

PRINCIPLES OF TARRIF MAKING

Introduction

Licensing in collective Management refers to the process of dealing with the authorization of the rightsholders' works. If a user meets the conditions set by the Society, he will be licensed to use works in the repertoire of the Society. It involves the granting of authorization by the collecting Society as the "owner" of the administered rights, to those who wish to use the music (for either public performance, broadcasting or mechanical reproduction). Usually, the authorization is for the entire world repertoire.

This authorization to use the works is given in the form of a contract in which the collecting entity on its part agrees to certain uses of the works, and the users also on their part undertake to pay the agreed royalty, and to submit accounts of works used. The document called 'licence' is in fact the contract, with all the necessary conditions, against which the user must countersign upon issuance. When this happens, it becomes a license agreement/contract with legal obligations for either parties. The main steps in the licensing process are as follows;

1. Research and understanding of the industry which involves collection and processing of data on the intensity of usage, permanency of the business, and importance and value of the works' usage to the business.
2. Tariff formulation
3. Benchmarking
4. Negotiations

Tariffs are the values set out for creators'/right holders' property. When formulating tariff structures, and since the payments are to be a fair compensation for use, the standard consideration to be put in mind is the determination of the importance of music to the business and type of use. Once this is known, then a structure is done based on either one or a combination of the following;

1. Percentage % of revenue
2. As a lump sum figure, or
3. Based on floor area, number of subscribers to a service, number of patrons in an establishment.

Price Adjustments

1. Principle of fair Compensation – fair remuneration for the rights holders' investment

2. Economic circumstances vary periodically in countries & regions
3. Relative status of value of rights holders
4. Benchmarking with other countries
5. CMOs do not operate in a vacuum – also through reciprocal agreements with other countries

Price Consideration

1. The set prices should be sensitive to changes in socio – economical and political circumstances.
2. Changes in value attribution of music by users (greater or lesser value)
3. Changes in economic circumstances – inflation, recession, economic growth/collapse and usage parameters.
4. Changes in political circumstances – geopolitical, legal/legislative.

PROPOSED TARIFF SUBJECT TO VALIDATION WITH BMOS

PROPOSED CONSOLIDATED (MUSIC AND AUDIO VISUAL WORKS) TARIFF 2025 - 2028							
Category	Parameters	Classification	Consolidated Sound and Audio-visual tariff 2023-2025	Consolidated (Music and Audio Visual works) tariff 2025 - 2028	COMMENTS GIVEN TO CMOS	COMMENTS GIVEN TO KECOBO	PROPOSED TARIFF WITH COMMENTS
Aircraft - CMT 1	Seating Capacity	Passenger seat per annum	Sh. 750 subject to a minimum annual fee of Sh. 20,000 per aircraft	Sh. 900, subject to minimum annual fee of Sh. 25,000 per aircraft	Stakeholder Inputs: No objection. Proposed Way Forward: Retain	No comment	No comment. Retain the draft.

					draft as circulated.		
Amusement Parks/Arcades and Fairgrounds -CMT 2	Flat rate per class	Cities	Sh. 30,000	Sh. 40,000	Stakeholder Inputs: No objection. Proposed Way Forward: Retain draft; verify city/urban definitions.	PERAK – Proposes to clarify and correctly categorise the nature of the business. MELTA- Proposes to clarify and correctly categorise the nature of the business.	The proposal does not match the criteria under the CMT, therefore not applicable.
		All Other Areas	Sh. 20,000	Sh. 25,000			
Professional Training programmes, Dance Schools, DJ Academies and Music	Flat Rate	Annual Rate	NEW	Sh. 20,000	Stakeholder Inputs: No objection. Proposed Way Forward: Retain draft.	No comment	Retain draft.

