

The Arab Spring

Events in the Middle East during 2011 meant the region's satellite operators experienced the Best of Times, the Worst of Times, as Chris Forrester explains.

By any measure, the satellite operators working over the Middle East are having a very busy time. On the upside, demand for extra capacity seems never-ending. The 'Arab Spring' series of revolutions last year have also created a fresh thirst from various newcomers, but also created a massive increase in signal jamming affecting almost every satellite operator.

Indeed, for years, any rebellious *coup d'état* would simply target the presidential palace followed quickly by an attack on the nation's radio station. Control of those two gave any would-be revolutionary a much



better chance of success. Today's 'Arab Spring' series of Middle East uprisings have taken those traditional targets one step further: now they target the satellite TV stations, and throughout the Arab world this fresh taste of democracy has resulted in some dramatic changes to the broadcasting landscape.

Almost without exception, viewers have turned away from their old state-backed news outlets and instead turned to independent news sources. Al Jazeera out of Qatar, and MBC's Al-Arabiya have done exceptionally well, as have trusted non-Arab broadcasters such as the BBC and CNN.

The BBC's Arabic and especially its Farsi (Persian) channel have both suffered from extensive signal jamming over the past year, and there seems no sign of that problem ending.



"The new freedoms we are seeing in the Middle East are leading to fresh demand."

SALAH HAMZA, NILESAT

POWER STRIKES. Foreign journalists got well-merited credit for helping to publicise popular uprisings against the region's despots. Satellite TV stations such as Al Jazeera in particular, struck at the very roots of power in many Arab states by making official censorship irrelevant and by competing very successfully against government propaganda.

The backlash against Authority was most public in Egypt and saw the arrest in February 2011 of Hosni Mubarak. The transformation at the giant Nile-side ERTU building was almost instantaneous. Within hours Egypt's state-supported television began congratulating the Egyptian people, "for their pure great revolution, led by the best of the Egyptian youth." The next day Egypt's MENA state news agency issued a statement assuring the people that, "Egyptian TV will be honest in carrying its



message” and since it “is owned by the people of Egypt [it] will be in their service.”

A few days later, the arrests started.

“Corruption, nepotism, favouritism and a waste of public money are pervasive inside [Maspero, Egypt’s Nile-side TV HQ]. You can see signs of them everywhere,” said Shahira Amin, a well-known Nile TV news anchor who quit last year in protest at the behaviour of government forces. “The whole system should be changed,” she argued.

CORRUPTION. A former Egyptian Minister of Information, Anas al-Fikki, was arrested on

Egyptian Radio and Television Union’s (ERTU, the nation’s public broadcaster), was also arrested, and imprisoned pending trial.

Media-related corruption allegations spread far and wide and Egypt’s attorney general froze the assets of both men. Al-Fikki, in a very public trial, was sentenced to seven years in prison for “squandering public funds from ERTU.” Alongside him in the Court was broadcasting boss Osama el-Sheikh. He received five

February 23rd 2011 on charges of corruption. A few hours later, Osama el-Sheikh, the chairman of

Piracy is a major problem....

Signal theft remains a serious problem for all of the region’s pay-TV broadcasters. In December 2011 an Emirati Internet pirate was apprehended by Abu Dhabi police for downloading and distributing subscription TV content and is facing a fine of nearly \$1m. The Arabian Anti-Piracy Alliance (AAA) filed a complaint on behalf of local pay-TV network Orbit Showtime Network with Abu Dhabi police and a local Emirati citizen was arrested on 802 counts of piracy violations.

.....And frequency squabbles need solving

Eutelsat and Arabsat (and to a certain extent Intelsat) are involved in a squabble over a non-existent satellite called Zohreh-2. Zohreh-2 is a planned Iranian craft, and its frequencies have – Iran claims – been used without its permission by Intelsat, Eutelsat and Arabsat. The operators absolutely deny this, and the squabble was being discussed by the ITU assembly in Geneva in late January.

years in prison for paying over the odds for a television drama series. Other charges were laid against Safwat el-Sherif, a former powerful Information Minister for Egypt.

