



QUARTERLY SECTOR STATISTICS REPORT

2ND QUARTER
OCT-DEC 2009/2010

Disclaimer:

Although every effort has been made to ensure accuracy of the data contained in the report, the Commission is not liable for the inaccuracy of the information, which is contingent to the operators/service providers compliance returns.

TABLE OF CONTENTS

| | |
|---|---------------|
| TABLE OF CONTENTS | - 1 - |
| LIST OF TABLES | - 2 - |
| LIST OF FIGURES | - 2 - |
| 1. THE QUARTER IN REVIEW | - 3 - |
| 2. MOBILE TELEPHONE SERVICE | - 4 - |
| 2.1 SUBSCRIBERS..... | - 4 - |
| 2.2 MOBILE COVERAGE | - 5 - |
| 2.3 MOBILE TARRIFS | - 5 - |
| 2.4 MOBILE TRAFFIC | - 6 - |
| 2.5 MOBILE REVENUE AND INVESTMENTS | - 9 - |
| 3. FIXED TELEPHONE SERVICE | - 10 - |
| 3.1 SUBSCRIBERS..... | - 10 - |
| 3.2 FIXED TRAFFIC | - 11 - |
| 3.3 FIXED NETWORK REVENUE AND INVESTMENT..... | - 12 - |
| 4. DATA AND INTERNET SERVICE | - 12 - |
| 4.1 SUBSCRIBERS AND INTERNET USERS | - 12 - |
| 4.2 INTERNET PENETRATION | - 13 - |
| 4.3 INTERNATIONAL CONNECTIVITY | - 14 - |
| 4.4 DATA AND INTERNET REVENUE AND INVESTMENTS..... | - 14 - |
| 5. POSTAL AND COURIER SERVICE | - 15 - |
| 5.1 POSTAL AND COURIER TRAFFIC | - 15 - |
| 5.2 REVENUE AND INVESTMENT IN POSTAL AND COURIER SERVICES | - 16 - |
| 6. CONCLUSION | - 16 - |

LIST OF TABLES

| | |
|--|--------|
| Table 1: Mobile Subscribers | - 4 - |
| Table 4: Mobile Traffic | - 7 - |
| Table 5: Roaming traffic | - 8 - |
| Table 6: International Mobile Traffic | - 9 - |
| Table 7: Mobile Revenue and Investments** | - 10 - |
| Table 8: Fixed Network Subscribers..... | - 10 - |
| Table 9: Fixed to Mobile Traffic..... | - 11 - |
| Table 10: International Fixed Traffic..... | - 11 - |
| Table 11: Fixed Network Revenue and Investments | - 12 - |
| Table 12: Data/Internet Subscribers..... | - 12 - |
| Table 13: International Internet Bandwidth | - 14 - |
| Table 14: Data and Internet Revenues and Investments | - 14 - |
| Table 15: Postal and Courier Services | - 15 - |
| Table 16: Postal and Courier Revenue and Investments..... | - 16 - |

LIST OF FIGURES

| | |
|--|--------|
| Figure 1: Mobile Penetration..... | - 5 - |
| Figure 2: Number of SMS per Subscriber per Month..... | - 8 - |
| Figure 3: Percentage of Estimated Population with Access to Internet | - 13 - |

1. THE QUARTER IN REVIEW

During the quarter, Communication sector witnessed launch of digital TV broadcasting in Kenya. The transition from analogue to digital TV is expected to increase efficiency in the use of radio spectrum and improve the quality of content. The migration to digital television broadcasting is scheduled to take place in three phases. The first phase is the digital switch-on. The digital signal will initially be transmitted in Nairobi and its environs including Kajiado, Machakos, Naivasha and Murang'a. The other two phases will involve distributing the signal to other parts of the country during the dual-illumination period before the eventual switch-off of the analogue signal.

Competition in the voice market continued to intensify as operators increased their price wars via promotions and special offers on various products and services. The declining trend in voice tariff observed during the past quarters continued in both postpaid and prepaid categories of subscribers, with higher reductions being enjoyed by prepaid customers as compared to postpaid subscribers. The spread between on-net tariffs and off-net tariffs is also declining with some operators introduction equal tariffs regardless of the networks. Further, the fixed network operator re-launched the CDMA service

The data market also continued to expand with announcement from EASSy that the landing of the fourth undersea cable is underway and is expected in June 2010. Further, one of the data operators acquired a point of presence (PoP) in London. The uptake of the data services is on the increase as the service providers embrace the benefits of the increased bandwidth that comes with the undersea sea cables in the country.

