

# How China is slowly expanding its power in Africa, one TV set at a time

Story by [Jenni Marsh](#), CNN Business

Photographs by Nichole Sobecki for CNN Business

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In the outskirts of Nairobi, Kenya, Michael Nganga is watching a Chinese Kung Fu movie.

His small home in Limuru village doesn't have running water and its walls are made from corrugated metal. Yet outside, where chickens roam the yard, the father-of-two, who repairs shoes for a living, has a large Chinese-built satellite dish that connects his old television set to hundreds of channels — many of which are being beamed from Beijing.

"It's advantageous to have many TV channels," said Nganga, who was limited to a few local Kenyan stations before the Chinese dish. "Because you can know how the world is changing every day."

Nganga's connection to the wider world is directly thanks to Xi Jinping, the president of China.

Content by Bozar Gallery

The African art exhibition that's not afraid to make you think

An Afrocentric arts exhibition is coming to Brussels, curated by two of the art world's most electric figures.

In 2015, Xi announced the 10,000 Villages Project, a lofty plan to take digital television to impoverished parts of Africa, such as the village where Nganga lives. Previously, television access in many parts of the continent was a privilege of the elite, and those who were connected relied on old-

fashioned, snowy analog reception.

Xi's dream was to upgrade huge swathes of Africa to modern, digital satellite TV networks, that could broadcast a constellation of channels over long distances — so long, in fact, that a TV channel from Beijing could be beamed to African homes.

This was more than just a philanthropic gesture.

It was a stroke of soft-power genius that would raise China's profile among Africans, while giving Beijing a tighter grip on the continent's communications infrastructure and control over how it is portrayed there in the media.

And it would boost the fortunes and power of one important Chinese company that otherwise keeps a low profile.

StarTimes has been the Chinese government's primary contractor to carry out the 10,000 Villages Project, paving the way for the Beijing-based firm — not any of its American or European media competitors — to dominate the African market of 1.2 billion people. A spokesperson for StarTimes said it was "important" for Beijing to work with "an experienced and cost-conscious enterprise for the assignment."

Today, the company beams Chinese TV shows into the homes of [10 million subscribers](#) in 30 African countries, pushes China's state-owned propaganda news network into households over Western news networks, and controls television networks to such an extent in Zambia and Kenya there have been fears the company could black out TVs in those countries, if it wanted to.

While channels like the BBC reach more people and South African distributor MultiChoice has more subscribers, StarTimes' breadth of reach has some critics worrying: Does the company, with its close ties to Beijing,

now have too much power over African television networks?

In many ways, StarTimes' situation runs parallel to better-known communications giant [Huawei, which is battling global criticism for its control over 5G internet networks and ties to Beijing](#). But unlike Huawei, StarTimes has become one of Beijing's most powerful soft power tools in Africa — without much of the world even knowing its name.

Here's how it got that way.

## **The African opportunity**

In 2000, the Economist ran a cover story about Africa titled "The Hopeless Continent." The headline aptly captured the pity through which much of the Western world viewed the African continent at the time: [\\$1 trillion](#) in development aid hadn't prevented famine from taking [one million lives](#) in Ethiopia in the 1980s, stemmed the scourge of AIDS, or stopped a brutal genocide from slaughtering roughly the same number in Rwanda in the 1990s.

Aid dollars served to ease Western guilt over what then British Prime Minister Tony Blair called a "scar on the conscience of the world," but aside from drilling for oil and establishing military bases, little energy went into doing real business in Africa.

Meanwhile, China took an entirely different approach.



A StarTimes transmission site in Limuru, Kenya. Satellite dishes receive content from China, uplink it from Kenya, and beam it out across the country.

In the same year as that Economist cover, Chinese President Jiang Zemin invited heads of state across Africa to attend the inaugural Forum on China-Africa Cooperation in Beijing, to discuss how the two regions could better work together.

By the mid-2000s, the Chinese government, under its "Going Out" strategy, was encouraging entrepreneurs to head abroad and forge stronger ties with African nations.

Chinese entrepreneurs looking to make early inroads in nascent markets started moving to Africa. [George Zhu](#), for example, went to Nigeria and launched [Transsion](#), which sells cheap multi-SIM handsets and now has the biggest smartphone share on the continent. [Ren Zhengfei](#) took Huawei into Kenya, a country that today remains unfazed by the West's concerns about the company's ties to Beijing. And not long after that, TV enthusiast Pang Xinxing decided to pivot his telecommunications company StarTimes away from China, where the TV market was quickly becoming saturated, and into

Africa.