Schools - CMT 3							
Cinema theatres/C abaret, Open Air Cinemas and or Video Shows similar establishments and - CMT 4	Flat rate per cinema theatre	Annual	Sh. 100,000	Sh. 100,000	Stakeholder Inputs: No objection. Proposed Way Forward: Retain draft.	No comment	Retain draft.
	Per day, per county,	Cities and Urban areas	NEW	Sh. 8,000			
		All other areas	NEW	Sh 4,000			
Private Members Clubs-CMT 5	Flat rate	Cities	Sh. 60,000	Sh. 100,000	Stakeholder Inputs: No objection. Proposed Way Forward: Retain draft.	KAHC proposes – 20% SBP and 30% LL. PERAK - Proposes Kshs. 100,000 in cities and Kshs. 75,000 in other areas per annum. MELTA - Proposes Kshs.	In agreement with PERAK's suggestion with Kshs. 100,000 in cities and KShs. 75,000 in other areas.
		All Other Areas	Sh. 45,000	Sh. 75,000			

						100,000 in cities and Kshs. 75,000 in other areas per annum.	
Discotheques, Night Clubs Dancehalls, and Casinos-CMT 6	Percentage of Gross Ticket sales	Cities	Sh. 150,000	5% of income subject to minimum of Sh. 150,000	Stakeholder Inputs: <ul style="list-style-type: none">Propose percentage based tariff tied to business permit (suggested 15%).Request disclosure of benchmark countries used in price discovery.	PERAK- Proposes 20% SBP MELTA- Proposes 20% SBP	We have considered PERAK suggestion and we are of the opinion that we should lower our minimum to Kshs. 150,000 but maintain the 5% of gross ticket sales subject to the said minimum.
		All Other Areas	Sh. 80,000	5% of income subject to minimum of Sh. 100,000			This is based on SAMPRA which provides for 2% of related rights, therefore 3% for copyright would be reasonable which totals to 5% which is being charged in Kenya.

					<p>Proposed Way Forward:</p> <ul style="list-style-type: none"> Option A: Maintain flat rate with transparent benchmarking dossier (countries, comparators, exchange rates, inflation indices, music use intensity). Option B: Adopt a hybrid: % of Single Business Permit (SBP) with a floor (minimum) and cap, plus city/other areas differential. Action: Prepare benchmark annex; model revenue 	
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					neutrality against historic collections; run affordability tests for SMEs.		
Medical Facilities - CMT 7	Hospital	Level 1	Sh. 50,000	Sh. 50,000	Stakeholder Inputs: No objection. Proposed Way Forward: Retain draft; circulate a level-of-care matrix to reduce classification disputes.	No comment	Retain tariff
		Level 2	NEW	Sh. 80,000			
		Level 3	Sh. 80,000	Sh. 100,000			
		Level 4	Sh. 200,000	Sh. 200,000			
		Level 5	Sh. 500,000	Sh. 500,000			
		Level 6	Sh. 1,000,000	Sh. 1,000,000			
	Clinics, Spas, Chemists,	Flat rate	Sh. 25,000	Sh. 15,000			

	Pharmacy Outlets						
Bars, Restaurants, Cafes, Road houses Lounges, Eateries, Taverns, Beer Gardens, Motels, Lodgings, camps, Cottages, Furnished, Serviced apartments, Airbnb and similar establishments- CMT 8	Percentage of Single Business Permit and Liquor License Annual	Cities and Urban Areas	80% of SBP and Liquor license or 100% of SBP Subject to a minimum of Sh.9,000	70% of SBP plus 70% of Liquor license or 100% of SBP, Subject to a minimum of Sh. 10,000	Stakeholder Inputs: Hospitality industry proposes 10% of SBP. General concern that the tariff is too expensive to comply with.	Gedion Ndege – Proposed for the abolishment of this specific tariff as it is double taxation.	We maintain the proposed tariff as 70% of SBP plus 70% of Liquor license or 100% of SBP, Subject to a minimum of Sh. 10,000 We have reduced from the previous tariff. There is no tariff based on SBP to benchmark.
		Other areas		70% of SBP plus 70% of Liquor license or 100% of SBP Subject to a minimum of Sh. 7,000		PERAK – Propose 15% of SBP and exclude liquor license MELTA – Propose 15% of SBP and exclude liquor license	

Hotels, Lodges and similar establishments -CMT 9	(STAR RATE) Flat Rate per Percentage of Single Business Permit and Liquor License	1	NEW	Sh. 200,000	Stakeholder Inputs: KAHC: 10% of SBP and 25% of Liquor Licence (min KES 6,000 for wine & spirits). MELTA: 15% of annual SBP value.	KAHC- proposes 20% SBP and 30% LL.	This tariff requires further negotiations between the CMOs and BMOs to find a middle ground.
		2	NEW	Sh. 300,000			
		3	NEW	Sh. 400,000			
		4	NEW	Sh. 500,000			
		5	NEW	Sh. 600,000			
Mobile DJs -CMT 10	Flat rate annual or per event	Per Disk Jockey – Annual	Sh. 20,000	Sh. 30,000	Stakeholder Inputs: Divide the tariff into classes (reflecting different financial muscle).	No comment	We propose lowering the daily charges to Kshs. 5,000 for cities and Kshs. 3,000 for other regions to encourage compliance.

