



ⁱ Digital Broadcast Migration in West Africa: Nigeria Research Report

Update on the Implementation of Digital Transition in Nigeria

Fola Odufwa

*Association for Progressive Communications (APC)
and Balancing Act
January 2011*

Table of Contents

1.	Introduction.....	3
2.	Observed Trends	3
3.	Stakeholder Doubts	4
4.	Public Broadcasting & the Digital Transition	5
5.	Access & Coverage of Broadcasting	7
6.	Content & Programming	9
7.	Policy & Regulatory Framework	10
8.	Primary Laws Governing Broadcasting.....	11
9.	Regulatory Convergence.....	12
10.	Appendix 1: LSM Classification of the Nigeria Radio &TV Population	14
11.	Appendix 2: Demographics of TV Households in Nigeria.....	15
12.	Appendix 3: Further References	16

1. Introduction

Nigeria, one of Africa's most liberalised broadcast markets, appears to be on course to meet its self-imposed target of June 17, 2012 as the change-over date to digital broadcasting transmission in the country. Industry regulator the National Broadcasting Commission (NBC), the industry claims that cable¹ and Direct-to-Home ("DTH") operators in the country are already transmitting digital signals². In addition, the Nigerian President, Goodluck Jonathan, has publicly announced the commitment of the government to speed-up the transition process and is set to issue an industry re-defining White Paper on the recommendations of the Presidential Advisory Committee on Digital Broadcasting (PAC)³. The White Paper is expected to be published in Q1, 2011.

The PAC consisted of experts and representation from a wide range of business and economic sectors and was set up by NBC in October 2008 to create the roadmap for the take-off of digital broadcasting in Nigeria. The Committee submitted its report to the Minister of Information and Communications in December 2009 detailing the best approach to be taken by the government in realizing the migration. It recommended, among other things:

- The adoption of a new broadcast model based on two classes of digital broadcast licenses, namely
 - **Content license** that legally empowers broadcasters to produce content, and
 - **Signal distribution licence** that provides broadcast companies with the authority to create the transmission platform for other broadcasters.
- The establishment of public broadcasting; and the
- The implementation of certain digital standards, namely DVB-T and MPEG-4 (terrestrial digital television), DVB-S (satellite), DVB-H (mobile TV) and IBOC system for FM Digital.

Based on the PAC submission sent to the President for his sign-off, President Goodluck has declared his intention to present to parliament appropriate draft legislation to cover the digital broadcasting regime and deal with issues of licensing, signal distribution, spectrum planning, standards, and broadcast equipment, including set-top boxes. However, it is not known when this proposed bill will be sent to the National Assembly, what existing laws may be repealed or altered, nor when the digital migration will effectively commence⁴. Though NBC has established a Digital Implementation Team led by an experienced broadcast engineer, there is no publicly known pilot or implementation timetable. However, Federal Government broadcaster NTA has formed a joint venture with the Chinese company Star TV called NTA Startimes to offer digital broadcast Pay TV bouquets based on a terrestrial set-top box.

2. Observed Trends

This study found that broadcast production and studio equipment is progressively being converted to digital output, albeit in a generally uncoordinated fashion, by both private and public stations across the

¹ Multipoint Multichannel Distribution Systems ("MMDS")

² <http://www.nbc.gov.ng/aboutdtv.php>. Last accessed October 29, 2010

³ Announcement made at Africast 2010 Abuja on Oct 19, 2010. See <http://www.nbc.gov.ng/highlight.php?id=35>. Last accessed October 29, 2010

⁴ NBC says it has been carrying along the National Assembly Committee on Communications through the pre-migration processes and is sure of an easy passage of the proposed Bill.

country. The main motivation for this trend is the increasing obsolescence of analogue studio equipment as opposed to the strategic implementation of any official digitalisation plan.

For instance, both the Nigeria Television Authority (NTA) and Federal Radio Corporation of Nigeria (FRCN) are changing their broadcast systems, particularly studio and production equipment, to digital standards. Though the full systemic migration can only commence when the NBC defines the regulatory framework. FRCN in particular says it is planning to end the use of analogue transmitters everywhere within its national radio network and will begin the transition once the standards are known. All the studio equipment at the privately-owned Silverbird Communications is digital, though “not much has been done” to migrate the company’s 11 transmitters (5 TV & 6 radio) to the new order. Preferred digital standards at this broadcaster are DVB-T and MPEG4. It is however unknown to what degree new equipment being purchased would be suitable when the digital switchover occurs.

There are also creative funding mechanisms to support the acquisition of digital equipment. For instance, some public broadcasters are working with the biggest advertisers through unique barter arrangements to fund the importation of digital equipment. Advertisers are being offered discounted rates of up to 50% on bulk airtime depending on negotiations to side-step lengthy internal procurement processes. This trend was particularly observed at the Federal Radio Corporation which owns 37 national and state radio stations across the country.

