



UGANDA
COMMUNICATIONS
COMMISSION

Postal, Broadcasting and Telecommunications Annual Market & Industry Report 2015/16.



LEGAL DISCALIMER

The information and figures contained herein were obtained from licensees' submissions to Uganda Communications Commission and other sources available to the Commission. It is intended to provide an overview of the industry performance to the stakeholders for the period 1st July 2015 to 30th June 2016 financial year. UCC does not give any warranty and is not liable for any loss or damage arising from its use or misuse.

TABLE OF CONTENT

Contents	Page
LIST OF ACRONYMS	4
EXECUTIVE SUMMARY	6
ECONOMIC OUTLOOK IN COMMUNICATIONS PERSPECTIVE	9
UGANDA'S GDP TREND AND TELEDENSITY	10
TELEDENSITY AND POPULATION GROWTH RATES	11
INFLATION AS AN ECONOMIC DEFLATOR	12
THE TREND IN FOREIGN EXCHANGE RATES IN UGX PER USD	13
ICT DEVELOPMENT-THE GLOBAL PERSPECTIVE	14
THE NATIONAL PERSPECTIVE	17
THE COMMUNICATIONS SECTOR CONTRIBUTIONS TO TAX REVENUE	17
SUBSCRIPTION AND PENETRATION	18
MOBILE SUBSCRIPTION	18
BANDWIDTH	20
TRAFFIC	21
INTERNET SUBSCRIPTION AND USE	23
POSTAL AND COURIER SERVICES	25
INTERNATIONAL POSTAL TRAFFICS	26
POSTAL AND COURIER SERVICE PROVIDERS	27
BROADCASTING SERVICES	27
OTHER DEVELOPMENT IN THE BROADCASTING SUBSECTOR	29
THE DIGITAL MIGRATION	31
MOBILE MONEY (MM)	32
CONSUMER AFFAIRS	34
CONCLUSION	35

LIST OF ACRONYMS

EAC East African Community

EMS Expedited Mail Services

FY Financial Year

GDP Gross Domestic Product

ICT Information Communication Technology

UCC Uganda Communications Commission

FORWARD



It is clear that ICTs are a key component of the overarching science, technology and innovation portfolio that is driving change and more importantly growth. ICTs have become recognized as essential ingredients for any society as it strives towards experiencing sustainable economic growth and development. In this industry, the stakeholders need to embrace the dynamics of new innovations and ICT technological developments, and in most cases embrace and take advantage of the opportunities they present.

The information presented in this report is a reflection of the sector performance for the Financial Year 2015/2016 or rather the period from 1st July 2015 to 30th June 2016. The following are covered in this report:

1. National Economic Outlook
2. ICT Global Perspective
3. ICT EAC Perspective
4. Revenue from the sector
5. Fixed Telephony
6. Mobile Telephony
7. Broadband and Internet
8. The Broadcasting sub sector
9. Postal and Courier sub sector
10. Consumer Affairs

As a result of the significant impact of communications services in business, political and economic domains, the Commission has undertaken numerous interventions to enhance and attract innovations and investment in the sector with the creation of an enabling and competitive environment, a clear focus on quality of service and addressing consumer concerns.

EXECUTIVE SUMMARY

THE SECTOR CONTRIBUTION TO TAX REVENUE

During the period July 2015 to June 2016, both Exercise and PAYE dropped by 18.2% and 8.3% respectively. There was a 19.5% rise in revenue collected from VAT. However the total sector contribution to tax revenue dropped by 5.5% down from UGX 484.42bn in FY 2014/15 to UGX 457,640bn in FY 2015/16.

MOBILE SUBSCRIPTION

A total of 123,889 new mobile subscribers were registered in the FY ending June 2016. This is a 0.6% growth in mobile subscription, and lower than the 14.6% subscription growth registered in the previous period. Total mobile phone subscriptions now stand at 22,034,837.

FIXED SUBSCRIPTION

A total of 34,838 lost in fixed subscription were registered in the FY 2015/16. This is a 0.9% drop and lower than the 43% growth in fixed subscription registered in the previous FY 2014/2015. Total fixed subscriptions now stand at 340,851.

TELE DENSITY

The above subscription statistics resulted into a 2.7% drop in tele density, from 63.9% in 2014/15 to 61.2% in FY 2015/16.

BANDWIDTH

The sector has continued to register positive growth in bandwidth. During the review period, a 33.5% growth was registered resulting to a total bandwidth of 41,695.3mbps up from 31,222.8mbps realized in the previous year.

TRAFFIC

During the period under review, the on net traffic grew by 27.4% (4,484,450,204 minutes), compared to the 10.6% drop experienced in 2014/15 F/Y. Off-net traffic dropped by 1.8% (-21,022,145), reflecting a decrease in interconnection compared to the 48.3% growth registered in the previous FY. International

outgoing traffic dropped by 14.4% (40,133,494 minutes) and International incoming traffic grew by 15.5% (59,462,789 minutes) respectively.

This increase is a positive development in terms of revenues realized from international calls terminated in the country compared to the 7.7% growth registered in the previous FY.

INTERNET SUBSCRIPTION AND USE

The estimated number of internet subscribers and internet users continued to grow. For the period under review, the number of internet subscribers and users grew respectively by 30.2% and 19.6% resulting in a 42.5% internet penetration as of June 2016.

TARIFFS

As of June 2016, the lowest per second voice rate offered in the market is (2.5/= per second). Due to the competitive nature and varied data offerings by operators, the majority of internet tariffs available are based on daily and bundles / Data plans with duration limits.

POSTAL AND COURIER SERVICES

The number of domestic ordinary letter posted dropped from 693,453 to 500,091, representing a 28% drop. Domestic registered letters post dropped from 17,530 to 10,367 resulting to a 40.9% drop. The Domestic Expedited Mail Service numbers grew by 4.2% from 143,207 to 149,267.

INTERNATIONAL POSTAL TRAFFICS

The number of incoming European letters was highest (278,869), compared to the outgoing ones (121,803). The number of letters coming into Uganda from the East African states was higher (36,627) than those posted from Uganda to rest of the EA region (17,349).

POSTAL AND COURIER SERVICE PROVIDERS

The number of service providers in the postal subsector remained unchanged for the period under review at 1, 11, 5 and 8 for the National postal, domestic courier, Regional and International courier operators respectively.

THE DIGITAL MIGRATION

Uganda has fully migrated from Analogue to Digital Migration as of June 2016.

Analogue to Digital Migration is the process in which broadcasting services offered on the traditional analog technology are replaced with digital based networks over a specific period. The transition or switch from analog television to digital television is referred to as the Digital Migration.

The Analogue to Digital Migration arose out of the Regional Radio-communications Conference of 2006 (RRC06) and the subsequent Geneva 2006 Agreement (GE06) of the International Telecommunications Union (ITU) 'Recommendations' of which Uganda is a party and signatory.

CONSUMER AFFAIRS

In the period under review, a total of 160 complaints were received, a decline of 45% from 291 received in 2014/15 financial year. Ranked in descending order, the highest number of complaints received by UCC were related to mobile money services. This is followed by complaints about billings, broadcasting and quality of service related issues.

With regards to the modes or channels through which complaints were submitted during the period of review, 41.9% of the complaints were received through e-mail, 35.6% of the complaints were received through phone calls.

13.1% of the complaints were received through walk - in, 7.5% of the complaints were received through letters, and 1.3% of the complaints were received through Facebook.

While the remaining 0.6% complaints were received through post/courier.

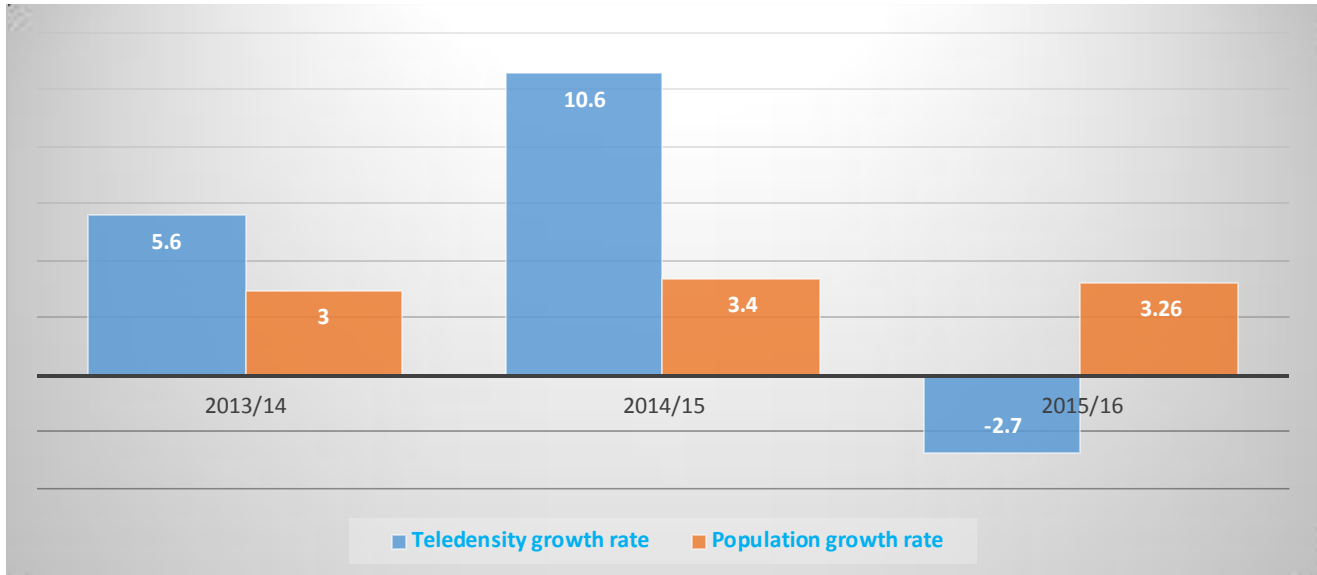
ECONOMIC OUTLOOK IN COMMUNICATIONS PERSPECTIVE

Economic Enablers and Deflators

There are macroeconomic indicators that influence the uptake of communications services. These include GDP, GDP growth rate, GDP per capita, Income per capita, population and population growth rates, employment and inflation rates among others.