				<p>Charge DJs as a % of income per event (fairer differentiation).</p> <p>Alternative view: Scrap DJ licensing and require product promoters to license on behalf of DJs.</p> <p>Proposed Way Forward:</p> <p>Option A: Tiered annual + per event matrix by event size/fee bracket; allow promoter borne licensing where applicable.</p> <p>Option B: Promoter only licensing for commercial events; DJs exempt where promoter license</p>		
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					covers performance.		
		Per Disk Jockey - per event	Sh. 30,000	Sh. 5,000	<ul style="list-style-type: none"> Harmonize with CMT 12/13 to avoid double licensing at concerts. 		
Motor Vehicles - All commercial vehicles PSVs, TSVs, taxis, car hire, etc. and Passenger Trains - CMT 11	Flat rate per seating capacity cluster, and per passenger or train wagon	Trucks, Trailers, Lorries and similar commercial vehicles	Sh. 4,000	Sh. 4,000	Stakeholder Inputs: <ul style="list-style-type: none"> •TSVs should not be licensed (radio deemed a statutory requirement). •Proposed increase from KES 4,000 to 8,000 for commercial vehicles is too high; cap 	RETRAK – proposed full waiver of fees for trucks, trailers and lorry as they are not used for entertainment but transportation of goods. PERAK – propose TVS to pay KShs. 200 per seat per annum as radio are used for	We have considered PERAK's proposal and we suggest that TSVs and Trucks should be charged at Kshs. 4,000 34 and above seater – Kshs. 16,000 Motorcycle – Kshs. 1,000

					<p>increment at $\leq 50\%$.</p> <ul style="list-style-type: none"> • Remove tuktuks and motorcycles from the tariff list as they are already considered a nuisance for noise pollution; licensing them would amount to legalizing such nuisance. • Consider removal of tuktuks and motorcycles from tariff categories, aligning with noise pollution regulations, and avoid legitimizing nuisance levels of public noise. 	<p>communication not entertainment.</p> <p>MELTA – propose TVS to pay KShs. 200 per seat per annum as radio are used for communication not entertainment.</p>	<p>We have retained all others.</p>
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					<p>Proposed Way Forward:</p> <ul style="list-style-type: none"> •Review TSV applicability; consider exemption where use is purely statutory/safety driven and not for public entertainment. •Temper the increase (e.g., KES 6,000 midpoint); keep seat capacity bands. • 		
		1 - 5 seaters, including taxis	Sh. 4,000	Sh. 6,000			
		6 - 14 seaters	Sh 5,500	Sh. 7,500			
		15 - 33 seaters	Sh. 8,000	Sh. 12,500			

		34 and above seaters	Sh. 12,000	Sh. 16,000			
		Motor cycles	New	Sh. 1,500			
		Tuk tuks	New	Sh. 1,000			
		Train Coaches per wagon	Sh. 20,000	Sh. 25,000			
		Marine vessel	Sh. 50,000	Sh. 60,000			
Regular Live Band, In-House Band Shows, House Bands, Nightly Band shows, Resident Musicians' Live Sets, Regular Venue-Based	Flat rate, per annum	Cities	Sh. 40,000	Sh. 50,000	Stakeholder Inputs: Replace flat rate with % of ticket sales. Proposed Way Forward: -Introduce gross ticket revenue % or hybrid flat-plus-% with a minimum, and local-artist rebates to promote live culture.	PERAK – proposes for cities Kshs. 50,000 per annum and other areas Kshs. 20,000 per annum. MELTA – proposes for cities Kshs. 50,000 per annum and other areas Kshs. 20,000 per annum.	We are aligned with PERAK and MELTA's proposal of the following: Cities Kshs. 50,000 per annum and other areas Kshs. 20,000 per annum.