3. Stakeholder Doubts

In spite of the latest pronouncements, NBC’s pro-activeness and the broad industry acceptance of the need to make the digital move, doubts persist among stakeholders as to the ability of the government to achieve its aggressive digitalisation ambitions. A number of the respondents we spoke to hold the view that the government is under-estimating the huge complexities to be faced in implementing the migration and probably needs to first focus on making the regulator more efficient. Some of the issues that they believe would need to be contended with include:

1. **Bureaucracy and Red-Tape:** The White Paper on Digital Broadcasting based on the PAC report has been due for release for 11 months. Though admittedly, there has been a change in office bearers and the President was only sworn in February 2010, respondents say that the seemingly laid-back attitude of the regulator coupled with the “fire brigade” or general “last minute” tendencies of the civil service may prevent the attainment of the change-over ambition within the timetable suggested.
2. **Capital Outlay:** Respondents are unanimous in suggesting the need for some financial assistance of sorts or cheaper funding sources to be extended to private broadcasters to convert existing equipment and to operate digital terrestrial broadcast systems. Government-owned stations may also require some external funding assistance, even for those that have been fully commercialised. Also, local producers may have to be supported to be able to generate programmes if broadcasters are to fill regulatory quotas for local content on the new platforms. Altogether, stakeholders interviewed in the course of this study generally argue that the macro-economy (particularly the Nigerian debt markets hold short term funds) would be unable to support relatively long breakeven periods for digital broadcasting investments.
3. **Consumer Hardware:** While respondents agree that new television sets and set-top boxes would be required by consumers to receive digital transmissions, this introduces an additional

seemingly unaffordable cost item to many households as this study shows, they are however divided on the need for or appropriateness of consumer-side subsidies as some believe that local importers and traders are aggressive enough on their own to create a profitable market for all without the need for external subsidies.

4. **Market Awareness:** It is safe to assume that the majority of Nigerians are completely oblivious to the impending digital transition. Respondents are thus agreed that market awareness is highly inadequate and suggest the need for some intensive public awareness campaign to promote digital broadcasting.

Due to these reservations, some respondents advise that a dual process be maintained that allows for continued analogue operations beyond the proposed 2012 date, though preference should still be for ensuring the achievement of the migration, a cost that the broadcasters themselves will have to bear. Also, while digital terrestrial transmission would be the preferred route, it ought to be supported, for instance, with satellite transmission for access to remote areas where it may not be both commercially and logistically feasible to transmit terrestrially.

4. Public Broadcasting & the Digital Transition

There are 233 government-owned radio and TV stations in Nigeria, none of which is a classical public service broadcaster. Government stations are either owned by the Nigerian Television Authority ("NTA") or by the 36 state governments. NTA belongs to the Federal Government and was established in April 1, 1976 through the retroactive Decree No. 24 of 1977⁵ to provide public service television services throughout Nigeria while state stations are established by State laws. NTA is regarded as first among equals.

These stations are set up to serve the "public interest" as defined by successive government. Currently, public or national interest is defined by the NBC as programs that "promote peace and unity, project unique attributes of Nigerians and make Nigerians proud of themselves"⁶.

The Governing Boards and Director General of NTA are appointed by the Information Minister and confirmed by the National Council of Ministers. Furthermore, the Information Minister has the power to issue directives to the NTA. Within this framework, NTA sees its public obligations in terms of: extending its transmission coverage area; vernacular language transmission; and things like the newly-initiated education channel.

Up to 1992 when the government deregulated and liberalized broadcasting through the NBC Act 38 of 1992, radio services were exclusively offered by the federally-owned FRCN which was established April 1, 1978 though Decree No. 8 of 1979⁷ and state-owned radio stations in 36 states set-up by respective State laws. All public broadcast stations are government owned enterprises largely supported by

⁵ Decree 24 of 1977 is now called the Nigeria Television Authority Act

⁶ <http://www.nbc.gov.ng/highlight.php?id=1>

⁷ Now re-christened the FRCN Act

advertising as their main means of income⁸. There is no public broadcaster which has an “arms length” relationship with the Government or is completely separate from either Federal or State Government⁹.

License fees are 2.5% of annual turnover and apply to both private and public stations – though, as may be expected, the regulator is more insistent with the former than the latter.

A recent development is the classification by the NBC of the 7.00pm-10.00pm broadcast period as a “family belt” during which only programmes made by Nigerian producers can be transmitted. Family belt programs do not have scenes depicting sexual behaviour, violence, smoking, alcohol, drug abuse, occultism and offensive language. Penalty for breaches include a range of sanctions such as fines, reduction in broadcast hours or outright revocation of broadcast license. However, the regulator does not impose other public service obligations on Nigerian broadcast companies.