As readers will know, the political situation in Egypt remains extremely tense. However, there has been a dramatic upside. The Arab Spring, at least as far as Egypt’s broadcasting freedoms were concerned, has resulted in even greater demand for satellite capacity, says NileSat’s CTO Salah Hamza. “The new freedoms we are seeing in the Middle East are leading to fresh demand. Would-be broadcasters want to be on our neighbourhood,” says Hamza. “This itself could lead to a major flowering of creativity. In general the national stations have fallen well behind the private [non-government] channels. Egypt’s new Prime Minister seemed to recognise this when

2012 Status Report

Arabsat

Hugely busy, and thanks to its aggressive build and launch policy it now has a very young fleet. Its C-Band coverage over Africa is also paying dividends.

Nilesat

100% sold out. Were it not for its close relationship with Eutelsat (and Noorsat) it would be unable to satisfy demand. Nilesat has a growing success in hosting entrepreneurial broadcasters from its 6th October City, Cairo, base.

Eutelsat

Growing success and importance in the region, although a frequency spat with Arabsat (see separate panel) needs sorting out.

Noorsat

A sub-licensee of Eutelsat capacity, but has carved out a profitable niche for itself in re-selling bandwidth.

Intelsat

Huge amount of very busy capacity over the Middle East especially for government and military clients, although not a major DTH supplier into the region.

YahSat

The 'New Kid on the Block'. After a slow start it is now making progress in its goal of becoming the HDTV 'hot spot' for the region. SES has the marketing responsibility for YahSat.



"Security will no longer make inquiries into Egyptians who wish to establish satellite channels."

OSAMA SALEH, EGYPT PUBLIC AUTHORITY FOR INVESTMENT AND FREE ZONES

he first visited the private TV channels prior to visiting Egypt's public channels. He feels that if he wants to talk to people he had to address the private channels where the mass market viewers are."



FRESH INVESTMENT. Egypt's Public Authority for Investment and Free Zones, which oversees broadcasting production out of Egypt's Media Production City and the Nilesat transmission facility, said Egypt's new – more relaxed – regulations were designed to attract fresh investment in the media sector. Broadcasters will no longer have to obtain the approval of Egypt's security services. The first flood of applicants saw 16 new channels approved by the end of April 2011. Osama Saleh, head of the authority, announced that

security would no longer make inquiries into Egyptians who wish to establish satellite channels, and that channels will be granted licences to present general rather than specialised content.

While this is creating fresh opportunities for Nilesat, there are also problems. "What is really bothering us today is signal jamming in our region. The problem itself is not new but what is now different is the intensity of the jamming," adds Hamza.

One major broadcaster hit in March last



New growth, new talent

Just three years ago Abu Dhabi's government established a tax-free entertainment and media zone in the city, the capital of the United Arab Emirates (UAE). TwoFour54, which is the site's geographic location (24 degrees North, 54 degrees East) was the result. TwoFour54 deliberately set out to be tangibly different from the UAE's well-

established media success at nearby Dubai. TwoFour54's strategy was to focus on building new relationships but which would train and, over time, provide real jobs for local Emiratis.

TwoFour54 has been, by any measure, a significant success. It has secured CNN's Middle East 'hub'. Sky News Arabia is busy building its 960 sq metre news studio and 300-staff broadcasting centre at a twoFour54 facility. Turner Broadcasting has established a Cartoon Network Animation Academy and the first students have graduated. Viacom

has set up a very active Comedy Central Studios Arabia at twoFour54's Khalifa Park facility, and pilot programming is being made.

Games giant UbiSoft has established an office, and is recruiting the first of 150 planned staff.

"There's a step-change taking place here, where Abu Dhabi is being recognised as an ideas capital, and we want to increase that role."