Music Shows, Scheduled Live Music Entertainment, Live Band Performances or other such events - CMT 12							
		All Other Areas	New	Sh. 20,000			
Concerts and Live Shows - CMT 13	Cities and urban areas	Paying Concerts	NEW	5% of Income subject to a minimum Sh. 90,000	Stakeholder Inputs: Remove non paying concerts from the list (no revenue generated). Clarify that the income is from gate charges. Proposed Way Forward: •Exempt bona fide non commercial events	No comment	We retain our tariff as is.

					(charity/communit ity) upon proof; otherwise apply reduced minimum instead of blanket removal to deter disguised commercial events.		
		Non-paying Concerts		Sh. 50,000			
		Internationa l Concerts		5% of income subject to a minimum Sh 200,000			
	Other areas	Paying Concerts	NEW	5% of Income subject to a minimum Sh. 50,000			
		Non-paying Concerts		Sh. 30,000			

		International Concerts		5% of Income subject to a minimum Sh. 100,000			
Roadshows -CMT 14	Per. corporate, Daily Rate, Per Annum. National	Per truck/event	Sh. 50,000	Sh. 50,000	Stakeholder Inputs: Per county payment is not sustainable; remove. Proposed Way Forward: •Replace per county structure with a national pass (tiered by		We have considered MultiChoice, Startimes, Wananchi, Go TV, Azam Tv, EABL, Media Max and remove per brand per county and replace it with per corporate per annum. Increment from KShs. 990,000 to Kshs. 1,200,000
		Other vehicles/event	Sh. 20,000	Sh. 22,000			

					days/vehicle type) or regional clusters; maintain event day rates for short activations.	structure previously applied.	
	Annual Rate per corporate		Sh. 990,000	Sh. 1,200,000			
Promotional Activities and Activations - CMT 15	Chain businesses, Event per day.	Per corporate,	Sh. 50,000	Sh. 30,000	Stakeholder Inputs: No objection. Proposed Way Forward: Retain; ensure brand-based licensing aligns with CMT 14 to prevent overlap.	RETARK- Propose a full waiver for businesses already holding an annual license for music and audio-visual content.	The proposal by RETRAK is not tenable as the usage of music is different.
	Individual business, per event, per day.	Per brand.	NEW	Sh 10,000			
		Cities	Sh. 25,000				

<p>Banking Halls, Gyms Offices, and other similar establishments - CMT 16</p>	<p>Floor area in square feet (audible area)</p>	<p>All other areas</p>	<p>Sh. 15,000</p>	<p>1-1000 – Kshs. 25 1001-2000 – Kshs. 15 2001-4000 – Kshs. 12.5 4000 – 5000 – Kshs. 11 Subject to minimum of Kshs. 27,000 in the cities and 25,000 in all other areas</p>	<p>Stakeholder Inputs:</p> <ul style="list-style-type: none"> Remove offices entirely from the category (no public audience). For banking halls, avoid charging by number of TVs/speakers. <p>Proposed Way Forward:</p> <ul style="list-style-type: none"> Clarify public communication vs. private workspace: exempt non public office areas; license public facing areas only. Use floor area or customer 	<p>RETRAK – Proposes full waiver of office environment. Music played in offices is primarily ambient intended for employee wellbeing or background.</p>	<p>The proposal by RETRAK is not tenable as there is value created by the music played which creates and enhances the ambience of the office thus has to be compensated.</p> <p>We propose:</p> <p>(Only on audible areas:)</p> <p>Area in square feet (sq.ft)</p> <p>1-1000 – Kshs. 25 1001-2000 – Kshs. 15 2001-4000 – Kshs. 12.5 4000 – 5000 – Kshs. 11</p> <p>Subject to minimum of Kshs. 27,000 in the cities and 25,000 in all other areas</p>
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					service points as a simpler basis for banking halls.		
Hairdressing, salons, car wash, Barber shops, and similar establishments -CMT 17	Flat Rate	Cities	Sh. 7,500	Sh. 6,000	Stakeholder Inputs: No objection. Proposed Way Forward: Retain draft.	No comment	Reducing the tariff to improve compliance
		All Other Areas	Sh. 5,000	Sh. 4,000			
Halls, Shops/ Retail Shops, Retail Showrooms, Workshops, Supermarkets, go-downs, and other similar	Cities and Urban Areas subject to Size	above 20,000 sq.ft	Sh. 350,000	Sh. 250,000	Stakeholder Inputs: <ul style="list-style-type: none"> Cluster deemed too broad; subdivide into smaller classes. Query on parity: Why should a showroom pay KES 300,000 while a banking 	RETRAK- Proposes that that the proposed rate is 6 times higher than the international practice eg. South Africa (SAMRA) charges for the same space Kshs. 97150 where in Kenya we are charging Kshs. 400,000.	This tariff requires further negotiations between the CMOs and BMOs to find a middle ground.