Going from the recommendations of the PAC, the Government is currently reviewing the options to wholly commercialize or privatize its stations. Existing stations may also be unbundled in order to separate those parts of the company offering production and signal transmission.

⁸Most government stations are responsible for recurrent expenditure. Some are funded wholly from advertising revenues.

⁹ A number of local groups, the most notable of which is the Nigeria Community Radio Coalition, are advocating for the transformation of government owned broadcast stations into public service broadcasters. See http://nigeriacommunityradio.org/broadcast_policy.php.

NTA Star Times

NTA Star Times is a Joint Venture arrangement between the Nigerian Television Authority and Star TV Networks, a Chinese Broadcast company with experience in the deployment of digital transmission equipment in Africa. The Joint Venture Company is called NTA Star TV Network Limited and is branded as NTA Star Times. It is the product of NTA's desire to increase its content offerings to viewers who receive digital signals direct to their TV sets via set-top boxes and TV antenna only. Equity spread is 70/30 to Star TV Networks and NTA respectively. Under the arrangement, Star TV injects capital and operates the business while NTA provides platforms, properties and branding to the venture.

The Joint Venture currently transmits on 36 channels on two frequencies and has about 150,000 subscribers in the cities of Lagos, Abuja and Kano. There is a pending request to the NBC for an additional frequency from the company in order to meet the demand of content providers.

While Digital Terrestrial Television is the flagship and most popular service offered by Star Times, the Joint Venture covers a broad range of services including Mobile Television, Video on Demand, WiMax and IPTV.

Expansion Plans & Challenges

NTA Star Times plans strategic roll out into more markets including Port Harcourt, Onitsha and Kaduna. However the company faces the challenge of increased content as NBC still views the project as a pilot programme for the digital migration project instead of a full scale business platform. NBC currently charges the company per city so the venture has to cherry pick viable markets.

Effect of Digital Migration on Star Times

NTA is aware of the contents of the PAC report and believes that the effect of digital migration will be very limited on the operation of NTA Star Times as the joint venture is currently compliant with the recommendations, especially as it relates to specifications and standards. For example, NTA says it insisted on MPEG 4 technology for the joint venture in place of MPEG 2 which was the standard its venture partner utilizes in the Chinese market.

5. Access & Coverage of Broadcasting

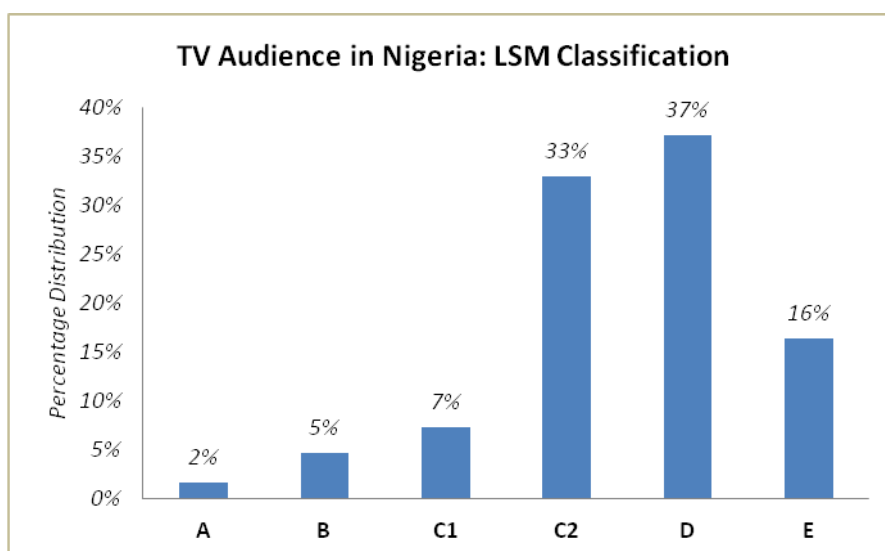
There are 350 broadcast stations in Nigeria as of August 2010. From its latest survey, Media Planning Services ("MPS"), a Nigerian media research firm, this figure¹⁰ is made up of 170 local TV stations and 156 radio stations with population coverage of 86% and 78% respectively¹¹. MPS also estimates that there are 21.3m TV and 18.2m radio sets in households, with a typical household consisting of 6

¹⁰ There are also 33 MMDS and 13 DTH stations.

¹¹ PAMRO Country Report August 2010 by Media Planning Services Limited, based on the All Media & Products Survey ("AMPS") consisting of 22,000 face-to-face interviews in 36 states of Nigeria.

individuals. The main influences on these usage levels are the high imports of fairly used radio and TV sets, the large number of local stations and the increasing growth in radio and TV applications.