WAYNE BORG, TWOFOUR54.

TropFest, the extremely popular Australian scheme to encourage short films, has held its first event in Abu Dhabi, and looks like being an annual event in the region.

TwoFour54 is now hosting 11 channels, and given that it sees some 9,000 new media-related jobs being created in the Emirate over the next five-to-seven years, the prospects look good. Two thousand people are now working in and around its Abu Dhabi facilities.

"There's a step-change taking place here, where Abu Dhabi is being recognised as an ideas capital, and we want to increase that role," declared Wayne Borg, deputy CEO at twoFour54.

The Arab Spring

A series of popular revolutions started on 18 December 2010 in Tunisia. The president was toppled. The uprising spread to Algeria by 28 December, and major street demonstrations in the Lebanon by 12 January 2011, and Jordan on 14 January. Mauritania followed on 17 January, along with Sudan and Oman on the same day. Morocco saw street protests on 30 January. Yemen was in full civil war by 3 February, and Saudi Arabia experienced unheard of street demonstrations on 21 January last year.

By 25 January, the street demonstrations in the Middle East's cultural and political heartland of Egypt were measured in the hundreds of thousands. Eighteen days later, Mubarak resigned. Iraq saw major street demonstrations start on 10 February, followed by Bahrain on 14 February. Libya's protesters rose on 15 February. Kuwait saw its first protests on 18 February. Syria's protesters were kept in check until 15 March when civilians attacked public buildings. Syria's unrest continues, while the situation in Bahrain remains extremely tense.

year by the signal jamming is Dubai-based MBC and its Al Arabiya all-news channel. That burst of jamming, says experts, came from "somewhere southeast of Tripoli [Libya]." Al Jazeera has also suffered badly at the hands of thugs. One of its journalists was murdered on March 12th while filming in Libya. Waddah Khanfar, then director of Al-Jazeera Network, said: "To those who are trying to muzzle Al-Jazeera through criminal acts, killing its correspondents and those working for it, blocking its signal, or jamming its signal, I would like to tell them that no one can hide the truth. We live in times where the truth is defended by soldiers who believe in a true message, and we will continue to deliver our message no matter what the cost."