Pang reported seeing a largely underdeveloped market where many families either did not have a TV or were sharing one with several households. "Even if there is a TV, they can only watch two or three channels, digital TV is beyond their imagination," he said back in 2002. Furthermore, there was normally only one strong company in each country and users were being charged about \$70 a month for a subscription — a huge fee on a continent where GDP per capita was around [\\$700](#) a year at the time.

Pang saw an opportunity for a low-cost TV provider. Today, StarTimes has some of the world's most affordable digital TV packages, which can cost as little as \$4 a month.

His arrival was also perfect timing in another way.

A 2006 United Nations treaty had tasked African countries with making the switch from snowy, unreliable analog signals to digital by 2015. It was a deadline that nearly all African governments missed but the pressure was on to invest — and to find a company that could help them do it.

That gave StarTimes another revenue stream — building and operating the digital TV infrastructure of nations.



A StarTimes transmission site in Limuru, Kenya.

In 2007, Pang landed the company's first digital TV license in Rwanda. The next year, StarTimes launched the Rwanda Digital TV Platform, offering Rwandans more than 30 channels for \$3 to \$5 a month, including four Chinese channels from the main state-owned broadcaster in mainland China.

When contracts came up to turn off governments' analog networks and take them digital, at first "StarTimes was the only company competing," said Dani Madrid-Morales, an assistant communications professor at the University of Houston, who researched the company while studying as a PhD student at City University of Hong Kong. "Then [Pang] was able to provide evidence that StarTimes had experience in African countries and offer very low prices."

Other competitors started to join the market, said Madrid-Morales.

But StarTimes almost always won.

## **Control of a continent's airwaves?**

Nearly two decades later, the China-Africa summit President Jiang had hosted in 2000 has become one of the most important diplomatic events in many African nations' calendars.

In 2018, virtually every African head of state descended on Beijing for the Forum on China-Africa Cooperation to secure a slice of the \$60 billion in development loans and business deals on offer.

While in the capital, heads of state and top ministers from [Sierra Leone](#), [Lesotho](#), [Malawi](#), [Zambia](#), [Central African Republic](#), [Malawi](#), [Ghana](#) and [Uganda](#) all had an important appointment.

They [visited Pang](#) at the StarTimes' huge mothership on the outskirts of the capital. "I don't think any head of the BBC has had one-on-one meetings with so many African heads of state," Madrid-Morales said.

Befriending governments has been crucial to the StarTimes' business, as it bids to win state contracts to help countries make the leap from analog to digital TV.

Angela Lewis, a PhD candidate in the international communications department of Nottingham University in Ningbo, China, who has been researching the company for years, said the company has had full backing Beijing in doing this.

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*Dani Madrid-Morales, an assistant communications professor at the University of Houston*

StarTimes is the [only private Chinese company](#) with authorization from the Ministry of Commerce to operate in foreign countries' radio and TV industries. Furthermore, China's state-owned EXIM bank has provided the company with hundreds of millions of dollars in loans to enter the African market. StarTimes claims to be a private enterprise pursuing business goals while maintaining "cordial relations with its parent state."

The idea that a company with such close ties to Beijing has control over many African nations' TV networks has sparked headlines such as "[StarTimes plots to take over Africa public broadcasters](#)" — echoing concerns that internet security experts have expressed over 5G giant Huawei and how its ties to the Chinese state could compromise other nations' communications infrastructure.



A receptionist sits at her desk in the lobby of the StarTimes headquarters in Nairobi.

In Zambia, for example, StarTimes entered into a joint venture called TopStar with state broadcaster ZNBC to help the country make the switch to digital TV. The deal gave the Chinese player a [60% share](#) in the state broadcaster for 25 years. That split in the Chinese partner's favor has caused critics to fear that StarTimes has effectively [taken control](#) of the country's television network.

Josephat Nchungo, an international trade analyst at the University of Zambia, said: "The primary objective of this partnership is providing the infrastructure for digital TV. The secondary objective is also to exchange culture and knowledge between the two countries. StarTimes has been so controversial because people interpreted it as a sale of the state broadcast

to the Chinese and hence the loss of sovereignty."

Similar concerns have been raised about deals in Ghana, by the [Independent Broadcasters' Association](#), and Kenya, where StarTimes has also partnered with state broadcasters to operate the new digital network.

"If the StarTimes pulled out of some countries," said Madrid-Morales, "the country's TV stations would stop working. Essentially, StarTimes has the power to black out some countries' TV networks, if it wants." That's a claim that StarTimes pushes back on, saying that the company "does not control any country's TV network and does not have the capacity to spark media black outs."