A comparative analysis of the Uganda population growth rates and teledensity growth rates shows that there is some relationship. Looking at the trend from 2013/14 FY to date, it can be deduced that population growth rates correlate with tele-density growth rates. For the period 2013/14 to 2014/15, the population growth rate shift upwards from 3 to 3.4 and the tele-density growth rate also shift from 5.6 to 10.6. The same pattern is also observed between 2014/15 and 2015/16.

Figure 1. Comparative data on Population growth rate, and Tele density growth rate.



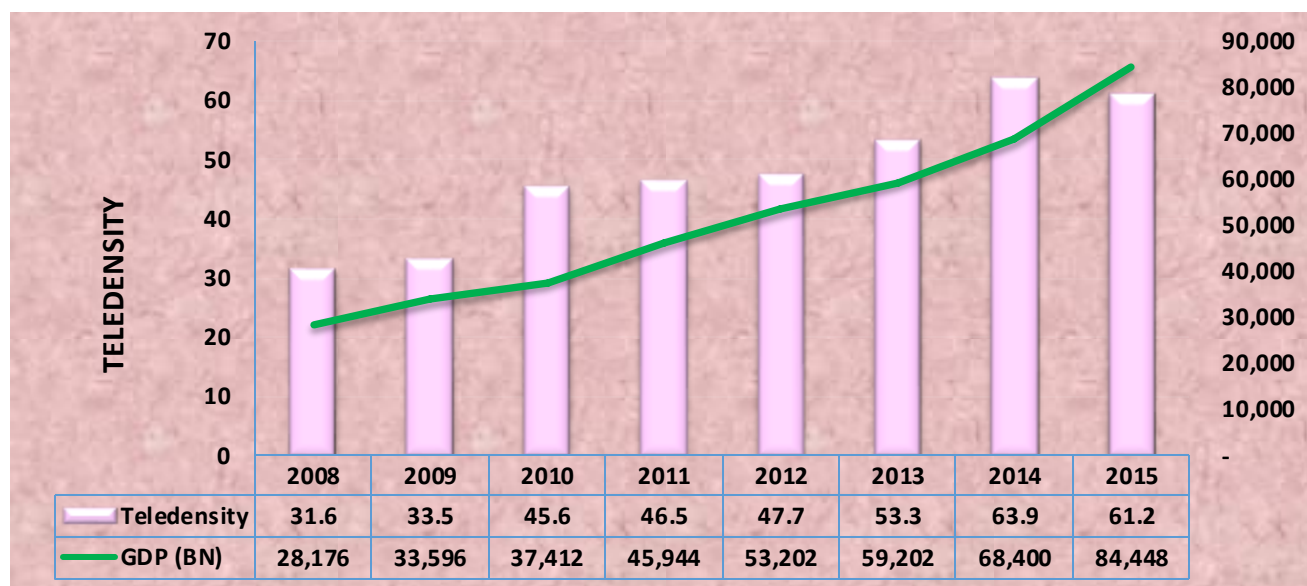
[Source: UCC and UBOS]

UGANDA'S GDP TREND AND TELEDENSITY

GDP, as a macro-economic indicator of aggregate wealth is associated with the uptake of communications services. Tele-density (telephone density) is the number of telephone connections for every hundred individuals living within a defined geographical area (in this case country).

For the period under review Uganda's Tele-density as a proxy for the consumption of communications services decreased while the GDP increased. The decrease can be attributed to the deadline given to the telecom operators to disable unregistered or partially registered SIM cards.

Figure 2. Relationship between Uganda’s GDP and Tele-density

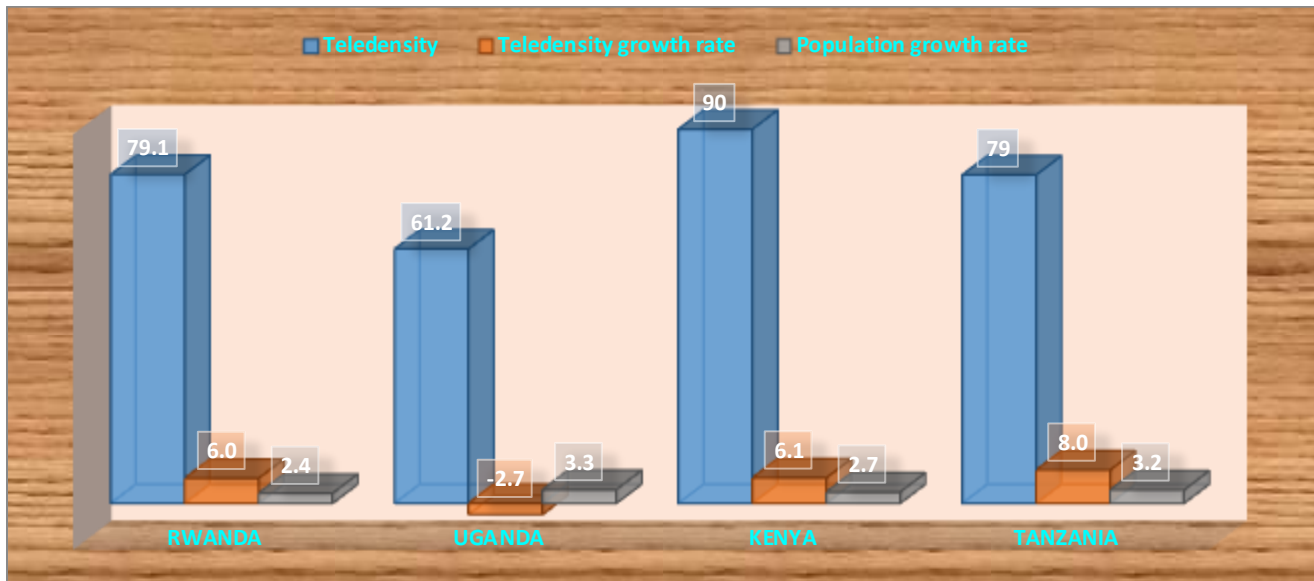


Data source: UCC/UBOS

TELEDENSITY AND POPULATION GROWTH RATES

For the year under review, Tanzania reported the highest tele-density growth rate of 8% followed by Kenya 6.1% then Rwanda 6.0%. Uganda reported a drop in Tele-density growth rate of 2.7% probably due to a higher population growth rate experienced in the year. However, Kenya still has the highest Tele-density of 90%.

Figure 3. Tele-density and Population growth rates by country

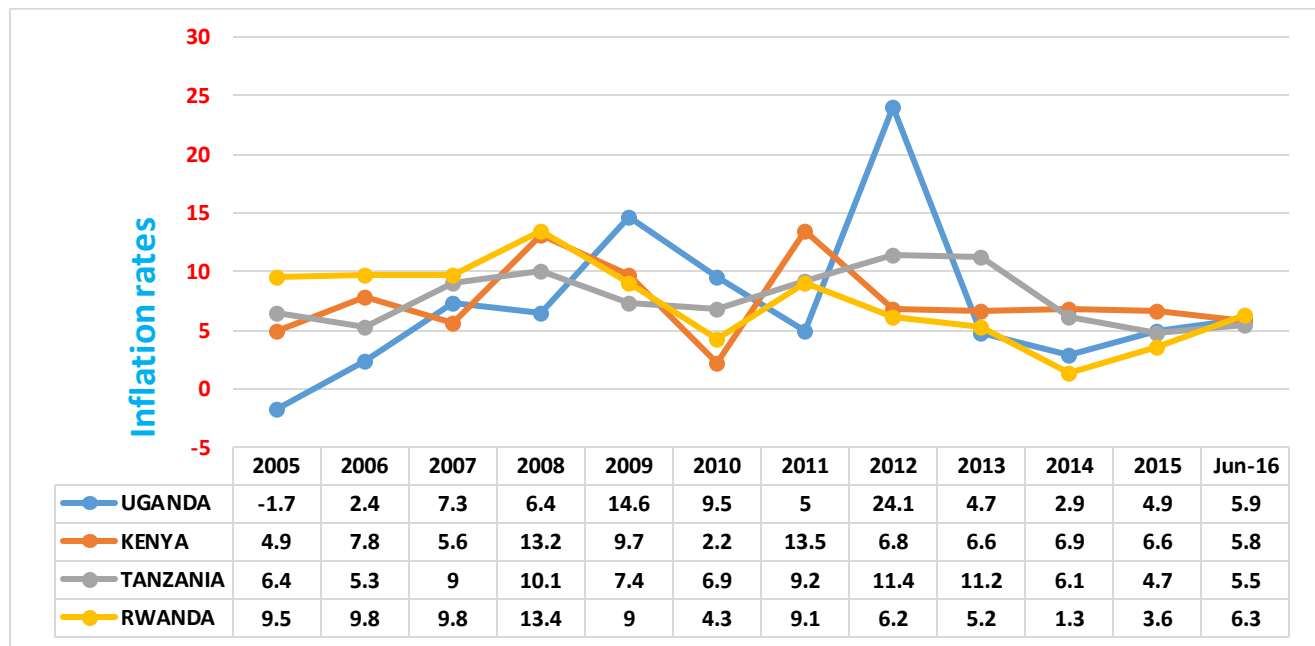


Data source: Country Website

INFLATION AS AN ECONOMIC DEFLATOR

As indicated in Figure 4 below, the inflation rates for all the EAC states for the review period have been between 5.5 and 6.3%. A closer look at the patterns shows that between 2005 and 2013, Uganda had the highest fluctuation rates than the rest of the EAC states. From 2013 to June 2016, Uganda's inflation pattern fell to within the range of other EAC states. The analysis puts Rwanda at the highest rate (6.3%) in 2016.

