THE UNITED REPUBLIC OF TANZANIA



MINISTRY OF COMMUNICATION AND INFORMATION TECHNOLOGY



TANZANIA COMMUNICATIONS REGULATORY AUTHORITY

Ref. No: EB.32/160/01/204

28th February, 2025

Managing Director, Star Television (Africa) Limited, P.O. Box 1732, MWANZA.

DECISION ON COMPLIANCE ORDER

(Pursuant to the Compliance Order issued to Star Television (Africa) Limited on 13th September 2024)

1.0 INTRODUCTION

- 1.1 The Tanzania Communications Regulatory Authority (hereinafter referred to as (the "Authority") on 29th June, 2022, issued a National Content Television Broadcasting (Free to Air) Services Licence (hereinafter referred to as "the Licence") to Star Television (Africa) Limited T/A Star TV (hereinafter referred to as the "Licensee"), for provision of Television Broadcasting (free to air) 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 Licence 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; and
- 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 Tanzanian Shillings Seventy Million Nine Hundred Eighty-Eight Thousand (TZS. 70,988,000).

2.0 THE COMPLIANCE ORDER

On 13th September, 2024 the Authority issued Compliance Order pursuant to Section 48 of the Tanzania Communications Regulatory Authority Act, [Cap 172] requiring the Licensee to appear before the Authority on 27th September, 2024 at 10:00a.m. at the Authority's Lake Zone Offices to show cause as to why further legal actions should not be taken against the Licensee for failure to pay Regulatory fees amounting to Tanzanian Shillings Seventy Million Nine Hundred Eighty-Eight Thousand (TZS 70,988,000) contrary to the requirement of Section 15(1) Cap 306 read together with Regulation 10(1) of the Electronic and Postal Communications (Licensing) Regulations, 2018.

3.0 THE HEARING

- 3.1 The Licensee submitted written defence and appeared before the Authority for hearing on 27th September, 2024 represented by Mr. Steven Dialo Director, Mr. Kiama Karinge Technical Manager, Mr. Paul Kilagula Accountant and Ms. Beatrice Rabash Chief Editor. The Licensee submitted the following in defence:
 - 3.1.1 The Licensee admitted to have failed to pay outstanding Regulatory fees amounting to Tanzanian Shillings Seventy Million Nine Hundred Eighty-Eight Thousand (TZS 70,988,000). Regarding failure to honour their June 2023 commitment to pay the said outstanding fees, the Licensee stated that, they failed to honour due to declining revenue, largely caused by the shifting away from traditional TV viewership and advertisement, resulting in significant financial constraints for the Licensee;
 - 3.1.2 The Licensee further stated that, they remain committed to fulfilling their payment obligations and has so far made payments totalling to TZS 19,500,000 between July 2023 and June 2024;
 - 3.1.3 In addition, the Licensee submitted a payment plan to settle the outstanding amount to ensure all fees for financial years of 2024/2025 and 2025/2026 are paid. According to the submitted plan, the Licensee commits to pay TZS 7,713,715/- by October 2024 and continue with instalments while ensuring clearing the whole outstanding regulatory fees by June 2026;
 - 3.1.4 The Licensee requested the Authority to consider offsetting some of the Licensee's debts as consideration for broadcasting of several Authority's paid programs and adverts;

- 3.1.5 The Licensee further stated that, has undertaken several initiatives to enhance cash flow and secure the necessary funds to meet regulatory obligations. The initiatives include:-
 - (a) to dispose some of the company's assets (power generators worth TZS 100 to 200 Million) and use the proceeds to pay regulatory fees;
 - (b) investment in the professional development of reporters and presenters through targeted training programs aimed to improve the quality of content and boost advertising revenue; and
 - (c) engagement of experts and consultants to streamline operations and refine long-term business strategies, ensuring sustainable growth and profitability;
- 3.2 In their closing submission, the Licensee requested the Authority not to take legal action against the Licensee as they are still committed to settle the outstanding regulatory fees and continue to provide valuable public service. The Licensee requested the Authority to consider the fact that:
 - 3.2.1 The Licensee's station plays a significant role in increasing public awareness about the significance of the 2024 Local Government elections and 2025 General Election; and promotion of the healthcare initiatives like campaigns for COVID-19, cholera, and Ebola prevention, with many of these broadcasts being provided free of charge;
 - 3.2.2 Revocation of their Licence could deny the public access to diverse sources of information, reducing transparency and infringing on citizens' rights to stay informed on current events, public policies, and social issues; and
 - 3.2.3 The Licensee provides employment and contribute to the economy through advertising and production services therefore revoking the Licence may lead to job losses and a reduction in business opportunities for advertisers, content creators, and suppliers, which may negatively affect the livelihoods of people reliant on the media industry.

4.0 CONSIDERATION OF 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 the Licensee's admission to have repeatedly failed to pay regulatory fees amounting to Tanzanian Shillings Seventy Million Nine Hundred Eighty-Eight

Thousand (TZS 70,988,000) contrary to Section 15 (1) of Cap 306 and Regulation 10(1) of the Electronic and Postal Communications (Licensing) Regulations, 2018.

- 4.2 The Authority also notes the Licensee's request for offsetting some of Licensee's debts as consideration for broadcasting of several Authority's paid programs and adverts.
- 4.3 While acknowledging the Licensee's TV 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.
- 4.4 The Authority takes notes of the claim by Licensee on initiatives planned to be taken to enhance cash flows which include selling of properties, engagement of consultants and empowering its employees to improve quality of content 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.
- 4.5 Further, the Authority is of a serious concern that, the Licensee has been habitual non-compliant on payment of regulatory fees, even when reminded by the Authority, the Licensee has been submitting commitments and end up not honouring. For instance, on 15th June, 2023 the Authority issued a Compliance Order requiring the Licensee to pay the outstanding regulatory fees. In response, on 30th June, 2023 the Licensee submitted payment commitment plan, committing to pay the outstanding fees in instalments for a period of three (3) years but has not been honouring the instalments as promised.

5.0 DECISION

- 5.1 Having considered the Licensee's admission and defence regarding their repeated failure to pay regulatory fees, the Authority finds the Licensee to have breached the Law and Licence Condition;
- 5.2 Considering the fact that the Licensee has made some payment of Tanzanian Shillings Forty-Three Million Eight Hundred Thirteen Thousand Seven Hundred Fifteen (TZS 43,813,715) before and after the hearing hence reducing the outstanding regulatory fess to Tanzania Shillings Twenty-Six Million Five Hundred Seventy-Four Thousand Two Hundred Eighty-Five (TZS 26,574,285); and

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

- (1) pay, within sixty (60) days from the date of this decision, the outstanding regulatory fees of Tanzania Shillings Twenty-Six Million Five Hundred Seventy-Four Thousand Two Hundred Eighty-Five (TZS 26,574,285); and
- (2) failure by Star Television (Africa) Limited to comply with the first order of this decision, the Licence issued to Star Television (Africa) Limited will be suspended.

TAKE NOTICE that, should Star Television (Africa) Limited fail, refuse or neglect to comply with this order, the Authority shall proceed to take further stern legal actions that may include suspension, or cancellation of licence and other measures to recover the outstanding fees.

Order issued on this 28th day of February, 2025.

Digitally Signed By JABIRI KUWE BAKARI Fri Feb 28 23:04:47 EAT 2025

Dr. Jabiri K. Bakari
DIRECTOR GENERAL

Name:

MENALDA

MARABU

Signature:

KOSINTANT

HO MANAGER

Box 1732 (Official Stamp)

(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.)