Officially, there are 140 million people in Nigeria with an urban, semi-urban and rural distribution of 15%, 30% and 50% respectively. The TV reach is 104,579,722 people or 86% of the Nigerian population. Based on AMPS, 75% of the TV audience is in the C2, D and E social economic category as shown in Chart 1 below¹². If these figures are accurate, it is evident that over two-thirds of the population may be unable to afford digital set-top boxes and/or digital television sets without some form of subsidy or incentives.



Currently, set-top boxes cost between US\$50-100 in Africa while the UK average is said to be US\$46¹³.

An extensive review of MPS' demographic data suggests that 37% of Nigerian TV households earn less than US\$200 monthly as shown in Appendix 2. This would mean that up to two-thirds of households may be able to afford a set-top box under some payment arrangement. This seemingly good level of affordability may actually be true as there have been no subsidies for mobile handsets since the launch of GSM services in 2001 and already there are over 74 million active mobile subscribers¹⁴! A soft reason for this may be the influx of fairly used and new "Chinese" handsets which are quite popular with the lower economic classes. If subsidies are considered for the poor, a *back-of-the envelope* sum of US\$69.1m may have to be sourced to finance the provision of set-top boxes for this category of the Nigerian TV audience¹⁵.

Television coverage is more or less completely dependent on power supply. Electricity in Nigeria is in its worst ever shape. All around the country, the story is of low reliability and poor access to electricity. Diesel generators are the main source of power and analysts estimate that up to \$8billion is spent annually by corporations and individuals on alternative sources of electricity¹⁶. Power supply at about

¹² Source data: MPS

¹³ See reference 10

¹⁴ Source: Nigerian Communications Commission - <http://www.ncc.gov.ng/subscriberdata.htm>. Last accessed October 29, 2010

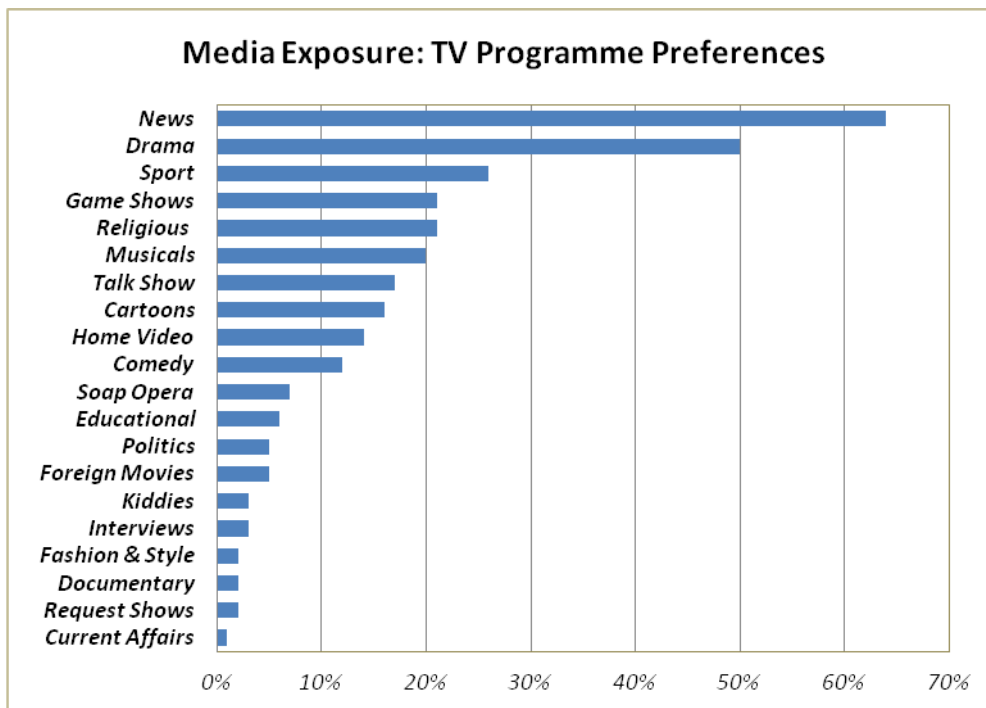
¹⁵ See Appendix 2 for breakdown of TV households by income. Calculation: 17.8 million households x 37% cannot afford x US\$10.50 subsidy per set-top box

¹⁶ http://www.powergenworldwide.com/index/display/articledisplay/9277534808/articles/powergenworldwide/Business/Policy/2010/05/nigeria-ponders_sale.html. Last accessed October 29, 2010

3,000MW is estimated to be less than a third of current demand. To address the parlous situation, the Nigerian government has announced an ambitious privatization program and has invited bids for 18 electricity distribution companies. In addition, it says it will be committing up to US\$20billion to provide necessary infrastructure to solve the power crisis.