Figure 4. Inflation Patterns in EAC states



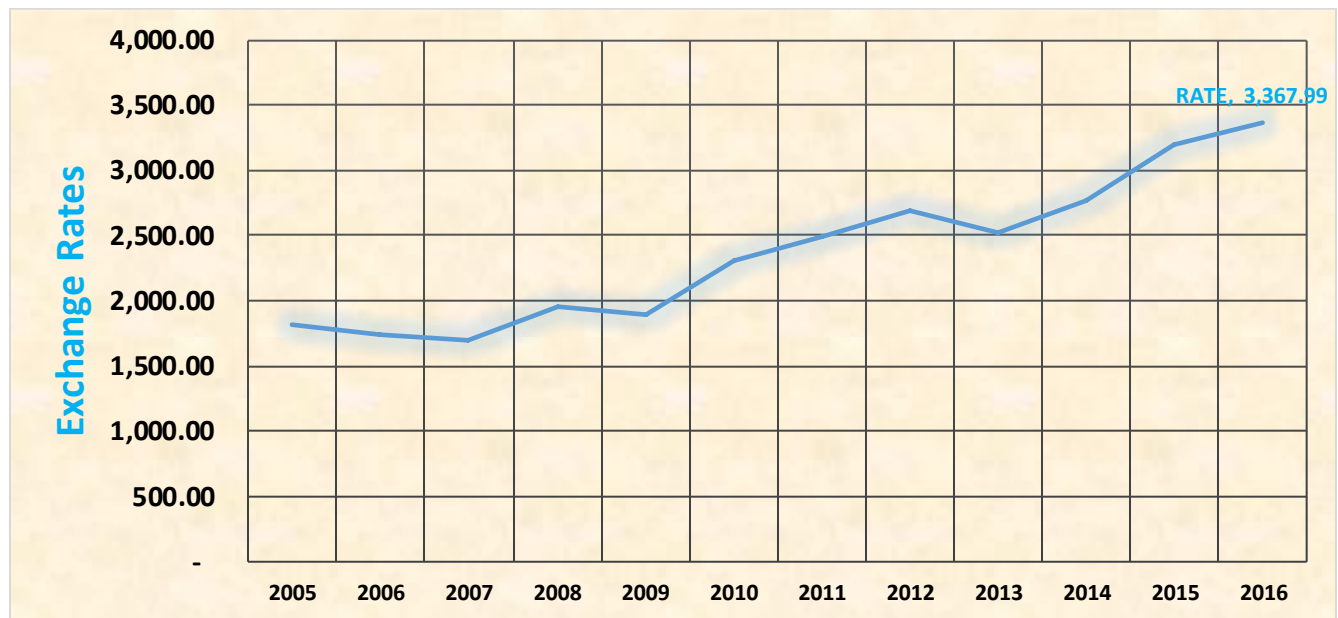
Data source: Country Statistics reports

THE TREND IN FOREIGN EXCHANGE RATES IN UGX PER USD

Over time as shown in Figure 5 below, Uganda shilling has steadily depreciated against US Dollar. The effect of this depreciation is that imports, which account for the majority of the capital expenditure in the sector, have increasingly become more expensive. With practically all revenues in the communications sector being in UGX, this depreciation has impacted the bottom line of the majority of service providers in the sector.

Furthermore, since the exchange rate is a proxy of a country's competitiveness in the global market, this depreciation of the UGX is indicative of weakening and or an erosion of Uganda's competitiveness and as a destination for investment capital.

Figure 5. Exchange rates trend



Data source: Bank of Uganda

ICT DEVELOPMENT-THE GLOBAL PERSPECTIVE

Source: (<http://www.itu.int/en/mediacentre/Pages/2016-PR30.aspx>)

2016 marks the year when the international community is embarking on the implementation of the 17 Sustainable Development Goals (SDGs) and their 169 targets. ITU, given the tremendous development of ICTs, has a key role to play in facilitating their attainment," says *Brahima Sanou*, the Director of the ITU's *Telecommunication Development Bureau*. "ITU statistics inform public and private-sector decision makers, and help us accomplish our mission: to make use of the full potential of ICTs for the timely achievement of the SDGs."

The Internet

The 2016 data released by ITU, the UN specialized agency for information and communication technology (ICT), show that 3.9 billion people remain cut-off from the vast resources available on the Internet, despite falling prices for ICT services

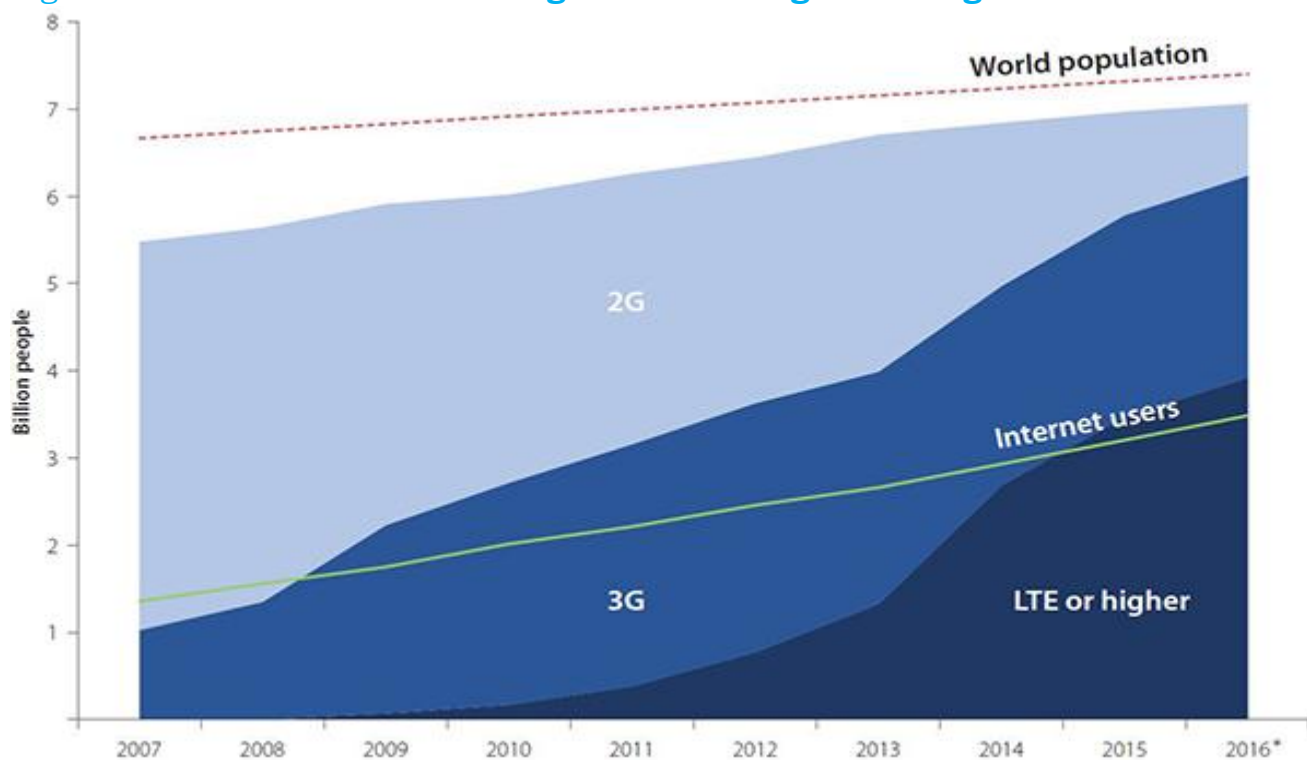
ICT Facts & Figures 2016 shows that developing countries now account for the vast majority of Internet users, with 2.5 billion users compared with one billion in developed countries.

But Internet penetration rates tell a different story, with 81% in developed countries, compared with 40% in developing countries and 15% in the Least Developed Countries.

Mobile broadband growth slowing

The 2016 edition of ITU's ICT Facts & Figures reveals that mobile phone coverage is now estimated to cover 95% of the global population – or some seven billion people – living in an area covered by a basic 2G mobile-cellular network.

Figure 6. Mobile network coverage and evolving technologies



Advanced mobile-broadband networks (LTE) have spread quickly over the last three years and reach almost four billion people today – corresponding to 53% of the global population. But while the number of mobile-broadband subscriptions continues to grow at double digit rates in developing countries to reach a

penetration rate of close to 41%, mobile-broadband penetration growth has slowed overall. Globally, the total number of mobile-broadband subscriptions is expected to reach 3.6 billion by end 2016, compared with 3.2 billion at end 2015.