The quarter also witnessed convergence of services with innovations from mobile operators taking a higher notch. One of the major operators launched an online mobile advertisement service where Kenyans can buy and sell their wares through the mobile phone.

On the international front, the climate change debate is advanced with International Telecommunications Union (ITU) approval of an energy efficient charger that suits all mobile phones solutions.

2. MOBILE TELEPHONE SERVICE

2.1 Subscribers

At the end of the second quarter of 2009/2010(Q2 09/10), the four licensed operators had a combined subscriber base of 19.4 million mobile subscribers, a 7.9 per cent increase in the total number of subscribers compared to the previous quarter and a 11.9 per cent compared to the same quarter of the previous year. This is as shown in table 1.

Table 1: Mobile Subscribers

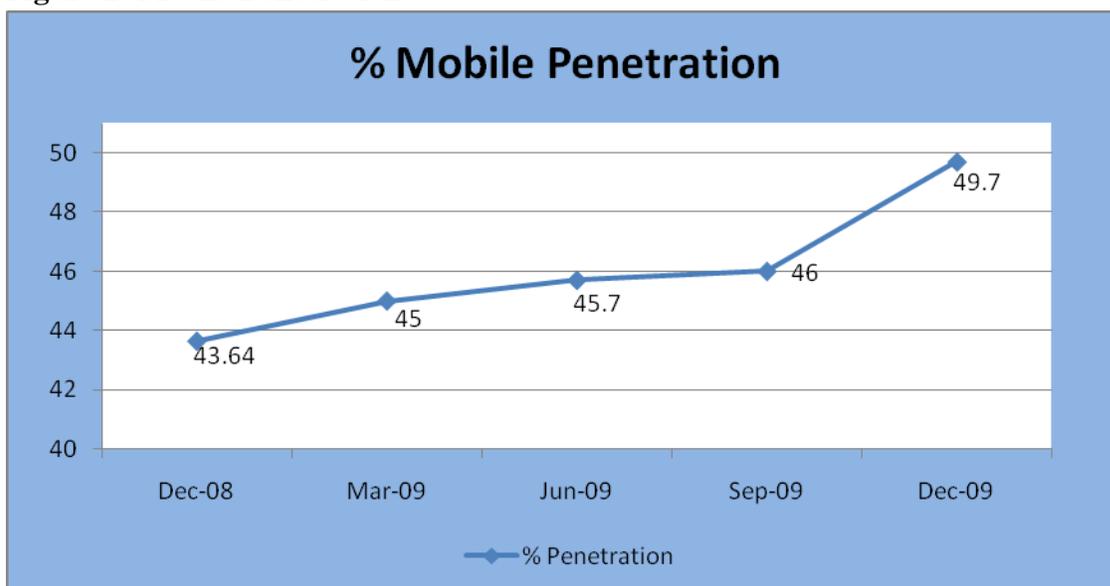
| | Q2 09/10 | Q1 09/10 | % Change (+/-) | Q2 08/09 | Annual % change (+/-) |
|-----------------------|------------|------------|----------------|------------|-----------------------|
| No. of subscribers | 19,364,559 | 17,938,706 | 7.9 | 16,233,833 | 19.3 |
| Post paid subscribers | 186,374 | 180,603 | 3.2 | 205,979 | -9.5 |
| Prepaid Subscribers | 19,178,185 | 17,758,103 | 8.0 | 16,027,854 | 19.7 |

Source: CCK, operators returns

The growth experienced in the mobile subscribers is attributed to the continued increase of prepaid subscribers whose proportion of total subscribers reached 99% during the quarter being reported. This trend can be explained by among other factors, the reduction in the cost of mobile handsets as well as the low value of prepaid calling cards.

