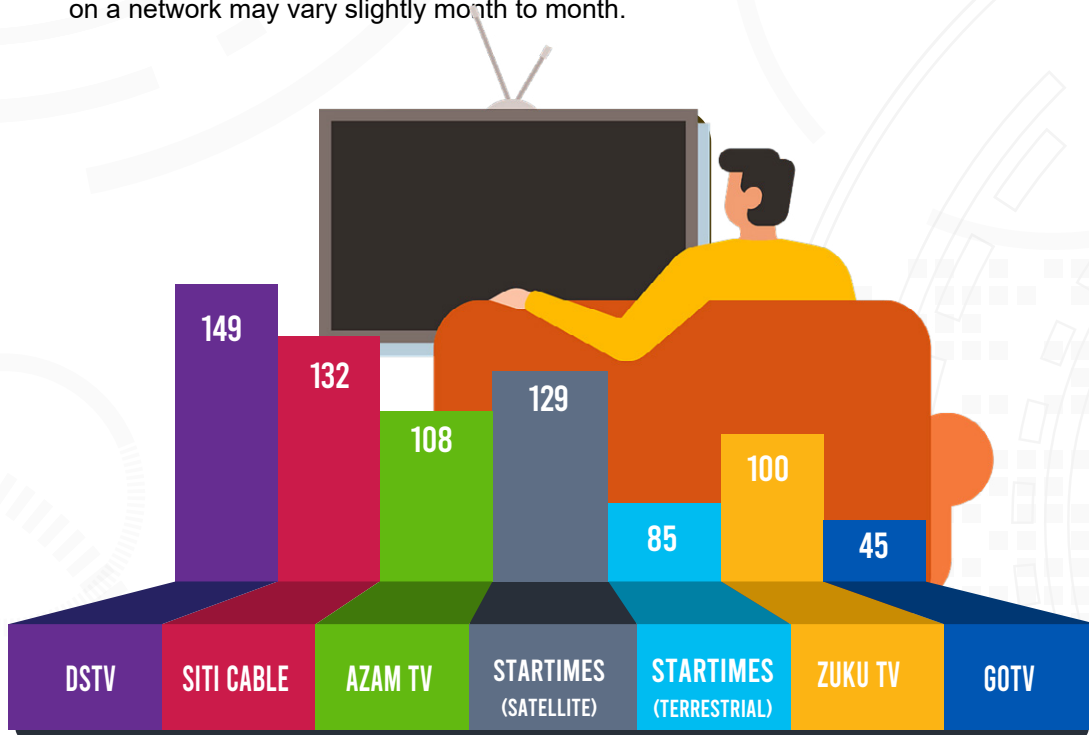


## Active Pay TV Subscriptions



## Programming

Pay-Tv service providers deliver a range of content on their platforms and the number of channels on a network may vary slightly month to month.



## Bouquet Pricing

Bouquet pricing is diverse, with Pay Tv providers offering packages targeted at various market segments. Subscriber numbers by and large vary heavily with price, indicating a high price sensitivity for Pay-Tv content.

Value Bouquet Prices			
Station	Bouquet	Price	Channels
DSTV	Access	UGX 35,000	75
SITI CABLE	Ugandan	UGX 15,000	
AZAM TV	Azam PURE	UGX 10,000	50
STARTIMES (Satellite)	NOVA	UGX 13,500	38
STARTIMES (Terrestrial)	NOVA	UGX 12,000	31
ZUKU TV	Smart	UGX 12,000	53
GOTV	GOTV Lite	UGX 12,000	20

Premium Bouquet Prices			
Station	Bouquet	Price	Channels
DSTV	Premium	UGX 227,000	140
SITI CABLE	ASIAN	UGX 85,000	133
AZAM TV	Azam PLAY	UGX 37,000	105
STARTIMES (Satellite)	Chinese	UGX 80,000	21
STARTIMES (Terrestrial)	Classic	UGX 28,000	14
ZUKU TV	Asia Stand Alone	UGX 39,000	29
GOTV	GOTV Max	UGX 40,000	52

The tariff plans in the communications sector vary according to the market segments. Comparative price plans may be accessed at the UCC Accredited Price Comparison Website at;

[www.kompare.ug](http://www.kompare.ug)