6. Content & Programming

There is a wide variety of programming on Nigeria’s radio and TV stations, though the overwhelming TV audience preference would appear to be for News (64%) as shown in Chart 2 below¹⁷:



Drama (50%), Sport (26%), Game Shows (21%) and Religious Programming (21%) would also appear to be quite popular with both male and female viewers, though it must be noted that female preference for Sport is only 14% compared to 36% for men.

Broadcasters are obligated to maintain at least 60% and 80% local content for terrestrial television and radio respectively. This is applied across board with the further restriction that 100% local content applies to the 7-10pm “family belt” throughout the country. NBC polices operators and applies sanctions when infringements are observed.

This regulation is less stringent for cable and satellite stations as these are to maintain only a minimum of 20% local programme content. Local content is provided in English and a wide variety of local languages either by local producers or the stations themselves. There is no official support or incentives for local producers. MPS estimates that an hour of programming will cost an average of US\$6,500 to locally produce and in their opinion, there is enough talent capacity locally to fill the new channels and platforms that will accrue once the migration to digital broadcast is completed.

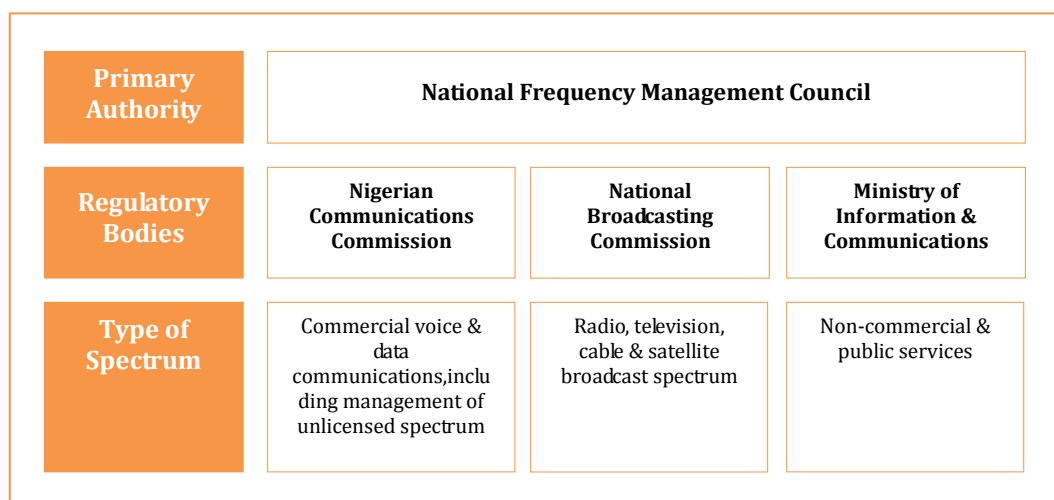
¹⁷ Source: AMPS 2010. The survey does not distinguish between local and foreign news and between local and foreign drama – local drama has been probably classified as “Home Video”.

Most respondents say that advertising spend has been growing, though only marginally, over the past 3 years and attribute the rationale for fixing ad prices to quality and mass appeal of content, signal reach, quality of reception, target audience, inflation and internal costs. Additionally, channels that appeal to the younger generation tend to charge a premium for advertising. Private broadcasters consider the liquidity and access to government funding by publicly-owned stations as an on-going threat to their own survival.

This study was unable to determine what the business model for new TV channels would be, whether it would be free-to-air, paid for or subsidised, though it may be safe to assume that digital terrestrial TV would remain for the most part *as is*, that is free to consumers. The information on who will get additional channels is not available at this time and should be clarified with the release of the White Paper.

7. Policy & Regulatory Framework

The regulatory framework for communications in Nigeria consists of the National Frequency Management Council (“NFMC”), the Ministry of Information and Communications (“MoIC”), the Nigerian Communications Commission (“NCC”), and the National Broadcasting Commission (“NBC”), as shown in Chart 3 below:



- National Frequency Management Council¹⁸:** The National Frequency Management Council (NFMC) is the apex body for radio frequency spectrum management in Nigeria. Established by Section 26 of the Nigerian Communications Act 2003 and located within the Ministry of Information & Communications, NFMC is the primary sponsor and influence on the government’s frequency spectrum policies and legislation. The Council is responsible for the planning, coordination and bulk trans-sectoral allocation of radio spectrum to the regulatory bodies, namely the National Communications Commission, the National Broadcasting Commission and the Ministry, and acts as the focal coordinator of all frequency spectrum activities in Nigeria. The Council also advises the Minister on Nigeria’s representation at international and multi-lateral frequency spectrum bodies. NFMC is chaired by the Minister of Information & Communications and consists of high-level representatives of the Ministries of Aviation, Transport, Science & Technology, NCC, NBC and the Security Services, and meets at least four times in a year.