Fixed broadband growth strongest in developed countries

Global fixed-broadband subscriptions are expected to reach around 12 per 100 inhabitants in 2016, with Europe, the Americas and the Commonwealth of Independent States regions having the highest rates of penetration. Strong growth in China is driving fixed-broadband in Asia and the Pacific, where penetration is expected to surpass 10% by end of 2016.

ICT prices continue to fall

Mobile-broadband services have now become more affordable than fixed-broadband services, with the average price for a basic fixed-broadband plan more than twice as high as the average price of a comparable mobile-broadband plan.

Digital divide means half the world is still offline

By the end of 2016, more than half of the world's population – 3.9 billion people – will not yet be using the Internet. While almost one billion households in the world now have Internet access (of which 230 million are in China, 60 million in India and 20 million in the world's 48 Least Developed Countries), figures for household access reveal the extent of the digital divide, with 84% of households connected in Europe, compared with 15.4% in the African region.

Global online gender gap widens

Internet penetration rates are higher for men than for women in all regions of the world. The global internet user gender gap grew from 11% in 2013 to 12% in 2016. The regional gender gap is largest in Africa, at 23%, and smallest in the Americas, at 2%.

Internet bandwidth

By early 2016, international internet bandwidth had reached 185,000 gigabits per second, up from a low of 30,000 gigabits in 2008. However, bandwidth is unequally distributed globally, and lack of bandwidth remains a major bottleneck to improved Internet connectivity in many developing and Least Developed Countries.

THE NATIONAL PERSPECTIVE

Since its establishment as the sector regulator, the Uganda Communications Commission has licensed a number of communications service providers of various categories offering International, Regional, national and domestic services as listed below.

Table 1. Number of licensed service providers in the country, June 2016.

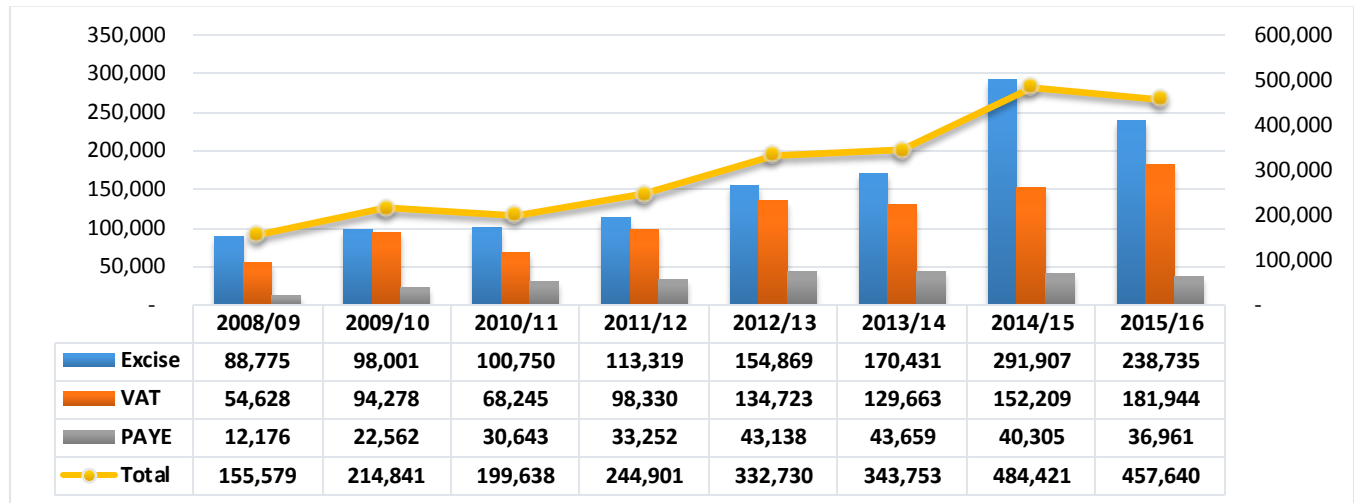
Category	Licensed
National Postal Operator	1
Domestic Courier Operators	11
Regional Courier Operators	5
International Courier Operators	8
National Telecom Operators (NTO)	2
Public Infrastructure Providers (PIP)	23
Public Service Provider (PSP) - Voice & Data	26
PSP (Capacity Resale)	07
Digital TV stations	05
FM Radio stations	292

THE COMMUNICATIONS SECTOR CONTRIBUTIONS TO TAX REVENUE

During the period July 2015 to June 2016, both Exercise and PAYE dropped by 18.2% and 8.3% respectively. There was a 19.5% rise in revenue collected from

VAT. However total sector contribution to tax revenue dropped by 5.5% down from UGX 484.42bn in FY 2014/15 to UGX 457,640bn in FY 2015/16.

Figure 7. Tax revenue in millions



SUBSCRIPTION AND PENETRATION



MOBILE SUBSCRIPTION

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FIXED

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SUBSCRIPTION

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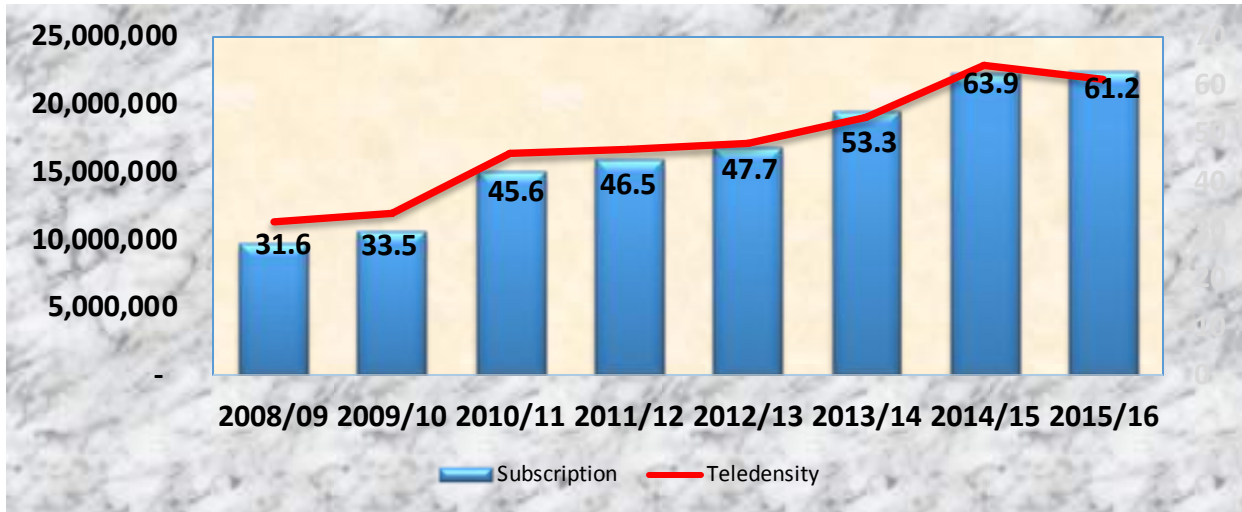
Tele density

The above subscriptions statistics resulted into a 3% drop in tele density, from 63.9% in 2014/15 to 61.2% in FY 2015/16.

Table 2. Fixed, Mobile and Total Subscription

Fixed and Mobile Subscriptions	2011/12	2012/13	2013/14	2014/2015	2015/16
Fixed	330,989	207,474	262,530	375,689	340,851
Mobile	15,535,989	16,665,310	19,244,020	21,910,948	22,034,837
Total	15,866,978	16,872,784	19,506,550	22,286,637	22,375,688

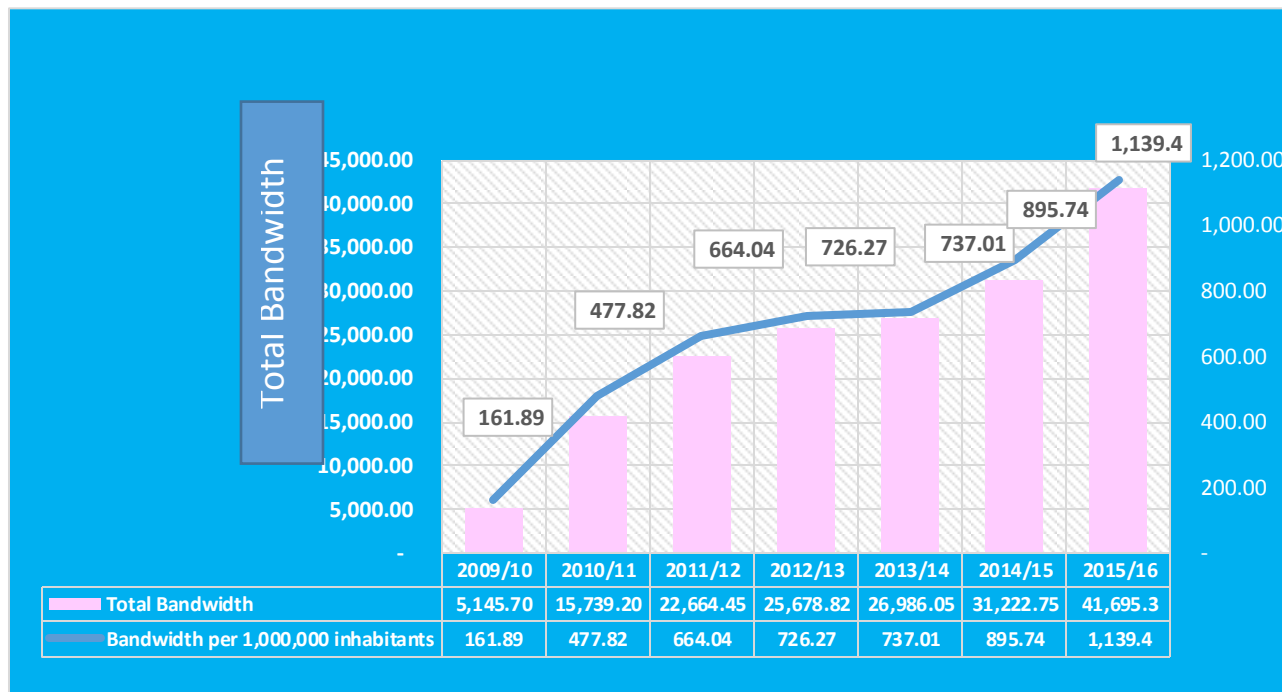
Figure 8. Total Subscription and Teledensity



BANDWIDTH

The sector has continued to register positive growth in bandwidth. During the review period, a 33.5% growth was registered resulting to a total bandwidth of 41,695.3mbps up from 31,222.8mbps realized in the previous year.