establishments- CMT18					<p>hall pays KES 30,000 if usage is similar?</p> <ul style="list-style-type: none"> Propose linking tariff to SBP; call for accountability of collections vs. artist payouts. <p>Proposed Way Forward:</p> <ul style="list-style-type: none"> De cluster into retail, fitness/leisure, warehousing/go downs, and showrooms with distinct schedules. Re benchmark showrooms vs. banking halls (align with audience size/dwell time). 	<p>RETRAK is proposing 40% of the SBP which translates to KShs. 30,000 in cities and KShs. 22,500 in other areas.</p>	
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					<ul style="list-style-type: none"> Publish annual distribution transparency report (collections vs. payouts) to address accountability concerns. 		
		15,001-20,000 sq.ft	NEW	Sh. 220,000			
		10,001-15,000 sq.ft	NEW	Sh. 125,000			
		5,001-10,000 sq.ft	NEW	Sh. 95,000			
		3,001-5000 sq ft	NEW	Sh 65,000			
		1,001-3000 sq ft	NEW	Sh.50,000			
		501-1000 sq ft	NEW	Sh 25,000			
		1 -500sq ft	NEW	Sh. 10,000			

	Other Areas, subject to size	above 20,000 sq. ft	Sh. 200,000	Sh. 190,000			
		15,001-20,000 sq.ft	NEW	Sh. 125,000			
		10,001 to 15,000 sq. ft	NEW	Sh. 75,000			
		5,001 to 10,000 sq. ft	NEW	Sh. 50,000			
		3,001-5000sq ft	NEW	Sh. 25,000			
		1,001-3000sq ft	NEW	Sh 18,000			
		501-1,000sq ft	NEW	Sh 12,500			
		1-500 sq ft	NEW	Sh 8,000			
Commercial Broadcasting Services (Radio, Television)	Percentage of Gross Revenues, less statutory taxes,	Whether Radio OR TV, irrespective of	a.1% - 29% music content – 4.5 % b. Between 30% and 70% music content - 7.25%	a. 1% - 29%music content – 4.5 % b. Between 30%-70%	Stakeholder Inputs: Advertising and subscriptions have reduced; propose returning to a flat	MultiChoice-Revenue based tariff is not appropriate. MultiChoice, Startimes,	% is international best practice. We have not received any proposals or counterproposal and as

,pay subscripti ons and signal distributor and cable retransmis sion services)- CMT 19	subject to a minimum	classificatio n	c. Over 71% - 10% Minimum 500,000 Radio and TV 300,000	music content - 7.25% c. Over 71% music content- 10%	figure rather than % of gross revenue. Proposed Way Forward: Maintain music-content-b ased bands to reflect intensity of use.	Wananchi, Go TV, Azam Tv – Have proposed a flat fee subject to content based bands. There should be a distinction of free to air and pay television.	suggest we retain the figures.
		Subject to an annual minimum fee					
		National	NEW	Music content (Radio) 1%-29% Ksh.600,000 30% -70% Ksh.960,000 71%-100% Ksh.1,200,000 TV Content			

				1% -29% Ksh. 400,000		
				30%-70% Ksh.600,000		
				71%-100% Ksh.700,000		
				Music content (Radio)		
				1%-.29% Ksh.400,000		
				30%--70% Ksh.500,000		
				71%--100% Ksh.600,000		
				TV Content		
				1%-29% – Ksh. 200,000		
				30%-70%- Ksh.300,000		
				71%-100%- Ksh.400,000		
		Regional	NEW			