At the end of the quarter the penetration rate of mobile service had risen to 49.7 per 100 inhabitants. This compares favorably the world average of 49.8 per 100 inhabitants (ITU, world development index 2009) of 2007 data. Figure 1 below illustrates the growth of mobile penetration over twelve months.

Figure 1: Mobile Penetration



Source: CCK, Operators' returns

The growth in the number of subscribers from Q1 09/10 to Q2 09/10 may have been attributed to the increase in the mobile penetration in the country.

2.2 Mobile coverage

At the end of the quarter under review the population under mobile coverage was reported at 84.5 per cent with land coverage of 34 per cent. The mobile coverage for the last one year is as shown in table 2.

Table 2: Mobile coverage

| | Q2 08/09 (%) | Q3 08/08 (%) | Q4 08/09 (%) | Q1 09/10 (%) | Q2 09/10 (%) |
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Population coverage | 83 | 83 | 84 | 84 | 84.5 |
| Land coverage | 32 | 32 | 33 | 33 | 34 |

Source: CCK, Operators' returns

2.3 Mobile Tarrifs

Over the period the mobile tariffs have been declining as a result of stiff competition from the four mobile operators who have been offering incentives as a way of acquiring subscribers as well solidifying their market base. During the quarter in review, charges within the same network were recorded at Ksh 5.66 per minute compared to 6.33 per minute in the last quarter. This is as shown in table 3.

Table 3: Mobile Tarrifs

| Indicator | Q2 09/10 | Q1 09/10 | Change % | Q208/09 | Change (%) |
|-----------------------------------|----------|----------|----------|---------|------------|
| Charges to same network | 5.60 | 6.33 | -11.5 | 9.0 | -37.6 |
| Charges to another mobile network | 7.0 | 7.6 | -7.9 | 13.3 | -47.2 |
| Charges to fixed network | 7.0 | 8.4 | -16.7 | 11.7 | -40.2 |
| International call charges | 31.7 | 31.7 | 0.0 | 43.4 | -27.0 |
| SMS same network | 1.8 | 2.5 | -30.0 | 3.0 | -40.0 |
| SMS to another network | 3.5 | 3.5 | 0.0 | 3.7 | -5.4 |
| International SMS | 10.0 | 10.00 | 0.0 | 10.0 | 0.0 |

Source: CCK, Operators' returns

At the same time the SMS to the same network declined by 30 per cent from the previous period and 40.0 per cent decline compared to the same period of the previous year. The international charges did not record any significant change during the period. However a decline of 27 per cent was recorded in the same period of the previous year.

2.4 Mobile Traffic

(a) Voice

During the quarter, close to 4.5 billion minutes of calls were made by mobile subscribers compared to 3.5 billion in the previous quarter, a 32.1 per cent increase than the previous quarter.

The increase in traffic which grew faster than the number of subscribers was driven by intra-network traffic. The growth seen in this kind of traffic reinforces the reported trend, which may result in specific offers in the market which allow reduced tariffs to calls made between subscribers in the operators' network. A summary of the mobile traffic and other selected indicators is as shown in table 4.

Table 4: Mobile Traffic

| | Q2 09/10 | Q1 09/10 | % Change (+/-) | Q2 08/09 | Quarterly change (%) (+/-) |
|-----------------------------------|---------------|---------------|----------------------|---------------|-------------------------------------|
| Own network traffic minutes | 4,292,402,416 | 3,207,717,793 | 33.8 | 2,255,417,297 | 90.3 |
| Off network traffic minutes | 171,161,175 | 171,649,820 | -0.28 | 166,175,790 | 3.00 |
| Total Mobile minutes ¹ | 4,463,563,591 | 3,379,367,613 | 32.1 | 2,421,593,087 | 84.3 |
| Mobile to fixed | 6,824,341 | 3,016,221 | 126.5 | 9,782,664 | -30.3 |
| SMS | 769,100,432 | 282,854,505 | 171.9 | 619,919,221 | 24.1 |