¹⁸ See <http://nfmc.gov.ng>. Last accessed October 29, 2010

- **Nigerian Communications Commission¹⁹:** NCC is the regulator of the telecommunications industry and has wide discretionary powers to plan, manage, assign and monitor the use of spectrum by commercial users of telecommunications services. The roles of NCC also includes: the encouragement of competition; the removal of market entry barriers; interconnection of new operators with incumbents; the monitoring of tariffs and quality of service; the protection of consumer rights; and the overall promotion of affordable telecommunications services. The Commission develops and publishes radio frequency regulations and standards for the industry.
- **National Broadcasting Commission:** The Commission derives its powers from the NBC Act 38 of 1992 as amended by the National Broadcasting Commission Act 55 of 1999 and is the sole body charged with regulating the broadcast industry, setting broadcast standards and upholding equity and fairness in broadcasting. NBC assigns broadcast frequencies it receives from NFMC to private & public radio & TV stations²⁰, monitoring for compliance with administrative procedures, the broadcast code and technical standards. NBC processes applications for the ownership of all types of radio and television stations and has licensed over 350 operational stations in several categories including private, public, satellite, network, campus and community radio & TV stations. The Commission regulates broadcasting through 27 state and zonal offices and regularly publishes updates of the radio frequencies it assigns on its website.
- **Ministry of Information and Communications:** The Ministry through the Department of Spectrum Management is responsible for the formulation and monitoring of communications policies, international treaties and country representation in international organizations and fora, including the International Telecommunication Union (ITU), International Civil Aviation Organization (ICAO), International Telecommunication Satellite Organization (ITSO), International Maritime Organization (IMO), among others. With the establishment and increased legislative empowerment of both the NCC and NBC, MoIC's function has gradually been limited to the management and assignment of frequencies to government and non-commercial users including the military, security services, diplomatic missions, voluntary organizations and non-profit groups. The Ministry raises revenue for the Government through the sale of amateur radio communication license application forms, issuance and renewal of licenses, and type-approval testing of radio communication equipment. MoIC is the secretariat of NFMC and acts as the custodian of all frequencies in Nigeria.

It would appear that there is some overlap between the functions of MoIC, NFMC and NCC in particular especially as it relates to the formulation and sponsorship of spectrum policies. It is also evident, both legally and operationally, that the NBC is not independent of the Ministry.

8. Primary Laws Governing Broadcasting

The main laws and regulations governing broadcasting are contained in the following documents:

- The National Broadcasting Commission Act 38 1992 (as amended by Act 55 of 1999)²¹: This Act created the National Broadcasting Commission as the government regulator responsible for all aspects of broadcasting in Nigeria, including licensing, policies, spectrum assignments and the

¹⁹ Source: Nigerian Communications Commission Act 19 of 2003.

²⁰ Including MMDS & DTH systems

²¹ Quoted on [http://www.nigeria-law.org/National Broadcasting Commission Decree 1992.htm](http://www.nigeria-law.org/National_Broadcasting_Commission_Decree_1992.htm). Amendment Act No 55 of 1999 can be found at [http://www.nigeria-law.org/National Broadcasting Commission \(Amendment\) Decree No 55 of 1999.htm](http://www.nigeria-law.org/National_Broadcasting_Commission_(Amendment)_Decree_No_55_of_1999.htm)

establishment and monitoring of ethical and technical standards of the broadcast industry. This effectively ended the State's 50-year monopoly of broadcasting and allowed for private businesses, organizations and communities to own broadcast stations. The 1999 amendment further brought radio and TV stations owned by the government under the regulatory control of NBC. However, unlike NCC, NBC is dependent on the Ministry. Section 6 of the Act unambiguously allows the Minister to give directives, which must be complied with, to the Commission on "particular matters with regard to the exercise by the Commission of its functions". Also, according to the Act, the Commission can only issue licenses based on the recommendation of the Minister to the President who has the final approving power. The Minister has to approve technical and editorial guidelines regulating the operations of licensed broadcast stations, and historically this power has often been used to deal with the opponents of the government of the day²². Furthermore, NBC is free to apply "sanctions, including revocation of licenses of defaulting stations" where it determines that the "public interest" is not being upheld. For instance, the Commission applied fines ranging from USD\$350 to \$3,500 in sanctioning 35 broadcast stations in January 2010 for breaches of the Broadcasting Code²³.

- Wireless Telegraphy Act 1990 (as amended 2004)²⁴: Prior to 1992 when NCC was legally established, the Telegraphy Act was the principal legislation for the operation in Nigeria of telecommunications services mainly by the monopoly operator, NITEL, and for the management by the Ministry of the national radio frequency spectrum. Licenses for services and frequencies could only be granted at the discretion of the Minister and the private operations of communications services were strictly forbidden. However, the NBC Act 38 of 1992 and the NCC Act 19 of 1992 (both as later amended) effectively wrested regulatory oversight in the broadcasting and telecommunications sectors from government agencies and transferred these to the NBC and NCC respectively.