Non-Commercial Broadcasting Services (Radio, Television, pay subscriptions and signal distributor and cable retransmission services)-CMT 20	Percentage of Gross Revenues, less statutory taxes subject to a minimum.	Whether Radio OR TV, irrespective of classification	a. 1% - 29% music content – 1 %	a. 1%- to 29% music content - 1%	Stakeholder Inputs: No objection. Proposed Way Forward: Retain; ensure community broadcasters can access community-rate minimums with proof of registration and mandate.	MultiChoice-Revenue based tariff is not appropriate.	% is international best practice. We have not received any proposals or counterproposal and as suggest we retain the figures. We will confirm the status that they are non-commercial.
			b. Between 30% and 70% music content - 2%	b. 30% to 70% music content -2%			
		c. Over 71% - 3% Minimum 400,000 Radio and TV 200,000		C. 71% to 100% music content- 3%			
		Subject to an annual minimum fee					
		National	NEW	Music content Radio 1% to 29% KSh. 200,000 30%to 70% Sh300,000 71% to 100% Sh 400,000			
		Regional	NEW	Music content Radio			

				1 to 29% KSh 100,000 30% to 70% KSh 200,000 71% to 100% Ksh 300,000		
		Community	NEW	Minimum Sh160,000 Radio and 100,000 TV		
Shopping Arcades, Malls and Similar Large Shopping Complexes (music in common areas only)-CMT 21	Flat Rate Depending on size cities	Above 20,000 sq. ft	NEW	Sh. 600,000	<p>Stakeholder Inputs: "Similar Large Shopping Complexes" is too vague; define clearly.</p> <p>Proposed Way Forward:</p> <p>Introduce definition: enclosed multi-tenant retail complexes over 10,000 m² GFA (or local planning equivalent), with common areas</p>	<p>No comment</p> <p>This tariff requires further negotiations between the CMOs and BMO to find a middle ground.</p>

					hosting music use. Clarify whether license covers common areas only or also tenant premises (to avoid double-charging)		
		10,001-20,000 sq ft	NEW	Sh. 500,000			
		1 – 10,000 sq ft	Sh. 250,000	Sh. 300,000			
	Other areas	Above 15,000 sq. ft	NEW	Sh 300,000			
		10,001-15,000 sq.ft	NEW	Sh 200,000			
		1-10,000 sq ft	NEW	Sh 150,000			
Political events/Campaigns,	Flat Rate per type of election	Presidential candidate	Sh. 400,000	Sh. 500,000	Stakeholder Inputs: No objection.	No comment	We retain

Launch Parties, Unveiling Candidates & Manifestos -CMT 22					Proposed Way Forward: Retain draft.		
		Gubernatorial Candidate	Sh. 150,000	Sh. 200,000			
		Senatorial Candidate	Sh. 100,000	Sh. 150,000			
		Member of the National Assembly	Sh. 50,000	Sh. 100,000			
		Member of the County Assembly	Sh. 12,500	Sh. 15,000			
Elevator Cars and Lifts-CMT 23	Carrying Capacity per car	Up to 4 persons	NEW	Sh. 4,000	Stakeholder Inputs: No objection. Proposed Way Forward: Retain; issue guidance on music on hold vs. elevator music to avoid overlap.	No comment	We retain

		5 - 9 persons	NEW	Sh. 6,000			
		10 persons and above	NEW	Sh. 8,000			
Public Transport Termini-CMT 24	Flat Rate per terminus classification and location	International Airport Nairobi	Sh. 400,000	Sh. 500,000	Stakeholder Inputs: No objection. Proposed Way Forward: Retain draft.	No comment	We retain
		International Airport in Other Cities	Sh 300,000	Sh. 400,000			
		Other Airports	Sh. 200,000	Sh. 300,000			
		Airstrips	Sh. 100,000	Sh. 200,000			
		Railway Stations	Sh. 50,000	Sh. 100,000			
		Bus Stations	Sh. 20,000	Sh. 50,000			
New Media Services-(digital and internet-	Percentage of Gross Revenues	Caller Ring Back Tones, Ringtones,	15% Subject to a minimum of Sh. 500,000	12%, subject to a minimum of Sh. 350,000	Stakeholder Inputs: The minimum amount payable	YAKWETU AFRICA – the proposed tariff in Kenya is two	We are amenable to the proposal by YAKWETU and propose 12%