Source: CCK, operators returns

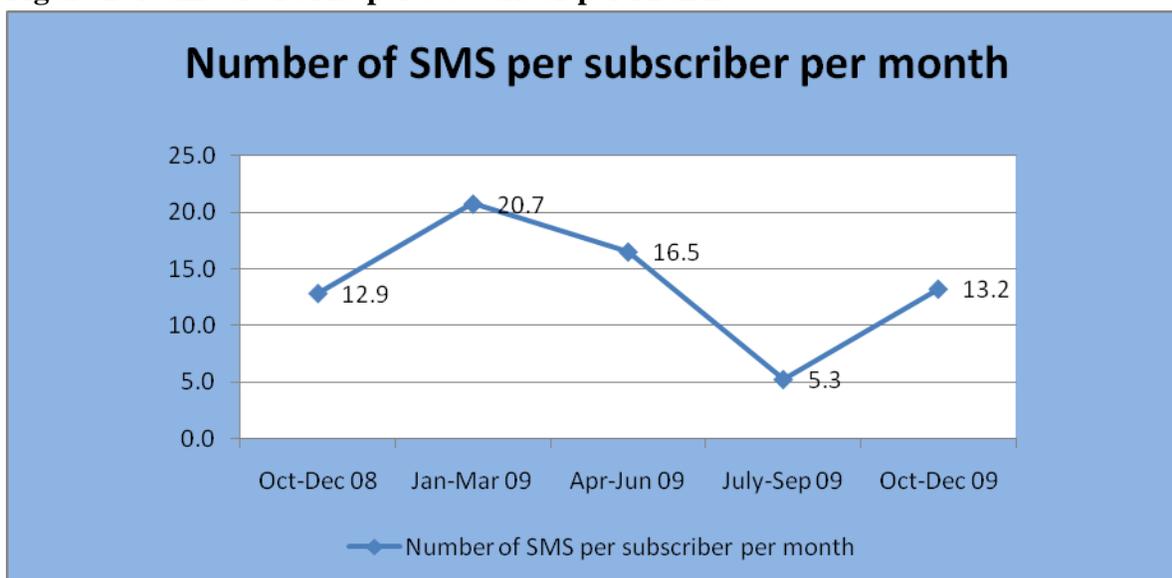
During the period under review Q2 09/10, the number of mobile to fixed voice minutes recorded a 126.5 per cent increase to 6.824 million compared to 3.0 million the previous quarter

The quarter also reported 769 million text messages that were sent. As shown in the table 2 above, this figure is 172 per cent higher than the figure reported in the previous quarter. Compared to the same period of the previous year an increase is reported of 24.1 per cent.

The average number of SMS sent per month by each subscriber was reported at 13. This is an increase of more than 2-folds the number of SMS per subscriber per month in the previous quarter and 3.0 per cent in the same period of the previous year. The growth in the number of SMS sent per subscriber per month is as illustrated in figure 2.

¹ Total mobile minutes are a total of intranetwork traffic, internetwork traffic (mobile to mobile) and mobile to fixed traffic.

Figure 2: Number of SMS per Subscriber per Month



Source: CCK, Operators' returns

(b) Roaming traffic

In the quarter being reported (Q2 09/10) the roaming traffic of subscribers roaming on foreign networks recorded an increase of 4.7 per cent over the previous quarter and a reduction of 60.4 per cent in the same period of the previous year. At the same time the number of minutes of foreign subscribers roaming in national networks increased by 33.6 per cent during the period and 91.9 per cent compared to the same period of the previous year. The summary of the roaming traffic is as shown in table 5.

Table 5: Roaming traffic

| Roaming traffic | Q2 09/10 | Q1 09/10 | % Change (+/-) | Q2 08/09 | Quarterly change (%) (+/-) |
|---|------------|-------------|----------------|------------|----------------------------|
| Roaming voice minutes own subscribers on foreign networks | 16,088,869 | 15,366,131 | 4.7 | 40,664,293 | -60.4 |
| Roaming voice minutes foreign subscribers own network | 7,309,398 | 5,472,797 | 33.6 | 3,809,512 | 91.9 |
| Roaming messages own subscribers on foreign networks | 3,500,240 | 151,066,233 | -97.7 | 3,412,116 | 2.6 |
| Roaming messages foreign subscribers on own network | 2,752,601 | 16,665,319 | -83.5 | 52,262,639 | -94.7 |

Source: CCK, operators returns

The number of messages for subscribers roaming on foreign networks had a notable decline of 97.7 per cent from the previous quarter while a 2.6 per cent increase was recorded compared to the same period of the previous year. At the same time the number of messages for foreign subscribers roaming on national networks declined by 83.5 per cent from the previous quarter to record 2.8 million messages and a decline of 94.7 per cent was also recorded in the same period of the previous year.