Figure 9. Total bandwidth and bandwidth per million inhabitants



TRAFFIC

Voice traffic

On-net and off net-traffic

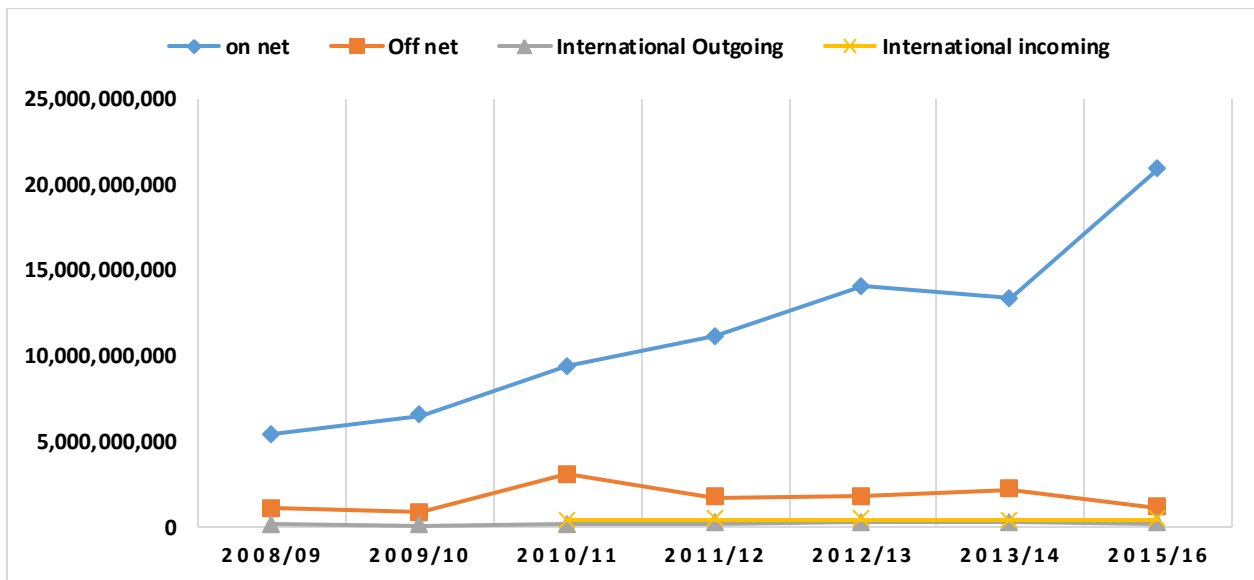
During the period under review, the on net traffic grew by 27.4% (4,484,450,204 minutes), compared to the 10.6% drop experienced in 2014/15 financial year. Off-net traffic dropped by 1.8% (-21,022,145), reflecting a decrease in interconnection compared to the 48.3% growth registered in the previous FY.

International outgoing traffic dropped by 14.4% (40,133,494 minutes) and International incoming traffic grew by 15.5% (59,462,789 minutes) respectively. This is a positive development compared to the 7.7% growth registered in the previous FY.

Table 3. Traffic trend 2008/09 to 2015/16

Level of Usage (tele-traffic)	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2015/16
on net	5,423,039,985	6,500,467,147	9,385,078,373	11,131,081,707	14,001,765,798	13,334,857,219	20,826,910,605
Off net	1,065,219,839	827,570,668	3,042,261,143	1,715,570,229	1,758,354,212	2,217,457,730	1,126,041,413
International Outgoing	147,328,246	107,229,800	173,375,156	227,838,466	265,611,641	259,516,953	237,892,159
International incoming			398,551,096	460,067,065	425,731,507	356,898,115	443,889,009

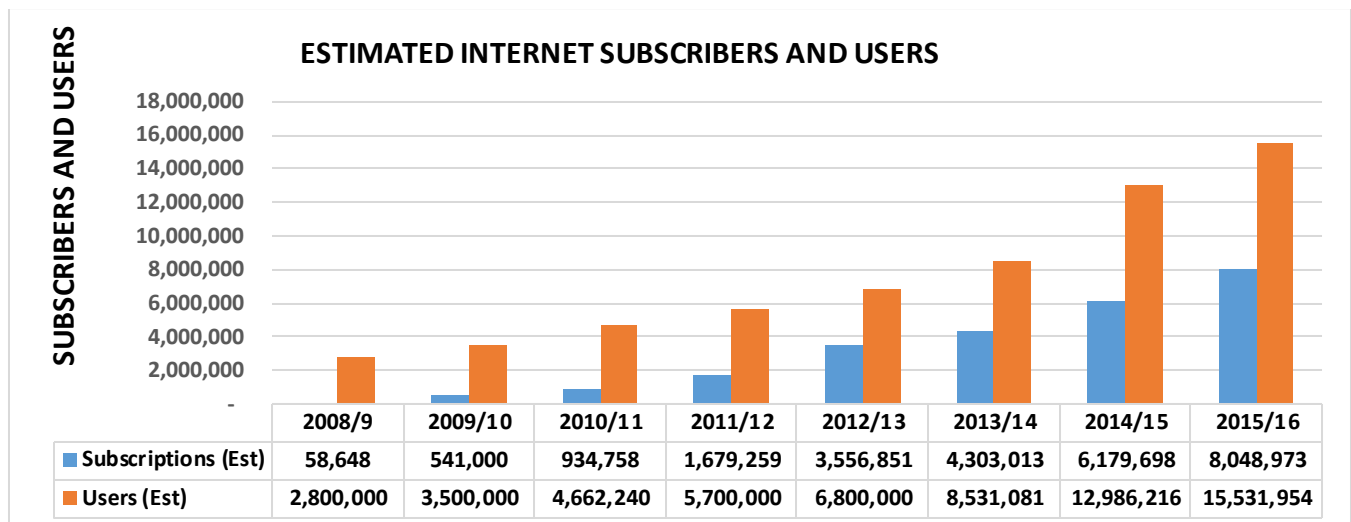
Figure 10: Traffic trend



INTERNET SUBSCRIPTION AND USE

As estimated, the number of internet subscribers and internet users continued to grow as illustrated below. For the period under review, the number of internet subscribers and users grew respectively by 30.2% and 19.6% resulting in a 42.5% internet penetration as of June 2016.

Figure 11. Estimated internet subscription and estimated internet users.