That matters because satellite television is the preferred and more affordable option for many Africans.

While viewers in the West increasingly consume content through online streaming services such as [Netflix](#) and Hulu, the prevalence of pay-as-you-go data contracts in Africa makes watching shows on these type of services expensive.

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StarTimes subscriber Purity Njambi watches television with her children, from left, James Ngugi, Margaret Wahu and Agnes Wambui at their home in the Ndumbuini village.

George Mbutia, research analyst for East and West Africa, at IDC, said: "Although video streaming services are on the rise in Africa, for the majority of the population, mobile video streaming remains out of reach. This is due to poor connectivity and high cost associated with live streaming. Few users use mobile phones for streaming while majority prefer pay-TV."

There are also economic concerns in the deals that StarTimes has made.

To pay for the \$271 million contract, for example, Zambia took out loans from China's Export-Import Bank. "In order for partnerships to happen, the African country must usually take money from Exim bank," said Lewis. That raises fears that countries will be saddled with debt to China.

It's just one example of how Beijing benefits when StarTimes prospers.

Haggai Kanenga, from the department of development studies at the University of Zambia, said: "The loan shows the money for this project is coming from the Chinese government itself, so these two — the StarTimes

and the Chinese government — cannot be separated. In Zambia, they are widely viewed as one."

## A hard play for soft power

While StarTimes chased big government contracts to operate digital TV infrastructure, it also wooed consumers with cheap TV packages they could buy on digital networks, which often severely undercut local competitors.

From the beginning, the Chinese startup was regularly offering more channels than MultiChoice, the South African market leader in Anglophone Africa, and Canal+ in French-speaking countries — and for half the price. Consumers could get StarTimes cable and satellite TV packages for as little as \$4 per month.

Competitors often complained they were facing unfair competition because StarTimes was so cheap, Madrid-Morales said. But there was little they could do.

The content offering by StarTimes included the sort of Filipino and Turkish soap operas that audiences in places like Kenya had been watching for years. But it added Chinese dramas and Kung Fu films to the mix — the latter proved so popular that StarTimes launched the StarTimes Kung Fu TV channel dedicated to them.

While not overtly political, the Chinese dramas were carefully curated to portray China as a modern, urban place, said Madrid-Morales — despite the fact that about half of China's population still lives in the countryside. The idea, he says, was to portray China as a wealthy, modernizing country.

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*Haggai Kanenga, researcher at the University of Zambia*

That aspirational narrative worked. One Chinese drama "A Beautiful Daughter-in-law Era" — about the intermarriage of a countryside migrant woman to an urban man — proved wildly popular in Africa in the early days after being translated into Swahili, Madrid-Morales said.



An orange StarTimes satellite sits atop a home in the Ndumbuini village.

In 2011, the company established a huge translation campus on the outskirts of Beijing, where it hired mostly foreign staff to voice Chinese dramas into English and African languages including Swahili and Yoruba. The StarTimes Dubbing Contest scoured African countries seeking out voice actors to be whisked to China to narrate new content.

There was also another key component to StarTimes' programming: pro-Chinese news.

The cheapest TV packages only gave viewers access to Al Jazeera and China Global Television Network (CGTN) — a state-owned news broadcaster that is part of Xi's soft power mission to "tell the China story well." That has often translated into reporting the news with a pro-China

slant, to such an extent that in the United States, CGTN recently had to register as a foreign agent under anti-propaganda laws. One analysis of the 2014 Ebola outbreak in Africa, for example, found that 17% of stories by CGTN (then operating under a different name) mentioned China, emphasized the role its doctors played in the relief efforts. In reality, China had [spent far less](#) than the US, United Kingdom and Germany fighting the disease.

Western news channels, such as the BBC, whose broadcasts in many African nations are not subject to the kind of government censorship that they are in China, were available only on more expensive packages.

## **A huge turning point**

In a flashy business district in downtown Nairobi, Japhet Akhulia is celebrating at the StarTimes' new glass headquarters.

After another round of price slashing, StarTimes has hit 1.5 million subscribers in Kenya, putting it just behind the established player MultiChoice, says Akhulia, brand marketing director for the company in the East African country.



Japhet Akhulia is the director of brand marketing at StarTimes Kenya.

StarTimes has been in Kenya since 2012, but its recent growth has been driven, at least in part, by the support of President Xi.