(c) International mobile traffic

During the quarter under review the incoming international voice minutes grew by 20.8 per cent from the previous quarter and 53.1 per cent increase compared to the same period of the previous year. At the same time the international outgoing traffic increased to 57 million minutes compared to 46.4 million minutes the previous quarter, representing a 23.1 per cent increase during the period under review and 17.4 per cent increase during the same period of the previous year.

Table 6: International Mobile Traffic

| Traffic | Q2 09/10 | Q1 09/10 | % Change (+/-) | Q2 08/09 | Quarterly change (%) (+/-) |
|---|-------------|-------------|----------------|------------|----------------------------|
| International incoming mobile voice minutes | 138,658,945 | 114,787,085 | 20.8 | 90,563,557 | 53.1 |
| International outgoing mobile voice minutes | 57,062,531 | 46,356,770 | 23.1 | 48,610,726 | 17.4 |

Source: CCK, operators returns

2.5 Mobile Revenue and Investments

As shown in table 7 below, the total mobile annual revenue grew by 15.9 per cent to reach 84.2 billion Kenya shillings in 2009 compared to 72.6 billion Kenya shillings in 2008. However, the Average Revenue Per User per month continued to decline to record 362.20 Kenya shillings in 2009 compared to 376.56 Kenya shillings in 2008.

On the other hand, investments increased by 19.5% during the same period as operators upgrade their systems and roll out into the underserved areas.

Table 7: Mobile Revenue and Investments**

| Year | 2007 | 2008 | 2009* | % Change (+/-) |
|--|--------|--------|--------|----------------|
| Mobile Annual revenue (Kshs Millions) | 57,998 | 72,625 | 84,166 | 15.9 |
| ARPU per month (Kshs) | 425.85 | 376.56 | 362.20 | -3.8 |
| Mobile annual investment (Kshs Millions) | 21,221 | 29,436 | 35,184 | 19.5 |
| Mobile investment as a % of revenue | 36.6 | 40.5 | 41.8 | 1.3 |

*Note: data reported on calendar year based on the year the audited accounts for the operators are released

**Provisional, Source: CCK, operators returns

3. FIXED TELEPHONE SERVICE

3.1 Subscribers

During the quarter under review, the number of main fixed lines declined to 243,656 from 247,654 reported in the previous quarter. This represents a 1.6 per cent decline and 1.5 per cent decline in the same period of the previous year.

The number of fixed wireless subscribers continued to boost the fixed network services with 429,289 subscribers reported during the quarter under review compared to 367,557 in the previous quarter. The summary of the fixed network subscribers is as shown in table 8.

Table 8: Fixed Network Subscribers

| Subscribers | Q2 09/10 | Q1 09/10 | % Change (+/-) | Q2 08/09 | Annual % change(+/-) |
|----------------------------|----------|----------|----------------|----------|----------------------|
| Number of main fixed lines | 243,656 | 247,654 | -1.6 | 243,741 | -0.03 |
| Fixed wireless subscribers | 429,289 | 367,557 | 16.8 | 389,028 | 10.3 |

Source: CCK, operators returns

3.2 Fixed Traffic

(a) Local fixed network traffic

As shown in table 9 below the number of fixed to mobile voice minutes increased by 5.8 per cent compared to the previous quarter and declined by 18% of the same period of the previous year.

Table 9: Fixed to Mobile Traffic

| Voice traffic Minutes | Q2 09/10 | Q1 09/10 | % Change(+/-) | Q2 08/09 | Quarterly Change (%) (+/-) |
|-----------------------|-----------|-----------|---------------|------------|----------------------------|
| Fixed to mobile | 8,577,670 | 8,109,207 | 5.8 | 10,464,603 | -18.0 |

Source: CCK, operators returns

It is to be noted that the increase seen in the fixed to mobile voice minutes is as a result of increased sign up of fixed wireless services and the reduction in on-net and offnet charges by the fixed line operator.

