EAC media firms rallied to invest in new markets

By Walter Wafula

14 Aug 2012

Proprietors of media companies in East Africa have been urged to invest in all the five East African partner states to benefit from the region's economic and political integration.

"Media owners are encouraged, as the owners of capital, to proactively invest across the EAC partner states to take advantage of the opportunities created by the Common Market Protocol," reads one of the key resolutions that the East Africa Media Council made at the 5th East African Media Summit in Rwanda on 9 August 2012.

The East African Community (EAC) consists of five partner states including; Uganda, Kenya, Tanzania, Rwanda and Burundi. The member countries entered into a Common Market in July 2010 to promote the free movement of; goods, services, capital, labour, and technology across the region.

Nation Media Group, IPP Media invest across borders

However, only a handful of media companies including Kenya's Nation Media Group (NMG), and Tanzania's IPP Media, have dared to invest across their borders.

NMG has had the most aggressive expansion strategy, spreading its tentacles in Uganda and Tanzania long before the common market protocol was launched. In recent times, however, NMG which is East Africa's largest media house has been able to set up shop in Rwanda's capital Kigali and successfully cross listed its shares on the Rwanda Stock Exchange.

Last year, the group set up KFM radio, a sister station of KFM Uganda, in Rwanda, the region's fastest growing economy. NMG also opened up a local bureau for its East African newspaper in the country. The media group operates a chain of electronic and print media businesses including; *Daily Nation*, *Business Daily*, *Taifa* newspapers, NTV and Easy Fm in Kenya; *Daily Monitor*, and *Enyanda* in Uganda, *The Citizen* and *Mwanchi* newspapers in Tanzania, among others.

Increased profitability

Expansion across the region has helped lifted the group's profitability through improved circulation and advertising sales - led by NTV Uganda, according to Linus Gitahi, the chief executive NMG. The group's turnover for the half year ending June 2012 increased by 14% to $64 million from $60.7 million while net profits grew to $10.8 million from $8.9million," *The East African* newspaper reported on the weekend.

The EAC/East African Business Council is now urging EAC Partner States to hasten the formulation and or harmonisation

of information, communication (including internet and data protection) policies in order to encourage cross border investments and enable seamless operation of more media firms across the EAC region.

"Governments should harmonise all other supportive regulations, such as taxation regimes, non-tariff barriers, customs related laws; address infrastructure bottlenecks and create necessary institutions with a view to enhancing cross border investment in the media sector," the council said in a communiqué on Monday, 13 August.

Provide training opportunities to journos

The Council further lobbied media owners to provide training opportunities to the journalists to enable them improve professionalism and ethical standards in reporting the EAC story.

"Media houses, especially editors, are called upon to consciously and actively promote the telling of the EAC story through giving the necessary space and time." This is because the body believes that media plays an important role in communicating and taking setting the agenda for the EAC integration process.

It was noted that many media houses have not yet fully and effectively articulated the opportunities, and challenges of the people of community in the process since it its revival.

As such, East African journalists were urged to shift from reporting EAC events to unveiling opportunities and challenges that would benefit the region's citizens, and write analytical features that create debate that enables more citizens to understand the integration agenda.

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