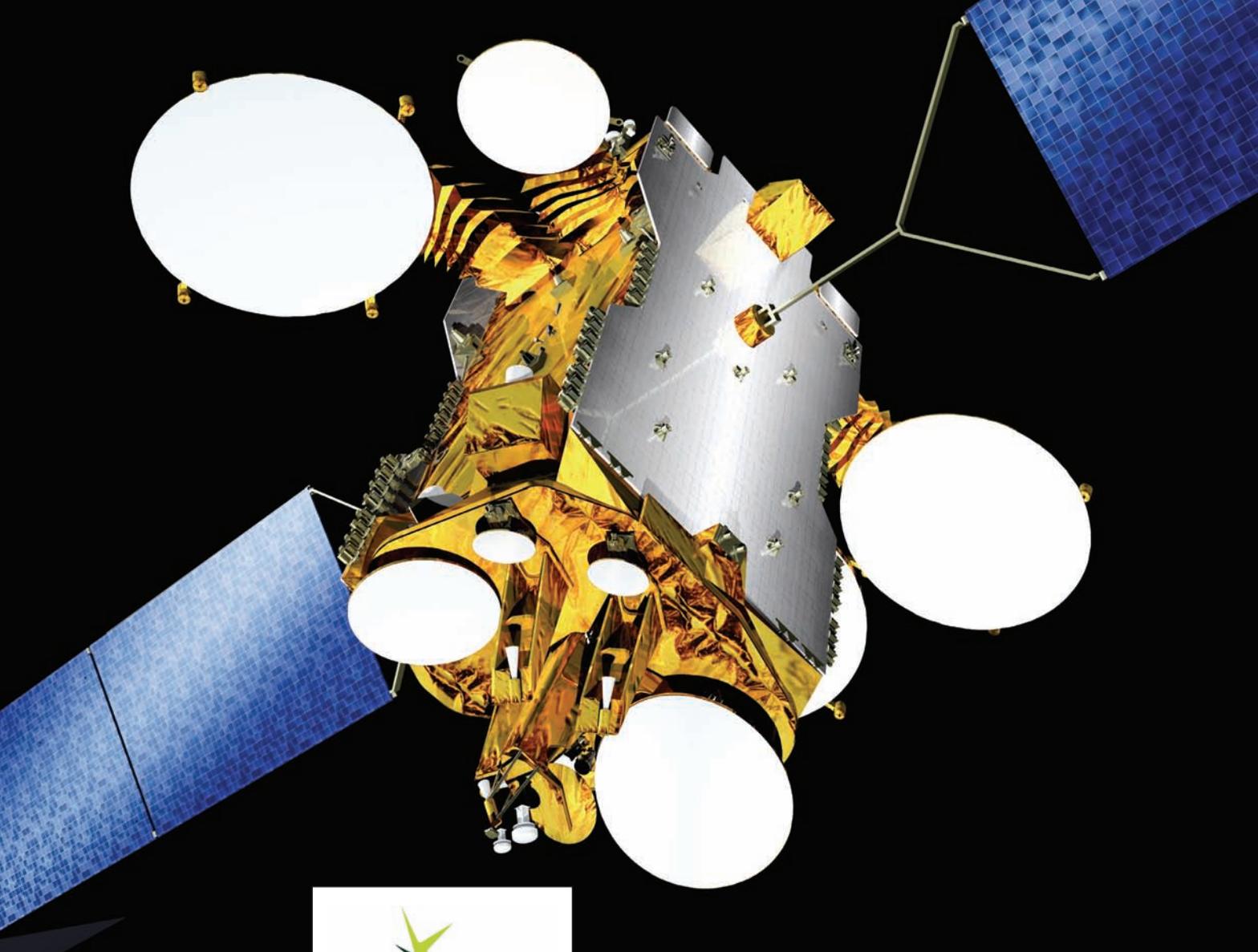
JAMMING. The jamming, from elsewhere in the region, has continued, affecting Nilesat, Arabsat, Eutelsat and many of their clients. Many broadcasters in the region use organisations like GlobeCast for uplink and satellite linking. GlobeCast frequently lease complete transponders on these satellites and while it might be just a single channel that is the focus of signal jamming, it tends to impact all of the other channels on that multiplexed transponder. This makes life extremely complicated for everyone.

Nilesat's Hamza admits his team can do very little. "They are jamming several



Mohamed Youssif, CEO, YahLive, hopes YahSat becomes the region's HD 'hot spot'.

transponders at the same time, affecting Al Jazeera, Al Hurra, Alarabiya and others, all news channels. The broadcasters involved are being moved to spare frequencies on our satellites but this latest jamming is at very high power levels. We are left with very little that we can do. Even reducing the actual power of the satellite is not having much effect."



Last year it was Libya. Now it is Syria and Iran that are the troublemakers, and even Ethiopia. BBC Persian, the BBC's Farsi-language TV channel, continues to suffer jamming by Iran. The BBC's broadcasts have suffered interference since the middle of last year, including transmissions from Eutelsat's 'Hot Bird' satellite, and its W3A craft, which also beams signals over parts of the Middle East. BBC officials have appealed to Tehran authorities to stop what they described as "illegal acts".

STRONG DENIAL. One bizarre claim in November 2011 saw Eutelsat accused of somehow jamming its own signals! Eutelsat issued a strongly-worded denial of the accusations, saying: "Eutelsat categorically refutes recent reports that claim it is generating interference to its own satellites in order to prevent reception in Iran of international Farsi satellite channels. These allegations are in total contradiction with reality. They are also totally inconsistent with the statement issued in September by the BBC which associates Eutelsat with their renewed appeal for action by regulatory authorities to combat this violation of international rights."