(b) International fixed network traffic

The international incoming traffic increased by 18.6 per cent from the previous quarter and declined by almost 4-fold in the same period of the previous year.

Table 10: International Fixed Traffic

| Voice traffic Minutes | Q2 09/10 | Q1 09/10 | % Change(+/-) | Q2 08/09 | % change(+/-) |
|--------------------------------------|-----------|-----------|---------------|------------|---------------|
| International incoming voice minutes | 6,795,624 | 5,728,892 | 18.6 | 26,850,251 | -78.7 |
| International outgoing voice minutes | 6,371,596 | 2,107,828 | 202.3 | 3,630,708 | 75.5 |

Source: CCK, operators returns

As shown in table 10 above the international outgoing voice minutes increased by almost 3-fold to 6.4 million minutes compared to 2.1 million minutes in the previous quarter. During the same period of the previous year, a 75.5 per cent increase was reported.

3.3 Fixed network Revenue and Investment

The fixed network revenue declined in 2009 to 50 billion Kenya shillings from 52.4 billion Kenya shillings in 2008, a 4.6 per cent decline.

Table 11: Fixed Network Revenue and Investments

| Year | 2007 | 2008 | 2009* | % Change(+/-) |
|-----------------------------------|--------|---------|--------|------------------|
| Fixed Annual Revenue(Millions) | 52,435 | 52,435 | 50,000 | -4.6 |
| Fixed Annual Investment(Millions) | 20,980 | 20,980* | 3,127 | -570.9 |

*provisional, Source: CCK, Operators returns

Conversely, the investment declined to almost 7-fold from 21 billion Kenya shillings in 2008 to 3.1 billion Kenya shillings in 2009.

4. DATA AND INTERNET SERVICE

4.1 Subscribers and Internet Users

As at the end of the Q2 09/10 there were close to 2 million internet subscriber in the country. This is an increase of 6.2 per cent from the previous quarter and more than 3-fold increase in the same period of the previous year. The growth in the number of data/internet subscribers is as shown in table 12.

Table 12: Data/Internet Subscribers

| | Q2 09/10 | Q1 09/10 | % Change (+/-) | Q2 08/09 | Annual % change(+/-) |
|---|------------------|------------------|-------------------|----------------|-------------------------|
| Fixed data/internet subscribers | 8,349 | 8,299 | 0.6 | 8,434 | -1.0 |
| Mobile data/internet subscribers | 1,981,048 | 1,864,991 | 16.8 | 398,190 | 404.1 |
| Wireless Subscribers | 8,435 | 7,329 | 15.1 | 6,751 | 24.9 |
| Total wireless subscribers including mobile data/internet | 1,989,397 | 1,864,991 | 6.7 | 401,398 | 395.6 |
| Total internet subscribers | 1,997,832 | 1,880,619 | 6.2 | 409,832 | 387.5 |

| | | | | | |
|---|-----------|-----------|-----|-----------|------|
| Estimated number of internet users ² | 3,995,664 | 3,761,238 | 6.2 | 3,359,552 | 18.4 |
|---|-----------|-----------|-----|-----------|------|