(Est) means estimated

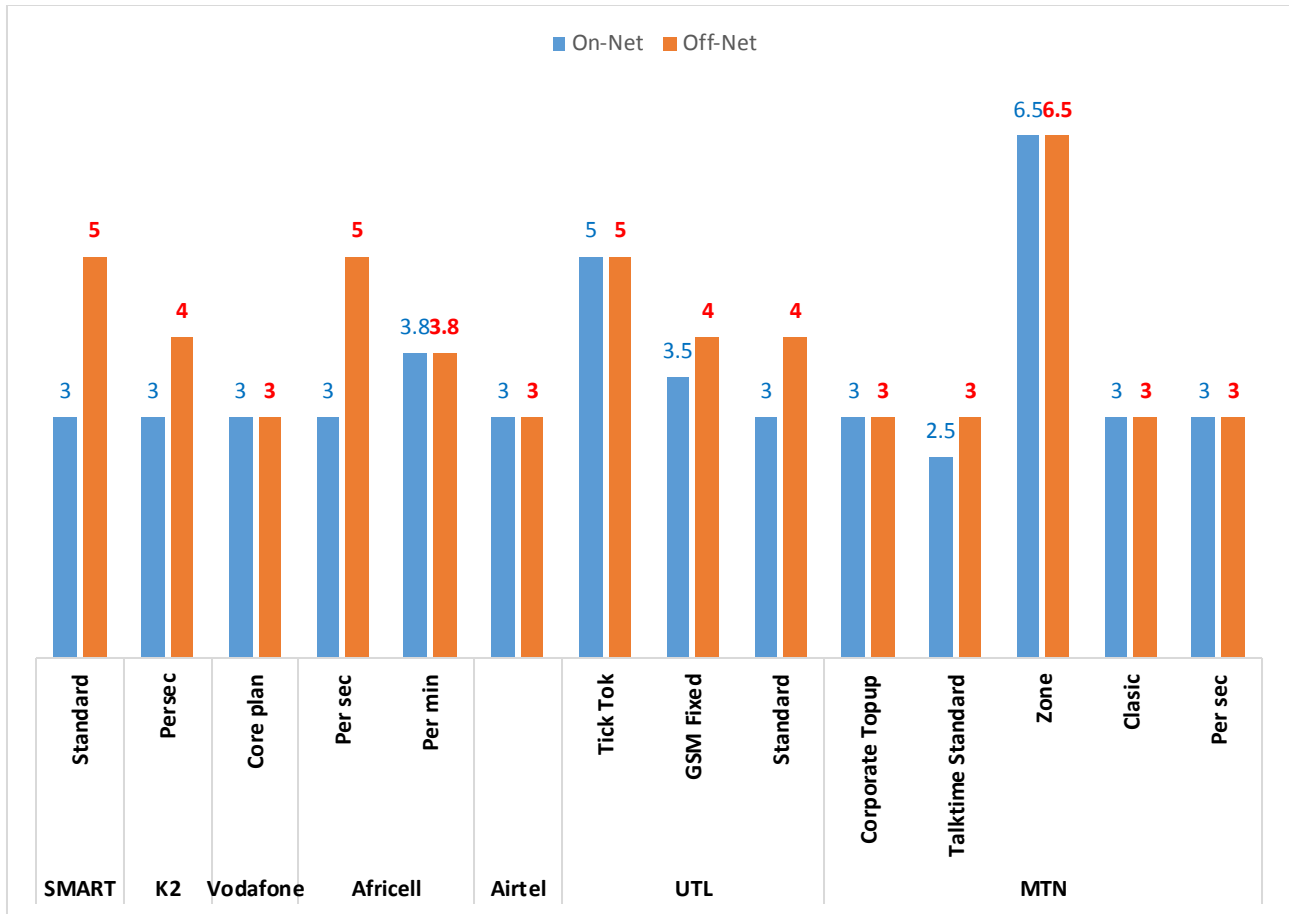
Table 4. TARIFFS

As of June 2016, the tariff rates stand as follows

Category	On-Net		Off-Net	
	Lowest rate	Highest rate	Lowest rate	Highest rate
Voice standard /sec	2.5	5	3	7
Voice bundle/day	249	3,000	n/a	n/a
Voice bundle/week	1,999	10,000	n/a	n/a
Voice bundle/month	4,999	200,000	n/a	n/a
International voice/sec	n/a	n/a	3.3	1,250
International voice bundle	n/a	n/a	65 per day	200,000 per month

For more information on tariffs in Uganda, please check www.kompare.ug and www.price-check.co.ug

Figure 12: Voice Tariffs (Local)



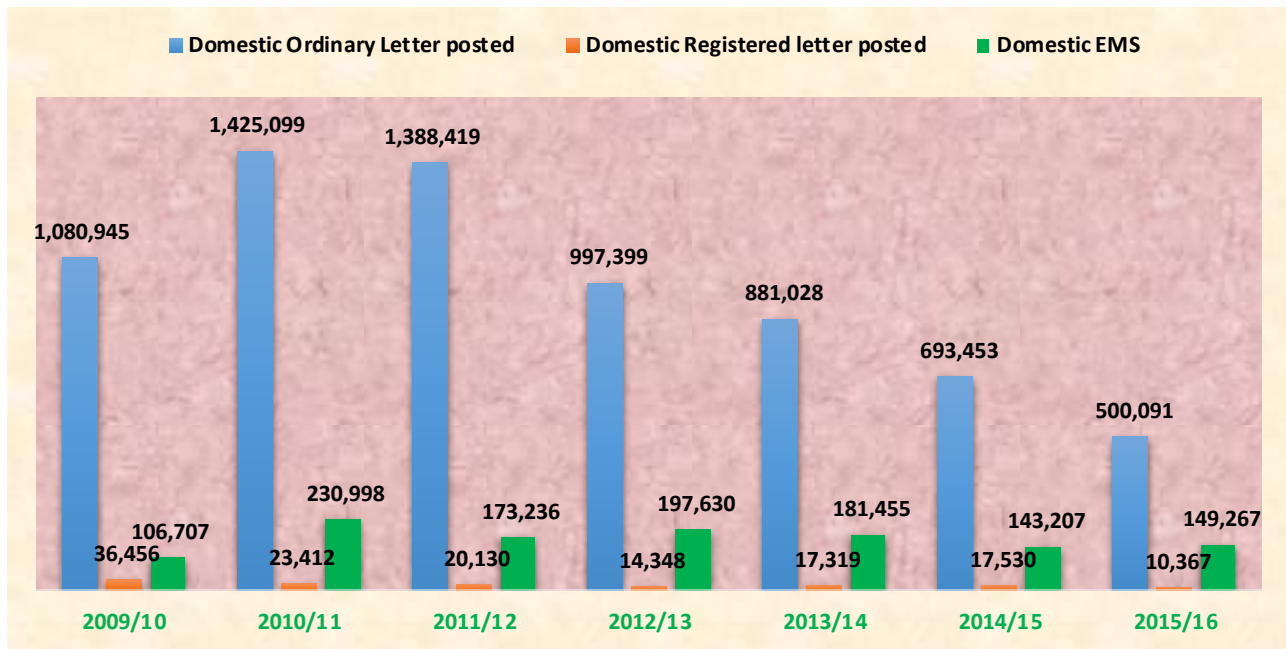
DATA RATES

The mobile data rates ranges from UGX 249 per day to UGX 3,049,000 per year. The fixed broadband ranges from UGX 55,000 per month to UGX 3,812,269 per month.

POSTAL AND COURIER SERVICES

During the period under review, the number of domestic ordinary letter posted dropped from 693,453 to 500,091, representing a 28% drop. Domestic registered letters post dropped from 17,530 to 10,367 resulting to a 40.9% drop. The Domestic Expedited Mail Service numbers grew by 4.2% from 143,207 to 149,267.

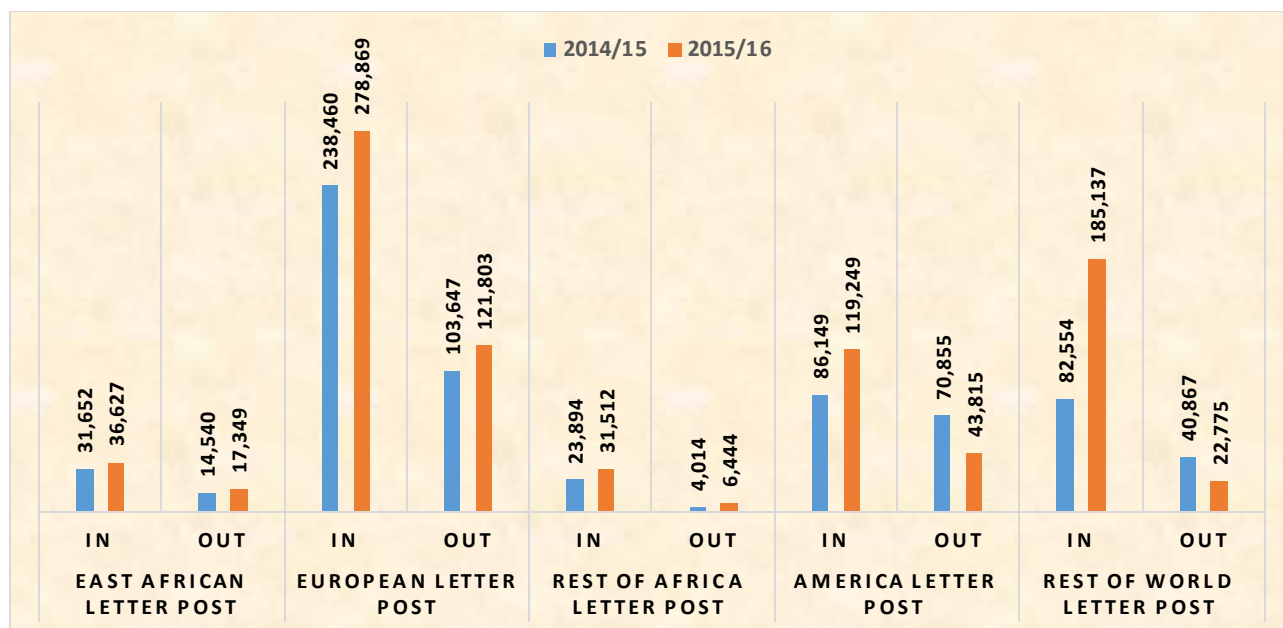
Figure. 13. Postal Services



INTERNATIONAL POSTAL TRAFFICS

The number of incoming European letters was highest (278,869), compared to the outgoing ones (121,803). The number of letters coming into Uganda from the East African states was higher (36,627) than those posted from Uganda to rest of the EA region (17,349).

Figure 14: International Postal Traffic, 2014/15 and 2015/2016



POSTAL AND COURIER SERVICE PROVIDERS

The number of service providers in the postal subsector remained unchanged for the period under review.

Table 5. Showing number of postal and courier service providers in the Country

Service providers	June 2009	June 2010	June 2011	June 2012	June 2013	June 2014	June 2015	June 2015
Major postal	1	1	1	1	1	1	1	1
International courier	6	7	8	8	8	8	8	8
Regional courier	8	8	8	6	7	7	5	5
Domestic courier	8	14	14	13	13	13	11	11

BROADCASTING SERVICES

The broadcasting industry is pivotal in the mobilization of the public for the socio-economic development of most countries in Sub-Saharan Africa. This it does through educational, informational and entertainment programmes.