"Over more than two years Eutelsat has publicly condemned intentional jamming of its satellites by

third parties, organised to prevent reception of international Farsi channels including BBC Persian, Voice of America and Deutsche Welle. We have identified the location of the jamming from within Iran, and since May 2009, have filed multiple complaints with the relevant French and international regulatory authorities to denounce hostile jamming operations and to prompt the International Telecommunication Union (a United Nations Agency) to address this illegal practice as a priority issue."

At the end of December 2011 it was Al Jazeera that again suffered extensive jamming. Signals on Nilesat and Arabsat were affected. Al Jazeera implied that the source of the interference is most likely Syria, based on Al-Jazeera's coverage of the events there, which drew wide international attention due to its coverage of the rebel's demonstrations and their repression. Al-Jazeera suffered all year long from a number of methods to jam its network's transmission during the outbreak of the Arab revolutions in Egypt, Libya, and

Syria. In January, it was Ethiopia, where the TPLF [Tigray People's Liberation Front], the dominant party within Ethiopia's ruling coalition, was accused of jamming all five of the nation's own channels in an attempt to drown out a single channel backed by an opposition party.

RELAXATION. These problems aside, Hamza is optimistic: "Today, we have more clients than ever. Since the problems, we now have a long list of private individuals and organisations who want to broadcast TV channels on Nilesat, and now have the freedom to do so. There's another change. A few months back, under the old regime, we were obliged to remove certain channels. They are now all back on air with us."

There have been difficult decisions too. While the Arab League stepped in and formally asked Arabsat and Nilesat to cease transmissions of Libya's 'official' Jamahiriya Satellite Channel and "any other channel" that might be sympathetic to the Libyan government, the request placed Arabsat and Nilesat in something of a dilemma: they held valid long-term contracts with the Libyans. It took almost a month for the Libyan state-backed channels to be switched off (which happened

on July 11).

By June, there were other problems for Nilesat when a couple of channels (Wisal and Safa TV) beamed out rabid sectarianism and attacked the religious beliefs of others, without any attempt at impartiality. In an official ultimatum, Nilesat warned the broadcasters behind Wisal

and Safa that according to their contracts the channels must comply with Nilesat's demand to cease broadcasting programmes that breach the terms of their contracts. The ultimatum added that, "if the two channels continue their breach of the contracts by broadcasting offensive material, the broadcasting of the two channels will be ceased immediately and the contracts will be null and void."

RISKS. There are other risks. Cairo-based media expert Yasser Abdel-Aziz, says: "Raising the ceiling of free expression in the wake of the revolution has lured the mass media in general to pick up thrilling stories and offer sensational material that drifts from the basic target of the media service in favour of commercial prospects," adding that lifting the lid off a once tightly-controlled media has generated a fervent tendency in the opposite direction.

The new freedoms are encouraging heavy-weight players to enter the TV market directly. Fast-growing Middle East broadcasting group Rotana, where Rupert Murdoch's News Corp is a significant shareholder, has launched a general entertainment channel specifically for the giant Egyptian market. Rotana is backed by Saudi billionaire Prince Alwaleed bin Talal. The decision is a direct attack on Egypt's state-backed ERTU cluster of channels. Moreover, the channel features Dr Hala Sarhan, president of Rotana Studios, and an extremely popular face on Egyptian TV.

