Chinalizing Africa's digital TV space

Brand de Villiers, CEO: MultiChoice Africa

The increasingly messy digital migration issue in Ghana is the latest in a growing list of examples of how digital migration in Africa is going pear-shaped.

In a nutshell, China's StarTimes was contracted in 2012 to supply and install the digital terrestrial television (DTT) infrastructure for Ghana. The project, which was expected to cost $95 million, was supposed to have been completed before 2015.

But StarTimes allegedly failed to execute the project within the timelines, so the contract was retracted in 2014, handed over to Ghanaian firm, K-NET, and the digital migration deadline pushed out to 2020.

So far K-NET has implemented the project for about $13 million less than the StarTimes amount at $82 million, and more than 53 digital transmission sites have been built across the country.

Meanwhile, StarTimes sued the government of Ghana for what it described as the unfair abrogation of their contract with the state, which the Ghanaian government settled out of court in 2017.

However, the saga doesn't end there.

StarTimes has since been awarded a deal by the Ministry of Communication to finish the DTT network platform started by K-NET. According to the Ministry, K-NET has stalled on the project due to financial constraints, hence the need for StarTimes to complete it.

It has also clinched a controversial deal with the government to extend satellite TV to 300 villages amid intense opposition by the Ghana Independent Broadcasters Association (GIBA). GIBA warns that "the Agenda of StarTimes is not only aimed at profit or the indoctrination of Chinese culture - names, language, food, etc. - but a larger mandate to take over the control of the broadcast space in strategic African countries including Ghana, which is crucial for the China game."

Ghana's President, Nana Akufo-Addo, himself acknowledged that much anxiety is being expressed about the possibility of a recolonization of the African continent by a new power, and warned that the country must learn from history.

Yet the deal seems to be progressing.

This isn't the first time controversy has surrounded a StarTimes project. In September 2013 the Zambian government awarded a DTT tender to StarTimes which was cancelled due to irregularities in the awarding of the contract by Zambia's Ministry of Information and Broadcasting Services.

But in 2016 the contract was again awarded to StarTimes – this time handing over control of public broadcasting to the company for 25 years and giving them the controlling share – despite Zambia's Public Procurement Authority that found that due process wasn't followed.

The government paid US$273 million for digital migration in six provinces when the cost of the project was less than US$25 million, according to submission by bidders prior to the bidding process being cancelled: a deal the Southern Africa Network Against Corruption (SANAC) called one of the worst financial scandals in modern day Zambia.

To top it off, StarTimes was selected to fulfil the role of both service provider and public signal distributor for the project, something the country's digital migration policy does not allow. Following pressure related to corruption allegations over Zambia's digital migration project, the government was forced to source a new public signal distributor, which was subsequently awarded to GOtv Zambia.

Despite the scandals, massively inflated budgets and non-delivery in both Zambia and Ghana, as well as Malawi, StarTimes remains a leader in the digital migration space in Africa. The phenomenon even has a name: 'China-lizing'. StarTimes already has control over Zambia’s public broadcasting and it could gain control of Ghana’s if the government gets their way.

How this is happening is anyone’s guess but African countries would be well placed to heed Akufo-Addo’s reference to the recolonization of the African continent by a new power. The Media Foundation for West Africa (MFWA) says that StarTimes's DTT plans are threatening and dangerous, citing the situation as ‘very dangerous for the survival of our local media industry. Let’s oppose it with full force’.

Oppose it indeed, if we are to keep the fledgling African media industry alive, the potential of which is staggering. For example, Nigeria produces 70% of its own content and the industry is the second largest contributor to Nigeria’s GDP after oil. Surely that’s an industry worth fighting for?