9. Regulatory Convergence

Of late, there have been discussions about unifying the regulation of frequency spectrum in Nigeria,²⁵ though the government has made no pronouncement or directive on this issue. Stakeholders generally believe that there is a likelihood of the merger of regulators, particularly NBC and NCC and see this as the "way to go" if the government can summon up the political will. Though there are entrenched interests and the regulators continue to be (naturally) self-protective.

In terms of triple play providers, this study was able to identify two operators namely Communications Trends Limited and MTN Nigeria offering voice, video and data services. The former runs a national TV system on an MMDS network with set-top boxes equipped to deliver broadband Internet services to

²² For instance, Channels TV license was withdrawn within hours of broadcasting inadvertently the false news of the death of the then President, Umaru Musa Yar'Adua. The license was eventually restored after intense lobbying and numerous appeals by the civil rights groups and the public. <http://allafrica.com/stories/200809180711.html>.

²³ <http://allafrica.com/stories/201002222087.html>.

²⁴ Quoted on http://nigeriacommunityradio.org/legal_framework.php. The first Wireless Telegraphy law, promulgated in 1935 by the colonial government, was finally replaced by the Wireless Telegraphy Act No. 31 of 1961, as later amended. However, there is intense debate on the applicability of the Wireless Telegraphy Act as it was omitted from the Laws of the Federation of Nigeria 1990, though it continues to be cited by recent laws and amendments.

²⁵ See Emmanuel Okeogwale, "NCC vs. NBC in the Emerging Convergence Regulations in Nigeria" (http://www.nigeriavillagesquare.com/j/index.php?option=com_content&view=article&id=9131:ncc-vs-nbc-in-the-emerging-convergence-regulations-in-nigeria&catid=219:nigerian-ict-with-emmanuel-okoegwale&Itemid=46). Also Obi Igbokwe, "12 Steps – Communications: Nigerian Media Reforms" (<http://newnigerian.blogspot.com/2009/01/12-steps-communications-nigerian-media.html>).

subscribers. MTN is the largest GSM operator and offers mobile TV channels from DSTV²⁶ using the DVB-H protocol. Both companies are simultaneously licensed by NBC for the broadcast components of their services and NCC for telecommunications (data) connections. There is no regulatory limitation on new technologies and services.

There are no known "universal access" policies though NBC says it would "ensure that all parts of the country would have access to digital migration and set up boxes would be made available and at an affordable rate."

²⁶ DSTV signals are supplied by Multichoice Nigeria under license from NBC.

10. Appendix 1: LSM Classification of the Nigeria Radio &TV Population

Distribution of TV Audience²⁷

Nigeria

Region	LSM Classification						Total
	A	B	C1	C2	D	E	
Lagos	492,055	777,764	1,046,199	2,757,486	2,339,416	1,142,837	8,555,757
South-South	155,945	510,297	871,967	5,658,050	6,867,446	2,569,112	16,632,817
South East	209,225	928,986	1,107,801	4,048,677	4,164,428	2,285,095	12,744,212
South West ²⁸	247,733	805,962	1,863,209	4,356,836	5,071,571	1,873,401	14,218,712
North East	159,545	311,171	703,940	3,761,296	5,240,863	2,032,258	12,209,074
North Central	217,810	347,127	901,424	5,241,534	6,623,070	2,112,321	15,443,287
North West	284,515	1,223,247	1,088,778	8,635,757	8,477,847	5,065,719	24,775,863
Total	1,766,828	4,904,554	7,583,318	34,459,636	38,784,641	17,080,743	104,579,722

Distribution of Radio Audience

Nigeria

Region	LSM Classification						Total
	A	B	C1	C2	D	E	
Lagos	460,309	777,764	1,015,855	2,555,510	2,158,692	1,095,219	8,063,349
South-South	157,125	485,267	875,455	5,379,299	6,421,703	2,469,847	15,788,696
South East	210,335	969,644	1,139,433	4,185,583	4,429,604	2,385,761	13,320,360
South West	231,712	825,054	1,900,143	4,298,972	5,382,900	2,020,598	14,659,379
North East	146,916	327,544	695,925	3,944,235	5,815,413	2,578,997	13,509,030
North Central	195,860	348,578	863,234	5,593,491	7,733,919	2,679,431	17,414,513
North West	284,908	1,300,682	1,150,678	10,525,195	10,363,718	5,645,071	29,270,252
Total	1,687,165	5,034,533	7,640,723	36,482,285	42,305,949	18,874,924	112,025,579

