#### THE UNITED REPUBLIC OF TANZANIA



## MINISTRY OF COMMUNICATION AND INFORMATION TECHNOLOGY

# TANZANIA COMMUNICATIONS REGULATORY AUTHORITY



Ref.No: EB.32/160/01/194

28th February, 2025

Managing Director, Radio Free Africa Limited, 311 Makongoro Avenue, P. O. Box 1732, MWANZA.

### **DECISION ON COMPLIANCE ORDER**

(Made pursuant to the Compliance Order issued to Radio Free Africa Limited on 13<sup>th</sup> September, 2024)

#### 1. INTRODUCTION

- 1.1 The Tanzania Communications Regulatory Authority (hereinafter referred to as "the Authority") on 9<sup>th</sup> January, 2020 issued a National Content Radio Broadcasting services (Free to Air) Licence (hereinafter referred to as "the Licence") and assigned Radio Frequency Spectrum to Radio Free Africa Limited, (hereinafter referred to as "the Licensee") for provision of radio broadcasting services in Tanzania mainland.
- 1.2 The Licence issued requires the Licensee, among other things, when providing the licensed services, to comply with laws, regulations, and Llicence conditions.
- 1.3 Section 15(1) of the Electronic and Postal Communications Act [Cap 306 R.E 2022] reading together with Regulation 10(1) of the Electronic and Postal Communications (Licensing) Regulations, 2018, require a licensee to pay Licence fees.
- 1.4 Section 21(h) of Cap 306 stipulates that repeated failure of a licensee to pay licence fees as provided for under the law is a material breach that may lead to suspension or cancelation of the Licence under section 22(a) Cap 306.
- 1.5 The Authority's records reveal that, while providing the licensed services, and despite several reminders from the Authority, the licensee repeatedly failed to pay licensing fees amounting to Tanzania Shillings One Hundred Seventy-Three Million Three Hundred Ninety-two Thousand Eight Hundred Sixty (TZS. 173,392,860).

#### 2 THE COMPLIANCE ORDER

On 13<sup>th</sup> September, 2024, the Authority issued a Compliance Order requiring the Licensee to appear before the Authority at TCRA Lake Zone office in Mwanza on the 26<sup>th</sup> September, 2024 at 02:00 p.m. to show cause as to why legal and further regulatory measures should not be taken against the Licensee for repeated failure to pay licence fees amounting to Tanzania Shillings One Hundred Seventy-Three Million Three Hundred Ninety-two Thousand Eight Hundred Sixty (TZS. 173,392,860) contrary to the requirement of section 15(1) of the Electronic and Postal Communications Act [Cap 306 R.E 2022] read together with Regulation 10(1) of the Electronic and Postal Communications (Licensing) Regulations, 2018.

#### 3. THE HEARING

- 3.1 The Licensee appeared for the hearing on 27<sup>th</sup> September, 2024 represented by Ms. Beatrice Rabach, Chief Editor, Steve Dialo, Director, Kiama Karinge, Technical Manager and Paul Kilagula, Accountant, and jointly made oral presentations followed by written submissions. The Licensee submitted the following in defence:
  - 3.1.1 That they have been operating for about 29 years and has acquired public trust by operating consistently within legal boundaries.
  - 3.1.2 They submitted proposed payment plan of TZS. 16,700,137 from October, 2024 to June, 2025 which will enable them to pay total TZS. 150,301,233, and payment plan of TZS. 14,589,303 from July, 2025 to June, 2026 making a total of TZS. 175,071,636.
  - 3.1.3 It was further submitted that they are fully committed to meet their financial obligation and ensuring all payments are made timely and in a responsible manner. Further, they asserted that they value the importance of maintaining good standing with the Authority and they will continue to ensure all necessary payments are completed within the agreed time frame. Should any unforeseen changes in their operation and regulatory landscape occur, they will immediately adjust and communicate accordingly to uphold their commitment.

- 3.1.4 The Licensee further stated that, they have undertaken several initiatives to enhance cash flow and secure the necessary funds to meet regulatory obligations. The initiatives include disposing some of their asserts such as high-capacity generators, enhancing their content that will improve quality and attract more advertisements and boost their revenue. Further to that, they are undertaking strategic consultancy to streamline their operation and refine their long-term business strategies that will ensure sustainable growth.
- 3.1.5 The Licensee requested the Authority not to cancel their licence as enshrined in compliance order; as the Licensee remains dedicated to serve the public and actively collaborating with the Authority as they are committed to regulatory compliance.
- 3.1.6 Further elaborated that the Licensee being a national station established trust to the audience after operating for 29 years, revoking the Licence will disrupt the information ecosystem, affecting the public trust especially around the Lake Zone regions where it is their primary source of reliable information.
- 3.1.7 Submitted by making reference to the upcoming local government and general elections, where media outlet will play a crucial role in educating, informing and mobilizing the electorate, hence revoking the Licensee's Licence will deprive citizen's opportunity to get election related information, debate platform and civic education for fair election process.
- 3.1.8 The Licensee provides employment and contribute to the economy through advertising and production services therefore revoking the licence may lead to job losses and reduction in business opportunities for advertisers, content creators, and suppliers, which may negatively affect the livelihoods of people reliant on the media industry.
- 3.1.9 They further asserted that Tanzania democratic process benefit from plurality of voices in media. Shutting down long established station will be perceived as an attack on media freedom, limiting the diversity of viewpoints and undermining the free flow of information, which is vital for democratic society especially during election period.