For Uganda, broadcasting is the main channel for the implementation of the National Development Plan and Vision that envisages having “**A transformed Ugandan society from a peasant to a modern and prosperous country within 30 years**” as indicated in the Uganda Vision 2040 plan.

As an essential facilitator of this broader plan, the broadcasting enables the dissemination of information about services aimed at addressing the needs of the poor, vulnerable and marginalized groups in society. In addition, broadcasting is responsible for keeping the nation informed of the national and the international events. It also aims to promote the delivery of high quality and efficient broadcasting services by both public and private service providers.

In this subsector, the number of service providers remained unchanged for the review period except for the case of analogue TV stations which were all switched off by June 2016.

Table 6. Number of Operational TV and FM radios

Service stations	June 2011	June 2012	June 2013	June 2014	June 2015	June 2016
Operational analogue TV stations	54	60	68	67	28	N/A
Non-operational analogue TV stations	14	10	10	4	2	N/A

Service stations	June 2011	June 2012	June 2013	June 2014	June 2015	June 2016
Operational Digital Terrestrial TV stations		3	3	3	3	3
Operational Digital Satellite TV stations	1	1	2	2	2	2
Operational FM radio stations	229	250	251	257	292	292
Non Operational FM radio stations	48	36	35	40	12	12

DIGITAL TV TARIFFS

The digital TV tariffs ranges from UGX 5,000 to UGX 334,000 per month. Again for more information on digital tariffs in Uganda, please check www.kompare.ug and www.price-check.co.ug

OTHER DEVELOPMENT IN THE BROADCASTING SUBSECTOR

In a bid to set standards, monitor and enforce compliance relating to content as one of the Commission’s mandate, the Commission has set local content quotas on Ugandan television broadcasting stations with the objective of promoting national culture, pluralism and diversity and to enhance the employment capacity, identity of the nationals as well as developing the local film and radio industry.

In accordance with the National Broadcasting Policy, local content is defined as “content that recognizes the cultural and linguistic diversity of Uganda carrying themes of relevance to the local audience and produced under Ugandan’s creative control”.

UCC has identified the genres of drama, documentary, sports and children’s entertainment as needing special attention, and it set a 70% local content quota with special attention on drama (50%), documentary (10%), and sports (5%) and children (5%) each.

Figure 15; Pie- chart showing the recommended local content quotas per genre

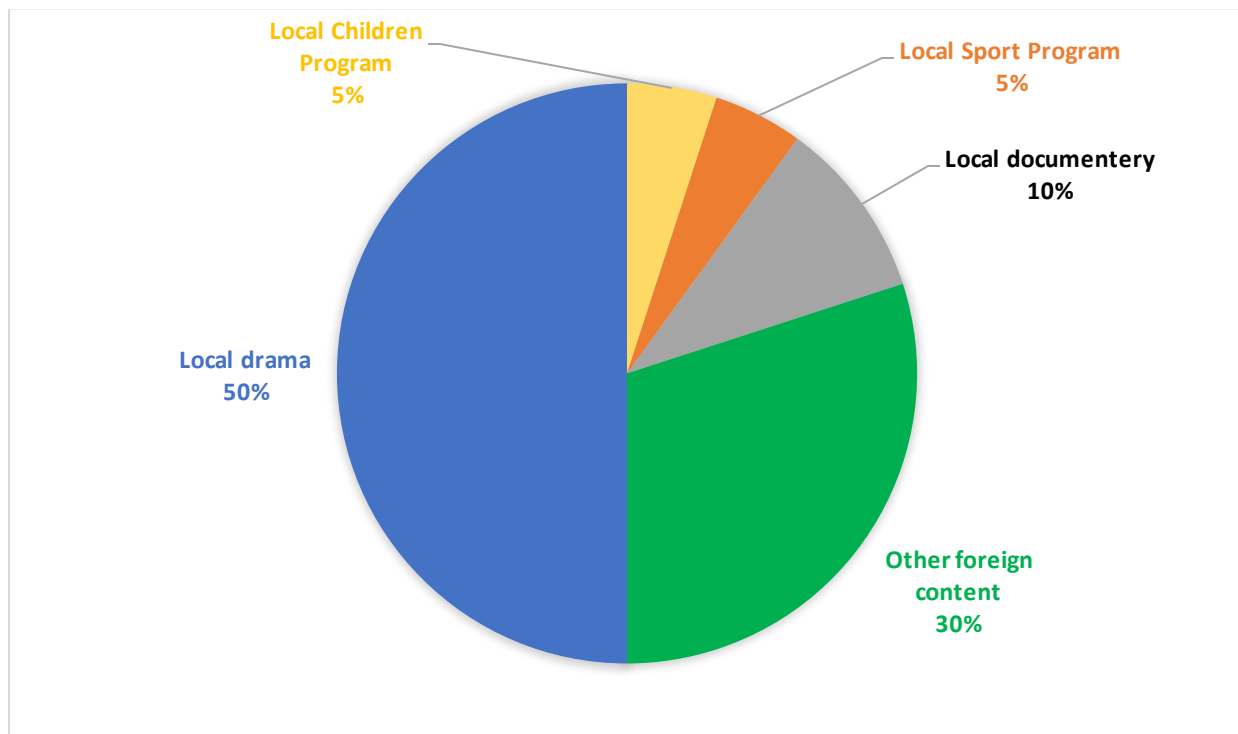


Table 7. Compliance to the Local Content Quotas.

STATION	2014	2015
NBS	25.0%	44.3%
Top TV	18.3%	33.7%
UBC	15.6%	46.5%
NTV	12.4%	40.3%
Star TV	12.3%	42.4%
Bukedde 1	12.1%	42.7%
Urban TV	7.5%	28.5%
Bukedde 2	5.9%	
WBS	5.2%	35.8%
TV Africa	4.5%	24.8%
Citizen TV	1.3%	0.0%
Record TV	1.0%	26.2%
Channel 44	0.4%	19.0%
LTV	0.3%	8.3%
East Africa TV	0.0%	2.0%
ITV	0.0%	0.0%

THE DIGITAL MIGRATION

Uganda has fully migrated from Analogue to Digital Migration as of June 2016.



Analogue to Digital Migration is the process in which broadcasting services offered on the traditional analog technology are replaced with digital based networks over a specific period. The transition or switch from analog television to digital television is referred to as the Digital Migration. The Analogue to Digital Migration arose out of the Regional Radio-communications Conference of 2006 (RRC06) and the subsequent Geneva 2006 Agreement (GE06) of the International Telecommunications Union (ITU) 'Recommendations' of which Uganda is a party and signatory.

MOBILE MONEY (MM)

Ugandan mobile operator Smart Telecom has become the country's fifth mobile money provider following the launch of its new Smart Pesa service. Smart joins MTN, Airtel, Uganda Telecom Ltd (UTL) and Africell in the mobile money sector, which served some 19.6 million customers at the end of June 2016 according to figures from the Bank of Uganda.

Two other mobile money services are:

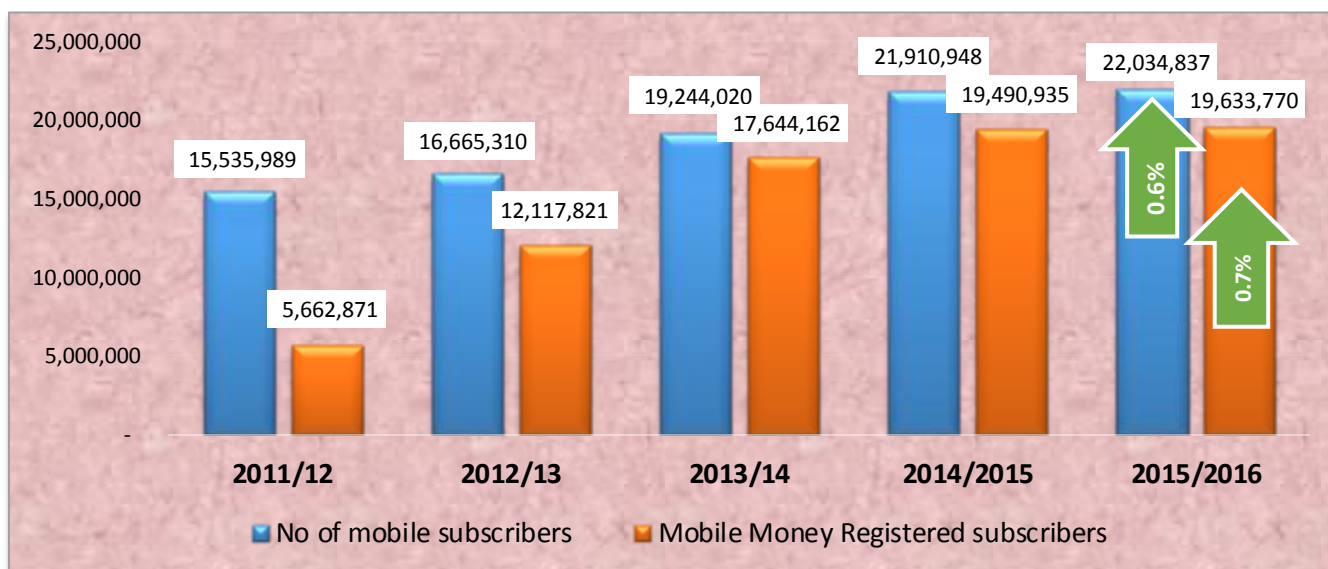
Poketi: Which is a Mobile Platform Access (MPA) – USSD based application that eliminates 'borders' between Telecom companies to enable its clients to conveniently buy airtime, send and receive money across different networks in Africa as well as pay for goods and services.