Fahad Alsukait, CEO of Rotana Group, said the new channel confirmed their strong commitment to Egyptian viewers and Rotana had plans to expand its presence in Egypt. He added: "We continue to believe in the strong

The Arab Spring – the key markets*

	Population	% under 30
Morocco	32m	56%
Algeria	35m	55%
Tunisia	10.6m	50%
Libya	6.6m	60%
Egypt	82m	61%
Lebanon	4.1m	50%
Syria	22.5m	66%
Jordan	6.5m	64%
Iraq	30.4m	67%
Saudi Arabia	26m	60%
Yemen	24m	73%
Kuwait	2.6m	54%
Bahrain	1.2m	48%
Oman	3m	63%
Iran	77.9m	57%

*Each has suffered some form of public protest
Data: Middle East Inst/National Geographic.
July 2011

LAUNCH. Prince Alwaleed is also busy in the news arena. He is reportedly looking to link with Bloomberg in order to launch an Arabic news channel, 'Alarab' with a five-hour programming block produced under the Bloomberg brand. But, and perhaps bizarrely, if this project does go ahead, then it would be competing directly with Sky News Arabia, now busy recruiting staff for its Spring 2012 launch. Alwaleed is a 7% shareholder in News Corp, which backs BSkyB. Even more courageously, the billionaire prince says Alarab will launch in the region "and around the world". No firm date has been given as to when the launch will happen.

Getting a firm hand on the number of channels launched since the start of the "Arab Spring" is difficult. Some feeling for the rate of progress can be seen in Arab Advisors Group's (AAG) latest report. The number of FTA satellite TV channels in the Arab World increased by 10.5% between April 2010 and April 2011 to reach 538 channels broadcast on Arabsat, Nilesat and Noorsat. AAG research revealed that the highest number of channel types were the private-sector general channels followed by government-sector general channels.

The FTA landscape had a major growth of 438% in the number of FTA satellite channels between January 2004 and April 2011. The number of the fully launched and operational channels; excluding channels in the test transmission phase, reached 501, up from 448 in April 2010.

RISING VIEWING. Analysts at Omnicom Media say TV viewing during the Arab Spring expanded dramatically. During the first quarter of 2011, the average daily television

The Nilesat fleet*

Nilesat 101	Launched July 1998, end of life 2013
Nilesat 102	Launched August 2000, end of life 2015
Nilesat 104	Leased capacity from Eutelsat
Nilesat 201	Launched August 2010

*Also operating from the Nilesat orbital spot is capacity from Eutelsat (operated as Atlantic Bird 4A from 8 degrees West) and some capacity from Noorsat 2, which is itself leasing capacity from Eutelsat)

market growth Egypt will enjoy medium to long term and our investment in the new channel is to express such confidence and fits with the business plan of the group."

CHANNEL

consumption in Saudi Arabia rose to six hours a day, and to five hours in the neighbouring UAE, as viewers in the Gulf nations tried to get a grip on the momentous events elsewhere in the Arab world.

News broadcasting peaked with audiences tuning in to Al Jazeera and MBC's Al Arabiya *en masse*, says the study, helping to propel the genre to that of 'most watched' in the region. Indeed the two Arabic news channels almost doubled their viewing figures in February, according to the report.

Western expatriates living in the Middle East and North Africa also tuned in more regularly to satellite news channels such as BBC World News and CNN, which saw a total escalation in audience of 78% during the first quarter of 2011.

SOCIAL MEDIA. The part social media has played in the region's popular uprisings has been well documented, and the rise in Facebook users in the Arab world bears out the theorists, according to Omnicom. Perhaps unsurprisingly, Egyptians embraced the social network the most tightly, with 2m new users registered in the populous North African nation since January last year. Daily visitors to Facebook from Egypt now typically number 80,000, followed by Saudi Arabia with 70,000 and the UAE with 38,000.

Advertising revenue in the Arab world is also starting to recover after a staggering regional loss of US\$100m in February 2011 alone, when marketers apparently got cold feet in case the companies they represented were accused of political bias during times of tumult. Regional media expenditure has, reports Omnicom, been rising again since March 2011.

The 'Arab Spring' is far from over, and its overall political outcome far from certain. However, the broadcasting outcome seems extremely healthy. There are new channels, and new freedoms of expression on existing channels. There will, inevitably, be teething problems in these new found freedoms, but hopefully over time the violent swings of the recent broadcasting pendulum will settle at mid-point. We can but hope.