In 2018, Beijing gave Akhulia's team 800 million Kenyan shillings (roughly \$7.8 million) to roll out the 10,000 Villages project in Kenya. That money would take StarTimes to an additional 16,000 households and 2,400 public institutions, such as schools and hospitals, across the country for free. Half that money was for equipment, and the half was for implementation costs including travel of StarTimes' staff.

In most villages where the StarTimes installs TV for free, a mural is painted with the flags of Kenya and China side by side. That StarTimes enjoys a mutually beneficial relationship with Beijing is clear: the company is paid to execute the 10,000 Villages Project, and gains more customers from doing so. Xi gets to put Chinese content into households across Africa.

That symbiotic relationship caused onlookers like Lewis to question how private StarTimes really is.

"It's obviously a proxy for the Chinese state," she said.

Pang has never given an interview to Western media, enabling him to answer such allegations. As the StarTimes' founder's fortunes have amassed, he has kept an assiduously low profile even on matters such as whether or not he is a Communist Party member.

When asked about the government's relationship with StarTimes, a spokesperson for the Chinese Ministry of Foreign Affairs in Beijing said via fax: "The Chinese government is always encouraging quality and reputable Chinese enterprises to develop in Africa."

"It's not easy to carry out the 10,000 villages project. Many foreign countries have neither the capability nor willingness to do this. In fact, the project has earned extensive recognition from local governments and people," the spokesperson continued. "Last year, elementary students in remote Zambia watched the World Cup thanks to this project. Zambian president Edgar Lungu said publicly several times that the China-Zambia relations are mutually beneficial, and any distorted publicity can't stop us from advancing our friendship for mutual principles and benefits."

## **Localized content**

Sande Bush is a comedian known as Dr. Ofweneke. But recently he's been wondering if his stage name should be Dr. Love. That's because Bush is the co-presenter of hit dating TV show "Hello, Mr. Right," which pairs Kenyans with potential love matches.

"Actually, men have proposed on air," says Bush. "These guys were literally just falling in love at first sight. It was beautiful."

"Hello, Mr. Right" is important because it was StarTimes' first foray into producing African-made content in Kenya, having already successfully tested the waters in Nigeria. The project shows how the Chinese company

is evolving in local markets to maintain its foothold.

While conceived and directed by Chinese executives, the format of the show was shaped by its African co-hosts Bush and Vera Sadika. "It was easy to communicate. We gave them fresh ideas. We're very modern and we know what's trendy," Sadika said.



Comedian Dr. Ofweneke is the co-host of the popular StarTimes dating show "Hello, Mr. Right." As StarTimes secured its stronghold in Africa, creating localized content was key to growing its position in the market — and warding off Western competitors, who having seen the success of Chinese companies like StarTimes and Transsion on the continent. Meanwhile Netflix has been painfully slow to the continent. It finally entered Africa in 2016 — but even then it encountered criticism for demanding too much bandwidth for many slow internet connections in the region, where many people still have pay-as-you-go data contracts. Good internet speeds can be [prohibitively](#) expensive.

StarTimes' localization has benefited local African creative industries, which have received investment from the Chinese firm.

"Africa is a scientific experiment for the creative industries of China," Lewis said, noting that the underdeveloped market in Africa often gives entrepreneurs a blank slate to play with.

The more Chinese firms invest and experiment in Africa, the deeper their marketplace dominance is entrenched on the continent — and the more Beijing's soft power grows. While Spotify and Apple Music target users [mostly in developed markets](#), for example, [Boomplay, which is owned by two Chinese companies](#), has become the largest streaming music service in Africa; it has 46 million users on the continent with a catalog of five million videos and songs, according to the company's figures.



That early adoption advantage is what StarTimes has been banking on for decades, as it hoovers up government contracts and customers, from poor to elite, sewing up television markets across the continent. As the African

continent continues to migrate to digital TV, StarTimes' subscriber base is predicted to jump to 14.85 million by 2024, according to Digital TV Research — putting it ahead of MultiChoice.

That will only deepen China's influence in a region that the West once saw as "the Hopeless Continent." But should African nations be worried about StarTimes' influence and relationship with Beijing, in the same way the West is about Huawei?

Madrid-Morales doesn't think so. The potential negative consequences of having StarTimes dominate Africa's television networks are still just possibilities, he said. Secondly, the costs associated with building these networks are enormous.

Many countries couldn't have done it without Beijing.

"In the tradeoff between letting go of some sovereignty and building a state-of-the-art telecommunications network, most African countries have chosen the latter," he said.

CNN's Serenitie Wang also contributed to this report.