EZEE Money: This is a multi-national company offering Electronic Money services to all Ugandans with or without a mobile phone, with or without any formal bank accounts wishing to receive and make multiple payments in an easy to use, reliable, secure and affordable manner. Through this service one can pay bills, do money transfers and other e-money services to banks, non-bank corporations, government and NGOs

Mobile Money Services uptake in the Sector

Mobile money services is one of many value-added services that since gained a significant foothold in the communications sector. Since its introduction more than six years ago, mobile money services have grown to the extent that the ratio of mobile money subscribers to mobile subscribers is almost approaching 1:1. For the review period, the number of mobile money subscribers grew by 0.7%, resulting into 142,835 new mobile money subscribers. On the other hand, the number of mobile SIMs subscribers grew by 0.6% bringing on board 123,889 new mobile subscribers. The drop in the growth rate of the mobile money subscribers is partly attributed to the fact that the number of mobile money subscribers is almost equalizing the number of mobile subscribers.

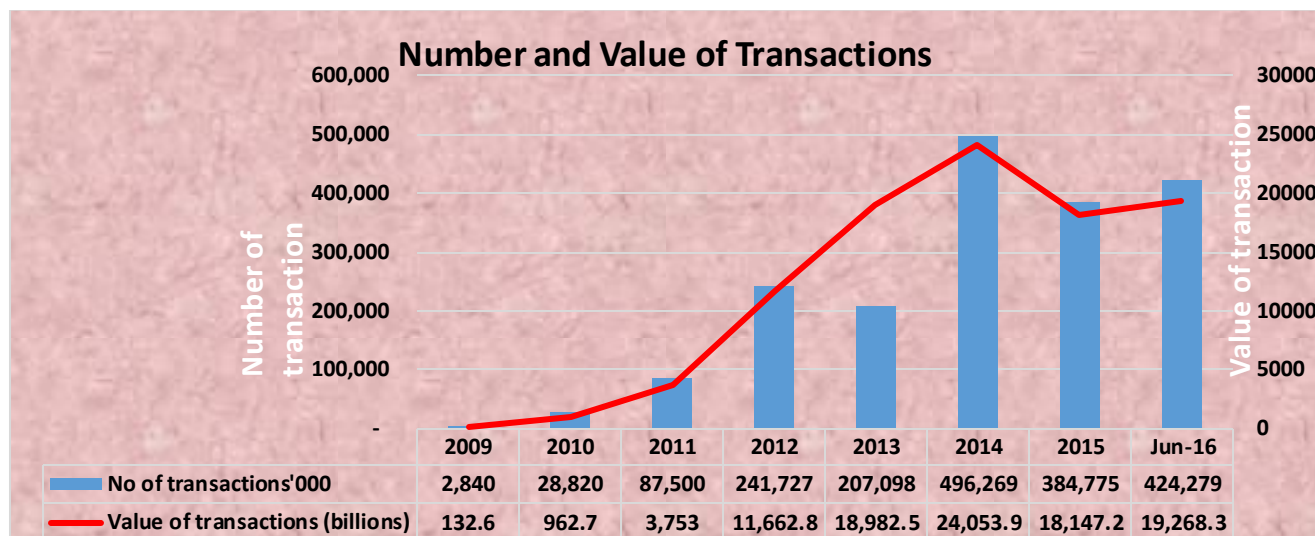
Figure 16. Comparison of mobile phones and Mobile Money Subscribers' Statistics



Number and Value of transactions

The graph below shows a respective upward shift of 10.3% and 6.2% for both number and value of transactions.

Figure. 17. Number of transactions and value of transactions this year



CONSUMER AFFAIRS

The Uganda Communications Commission is mandated to protect interests of consumers in the Communications sector. Monitoring the efficacy of the consumer complaints handling systems of service providers is critical to the Commission’s fulfillment of its consumer protection mandate.

It should be noted that the UCC only handles second level consumers complaints, and as such requires to first seek redress and or remedy from service providers. If dissatisfied with the service provider’s remedial actions or solutions, consumers can then can lodge their complaint with UCC. The data in Figure 21, capture these second level consumer complaints that are brought to the UCC. The figures may, however, include some first level complaints to UCC by consumers who claim inability to access the service providers.

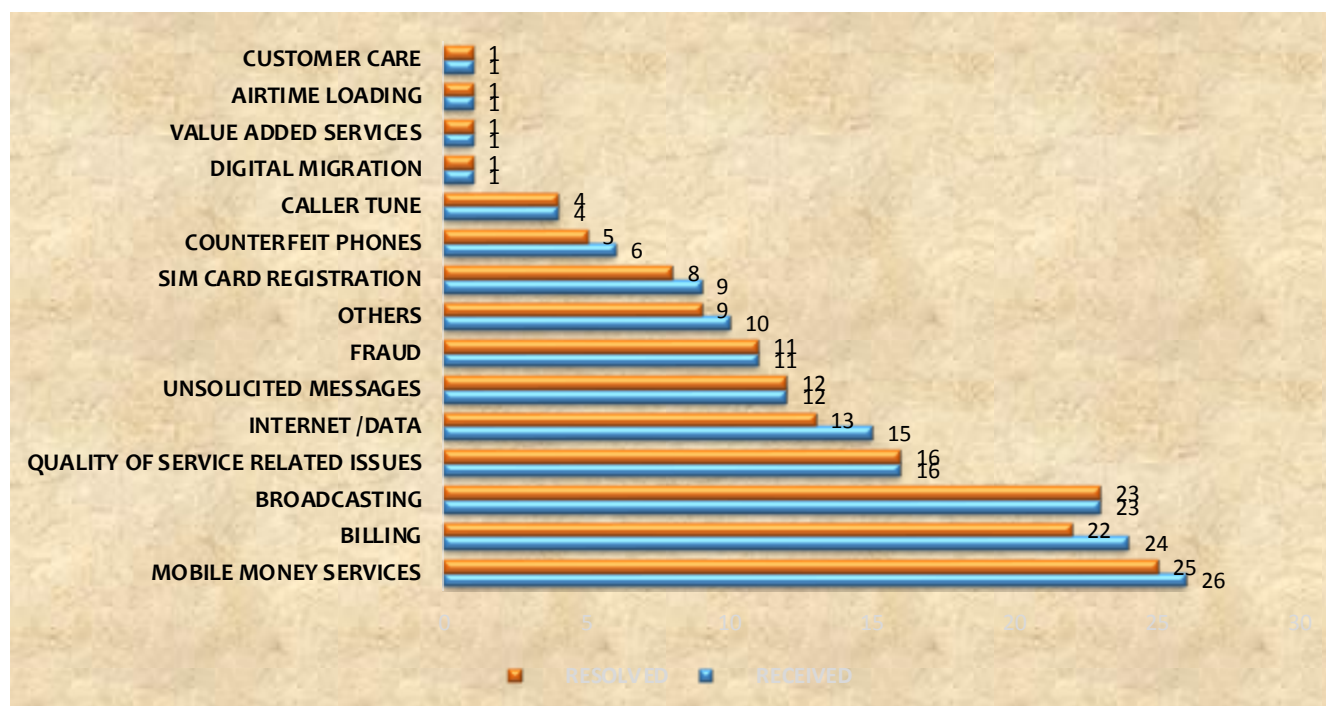
In the period under review, a total of 160 complaints were received, a decline of 45% from 291 received in 2014/15 financial year. Ranked in descending order, the highest number of complaints received by UCC were related to mobile money services. This is followed by complaints about billings, broadcasting and quality of service related issues.

With regards to the modes or channels through which complaints were submitted during the period of review, 41.9% of the complaints were received through e-mail, 35.6% of the complaints were received through phone calls,

13.1% of the complaints were received through walk - in, 7.5% of the complaints were received through letters, and 1.3% of the complaints were received through Facebook.

While the remaining 0.6% complaints were received through post/courier.

Figure. 18. Nature of complaints handled



CONCLUSION

For the financial year under review, there had been a positive growth in mobile telephony. This growth can be attributed to market entry by MVNO's and

expansion of mobile network infrastructure by the service providers. It is important to note that all parts of Uganda as a country is covered by a mobile network though with some intermittent due to the geographical landscape. The increase can partly be attributed to demand for Mobile money services and increased demand for other mobile Value Added Services like mobile information services and mobile transaction services. The mobile network is expected to expand further during the next financial year following the pattern taken by the Mobile operators to invest in the development of such mobile services in order to grow their revenues.

The Internet segment has continued to grow over a period of time now. The expansion of 3G and 4G coupled with availability of affordable internet enabled mobile phones has boosted the growth the internet market. Furthermore, internet penetration is expected to increase in the next financial year as a result of the free Wi-Fi access project launched within the perimeter of Kampala. Following the recent declaration by UN of Internet being a human right, Ugandan Government through the National Information & Technology Authority-Uganda (NITA-U) decides to avail all citizens living within the borders of Kampala with free Wi-Fi effective October, 2016.