- 3.1.10 The Licensee averred that Radio Free Africa has been promoting the national identity for the past 29 years of operation in Tanzania. The station has been part of national, cultural and historical fabric by playing significant role in informing the public on national events and fostering national identity. Hence, revoking its licence would disrupt a valuable institution that has contributed to the economy and national dialogue over nearly three decades.
- 3.1.11 Lastly, the Licensee submitted that maintaining the station's licence ensures stability in the media landscape during a critical election year, supports media freedom and upholds democratic value, hence, they request Authority not to take legal and regulatory actions as stated in the compliance order.

#### 4.0 CONSIDERATION OF THE LICENSEE'S DEFENCE

Having heard the Licensee's oral submissions and read the written defence, the Authority had the following observations:

- 4.1 The Authority notes that the Licensee, in their defence did not dispute to have repeatedly failed to pay the outstanding regulatory fees stated in the compliance Order.
- 4.2 Further, the Authority notes that the Licensee upon being issued with the compliance order on 15<sup>th</sup> June, 2023, committed to the Authority to pay the outstanding fees in instalments at the rate of TZS. 9,000,000 per month but failed to honour their commitment.
- 4.3 Failure of the Licensee to honour payment plan for the duration of four months without any notification to the Authority led to the issuance of another compliance order. The new proposal for payment by instalment creates doubts as to whether the Licensee will manage to fully execute the commitment considering that previous commitments were not honoured.
- 4.4 The Authority considered the Licensee's efforts in reviewing its business and to cope with the modern broadcasting market trends which include content enhancement and strategic consultant. The Authority reminds the Licensee that financial viability is among the pre-conditions for granting a licence to a service provider. It is the obligation of the Licensee to make an analysis of the market trends and act

- accordingly. The Licensee ought to cope with the emerging technologies which might have facilitated reduction of operation costs rather than being a burden.
- 4.5 Further, the Authority considered the Licensee's initiatives undertaken to enhance cash flows which include selling some of their assets, enhancing their business process and refining their long-term business strategies to ensure sustainable growth which could in turn improve revenues. However, the Authority is concerned that, this is not the first time the Licensee claims to have initiatives in place to settle the outstanding fees but Licensee remains habitual non-compliant.
- 4.6 While acknowledging the Licensee's Radio station crucial social, political and economic roles in the country, the Authority is of the position that, the fact that, the Licensee plays a crucial role to inform the society does not waive Licensee's obligations to comply with the law and licence conditions. Therefore, it is the Licensee's obligation to ensure that, while providing such crucial services, they remain compliant by, among other things, paying all required regulatory fees.
- 4.7 The Authority take note that, the Licensee's licence expires on 8<sup>th</sup> January, 2025 while the Licensee submitted commitment plan extends to June 2026.

#### 5.0 DECISION

- 5.1 Having considered the Licensee's defence and acknowledgement regarding their repeated failure to pay regulatory fees, the Authority finds the Licensee to have breached the law and licence conditions; and
- 5.2 Considering the fact that the Licensee has made payment of Tanzania Shillings Forty-Two Million Eight Hundred Thirty-One Thousand Two Hundred (42, 831,200) upon being issued with the Compliance Order and reduced the outstanding regulatory fess to Tanzania Shillings One Hundred Thirty Million Five Hundred Sixty-One Thousand Six Hundred Sixty-Six (TZS 130,561,660).

NOW THEREFORE, by virtue section 114 of the Electronic and Postal Communications Act [Cap 306 R.E.2022] and of section 48 (2) and (3) of the Tanzania Communications Regulatory Authority Act [Cap 172], the Authority hereby orders to Radio Free Africa Limited to:

- 1) pay, within ninety (90) days from the date of this decision, the outstanding regulatory fees amounting to Tanzania Shillings One Hundred Thirty Million Five Hundred Sixty-One Thousand Six Hundred Sixty-Six (TZS 130,561,660);
- 2) apply for licence renewal within Thirty (30) days from the date of clearance of the outstanding regulatory fees stated in the Order 1 of this decision; and
- 3) failure by Radio Free Africa Limited to comply with the orders in this decision, Radio Free Africa Limited will be suspended from providing licensed services.

TAKE NOTICE that, should Radio Free Africa Limited fail, refuse or neglect to comply with this order, the Authority will proceed to take further legal and regulatory actions.

This Order is issued on the ...28th...day of February, 2025

Digitally Signed By JABIRI KUWE Fri Feb 28 23:08:17 EAT 2025

Dr. Jabiri K. Bakari **DIRECTOR GENERAL** 

This Compliance Order Decision is served upon and received by Radio Free Africa Limited on this ....... day of March, 2025.

Name:

(Official Stamp)

Signature:

Designation: .....

MANAG

(This Compliance Order Decision is issued in duplicate. Sign both copies and retain your copy while the other copy is to be returned to the Authority to authenticate due service of the Order.)