²⁷ Source: AMPS- MPS

²⁸ Excludes Lagos

11. Appendix 2: Demographics of TV Households in Nigeria

Household Expenditure²⁹

Nigeria

Demographics	Number ³⁰	TV Households (HH) ³¹	% of HH	Proposed Subsidy	Subsidy Amount
Less than N5,000	1,203,415	200,569	1%	\$50	\$10,028,458
Up to N5,000 but less than 10,000	9,579,492	1,596,582	9%	\$40	\$63,863,280
Up to N10,000 but less than 20,000	16,784,426	2,797,404	16%	\$30	\$83,922,130
Up to N20,000 but less than 30,000	12,383,618	2,063,936	12%	\$20	\$41,278,727
Up to N30,000 but less than 40,000	9,219,064	1,536,511	9%	\$0	-
Up to N40,000 but less than 50,000	6,021,640	1,003,607	6%	\$0	-
Up to N50,000 but less than 60,000	3,466,597	577,766	3%	\$0	-
Up to N60,000 but less than 70,000	1,832,816	305,469	2%	\$0	-
Up to N70,000 but less than 80,000	1,059,442	176,574	1%	\$0	-
Up to N80,000 but less than 90,000	1,103,264	183,877	1%	\$0	-
Up to N90,000 but less than 100,000	947,413	157,902	1%	\$0	-
Up to N100,000 but less than 120,000	921,124	153,521	1%	\$0	-
Up to N120,000 but less than 140,000	596,623	99,437	1%	\$0	-
Up to N140,000 but less than 160,000	498,506	83,084	0%	\$0	-
Up to N160,000 but less than 200,000	476,736	79,456	0%	\$0	-
Up to N200,000 but less than 250,000	207,088	34,515	0%	\$0	-
Up to N250,000 but less than 300,000	327,373	54,562	0%	\$0	-
Up to N300,000 but less than 350,000	89,803	14,967	0%	\$0	-
Up to N350,000 but less than 400,000	86,742	14,457	0%	\$0	-
Up to N400,000 but less than 450,000	134,247	22,375	0%	\$0	-
Up to N450,000 but less than 500,000	37,171	6,195	0%	\$0	-
Up to N500,000 but less than 750,000	301,896	50,316	0%	\$0	-
Up to N750,000 but less than 1,000,000	1,035,818	172,636	1%	\$0	-
N1 Million And Above	41,917	6,986	0%	\$0	-
Total	106,887,344	17,814,557			\$199,092,595

²⁹ Data source: AMPS 2010 obtained from Media Planning Services Nigeria

³⁰ Excludes 38,531,115 respondents (or 6,421,853 households) who refused to disclose expenditure

³¹ Assuming 6 individuals per household

12. Appendix 3: Further References

1. "Broadcasting in Nigeria: Policies and Management" by LiwhuBetiang (An Encyclopedia of the Arts Vol 3 (1): 62-72 (2006)
2. "Broadcasting in Nigeria: Unlocking the Airwaves". Report on the Framework for Broadcasting and Telecommunications in Nigeria by Media Rights Agenda and Article 19. <http://www.article19.org/pdfs/publications/nigeria-broadcasting-in-nigeria.pdf>. February 2001
3. "The Cost of Electricity in Nigeria" by AdesijiRabiu (Journal of the International Association for Energy Economics)
4. "Transition from Analogue to Digital Broadcasting" by Russell Southwood, Modern Spectrum Management and Transition from Analogue to Digital Broadcasting – Trends and Technologies, Banjul, Gambia
5. Interview with AwwaluSalihu (Director, Public Affairs, Nigeria Broadcasting Commission). Abuja, Nigeria. September 14, 2010
6. Interview with Bola Muibi (Marketing Manager, Federal Radio Corporation Nigeria). Lagos, Nigeria. September 14, 2010
7. Interview with Mr. Aina (Principal Manager, Nigeria Television Authority). October 7, 2010
8. Interview with Mr. OdioAbiobele (Senior Technical Manager, Silverbird) September 14, 2010
9. Interview with OlayiwolaAfolabi (GM, Media Planning Services Nigeria). Lagos, Nigeria. August 17, 2010
10. Interview with RantiOjelabi (General Manager, Panafields). Lagos, Nigeria. August 17, 2010
11. PAMRO Country Report August 2010 by Media Planning Services

ⁱ African countries are committed to migrating to digital broadcasting by June 2015. This will be a costly process (both for Government and citizens) and it is currently unclear who will benefit from it or where the resources needed to make the transition will come from. Arguably it is one of the most fundamental changes in African broadcasting for over a decade and raises wider questions about how the "public interest" is expressed in broadcasting and its relationship with interactive, converged media. However, only a minority of African countries have started the policy work needed to create the transition and most of the discussion is focused on technical questions.

APC and Balancing Act's «Digital Broadcast Migration in West Africa » project aims to provide information about the transition to digital broadcasting in Africa and looks the costs, potential benefits and policy issues. The project has a particular focus on Ghana, Nigeria and Senegal and has been possible thanks to support from Open Society Institute (OSI).

For more information <http://digmig.apc.org/>