based platforms that allow the creation, distribution, and consumption of content in non-traditional formats) Digital/ Online Broadcasters Services-CMT 25		Downloads, Streaming, Simulcast and Webcasting , Including Content Service Providers and Telecommunication Companies.			should depend on usage. Proposed Way Forward: Ensure simulcast treatment aligns with linear broadcaster payments to prevent arbitrage.	times higher than internationally recognized standards. Most countries fall between 5-12% of gross revenue while Kenya is charging 15%. The average charge is 8%. The minimum being Kshs. 500,000 creates a steeply entry barrier for local and international streaming services in a market that has less than 1% penetration. Tariffs is usually 8-10% of subscription or advert revenue (IFPI 2022).	subject to a minimum of KShs. 350,000.
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						<p>MultiChoice- Revenue based tariff is not appropriate.</p> <p>MultiChoice, Startimes, Wananchi, Go TV, Azam Tv – opposed to % based and propose a flat fee.</p> <p>MultiChoice, Startimes, Wananchi, Go TV, Azam Tv – propose the redefining of what constitutes new media.</p>	
Schools (Kindergarten/Elementary, Primary & Secondary)	Either public or private running the national or international curriculum	Tariff covers; exercise to music aerobics etc, Background	NEW	Kindergarten/ Elementary, Primary & Secondary Schools Public Kindergartens/	Stakeholder Inputs: No objection. Proposed Way Forward: Retain draft.	No comment	We retain the draft

Universities, Colleges & TVET Institutions – CMT 26		Music Special Featured Entertainment Events & Music on Hold.		<p>Elementary, Primary & Secondary Schools Kshs. 5,000/-</p> <p>Private Kindergartens/ Elementary, Primary & Secondary Schools Kshs. 12,000/-</p> <p>International Kindergartens/ Elementary, Primary & Secondary Schools Kshs. 25,000/-</p> <p>Universities, Colleges and TVET Institutions</p> <p>Public Colleges & TVET Institutions Kshs. 25,000/-</p>			
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				Universities Kshs. 50,000/- Private Colleges & TVET Institutions Kshs. 36,000/- Universities Kshs. 75,000/-			
convenience stores/ Grab&Go/ quick stops/ fuel & go/express stores CMT 27	Flat fee	Cities	New	Shs. 15,000			This is a new proposal to improve compliance
		All other areas		Shs. 10,000			

NOTES:

1. This is a consolidated tariff for music and audio-visual works

a. All rights in music, including Authors, Composers/Arrangers, publishers

b. All rights for Producers and Performers of sound recordings.

2. The rates do NOT include taxes (including VAT, etc) and other applicable levies.

3. Invoices are payable within 14 days.

4. The penalty for non-compliance shall be 5% per month of the tariff compounded for the period it remains unpaid.

5. A license shall be valid for one year from date of issue.

6. Broadcasting

a. National - shall mean a broadcaster with listenership/viewership beyond 5 counties

b. Regional - shall mean a broadcaster with listenership/viewership within 5 counties

c. Community - shall mean a broadcaster with objective to serve a community and registered as such by the Communication Authority of Kenya (CA)

7. Following the 2025 validation process, the tariffs shall be automatically adjusted annually in line with the prevailing CBK inflation rate, without requiring further validation.

8. Definition of the following;

a. Cities: These refer to urban areas that have been formally granted city status under the Urban Areas and Cities Act, 2011 (Revised 2019). This includes Nairobi, Mombasa, Kisumu, Nakuru, and Eldoret, which are characterized by a high population (minimum of 250,000), developed infrastructure, and enhanced service delivery capacity.

Urban Areas: This category includes towns and municipalities with a population of 10,000 or more that have not been officially designated as cities. These areas are typically peri-urban, including but not limited to e.g Ruiru,

Thika, Kitengela, Kikuyu, Nyeri, and similar townships with growing commercial activity and semi-developed infrastructure.

Issued by:
PAVRISK & KAMP
(Regulated and Supervised by the Kenya Copyright Board – KECOBO)