Source: CCK, operators returns

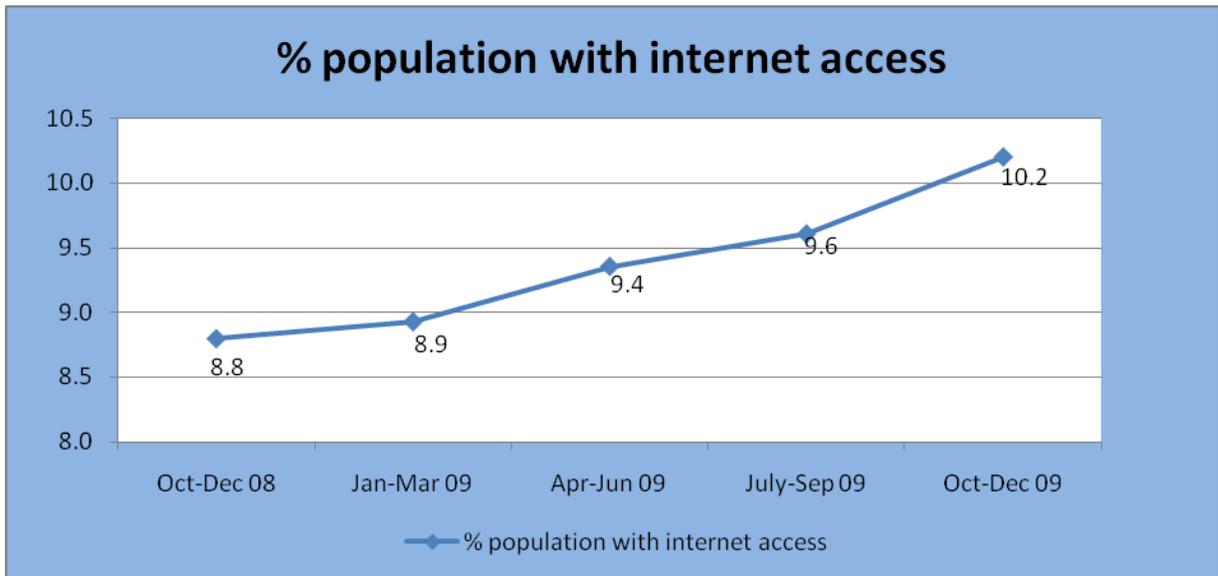
It is to be noted that most of the internet subscribers are from mobile data/internet services.

The period under review witnessed some positive growth in the number of internet users to reach almost 4 million, a 6.2 per cent increase from the previous quarter and 10.4 per cent increase in the same period of the previous year.

4.2 Internet Penetration

During the quarter under review the estimated population that had access to internet services reached 10.2 per cent compared to 9.6 per cent in the pervious quarter and 8.8 per cent in the same period of the previous year. The growth in the estimated population with access to internet over the last one year is as illustrated in figure 3.

Figure 3: Percentage of Estimated Population with Access to Internet



Source: CCK, Operators' returns

² Internet users are estimated by multiplying by 2 the number of internet subscribers as provided by International telecommunication union.

The number of estimated internet users has been growing steadily with a majority of users reported from the mobile access to internet. This is expected to as the uptake of broad band on the fiber network across the country increases.

4.3 International Connectivity

As shown in table 13 below, the total amount of international connectivity experienced an exponential growth during the period to record close to 19 gigabits of international internet bandwidth. This is more than 13 times the total bandwidth reported in the same period of the previous year.

Table 13: International Internet Bandwidth

| | Q1 09/10 | Q2 09/10 | % Change (+/-) | Q2 08/09 | % change(+/-) |
|---|---------------|------------------|----------------|-----------------|---------------|
| International incoming bandwidth(Mbps) | 3,324.5 | 9,881.08 | 197.2 | 828.31 | 1092.9 |
| International outgoing bandwidth(Mbps) | 2,484.3 | 9,110.48 | 266.7 | 592.84 | 1436.8 |
| Total international internet bandwidth(Mbps) | 5808.8 | 18,991.56 | 226.9 | 1,421.15 | 1236.4 |

Source: CCK, operators returns

The growth in the international internet bandwidth is as a result of two submarine cables that landed in the country in the mid of the year.

4.4 Data and Internet Revenue and Investments

The data and internet market has continued to show a positive trend in the revenues as well as investments over the years. In 2009 alone the total annual revenues recorded 7.97 billion Kenya Shillings from 7.59 billion Kenya Shillings in 2008. This represents a 5.0 per cent increase during the year.

Table 14: Data and Internet Revenues and Investments

| Year | 2007 | 2008 | 2009* | % Change(+/-) |
|--|-------|-------|-------|---------------|
| Data and internet Revenue(Kshs, Millions) | 7,370 | 7,595 | 7,975 | 5.0 |
| Data and internet Investment(Kshs, Millions) | 833 | 1,171 | 1,489 | 27.1 |

*Provisional, Source: CCK, Operators Returns

The Investments levels recorded growth in 2009 to reach 1.5 billion Kenya shillings from 1.2 billion Kenya shillings in 2008 representing a 27.1 per cent increase. The growth may be attributed to the fact that the landing of the undersea cables that brought about an exponential increase in international internet bandwidth as demonstrated in table 13 above may have compelled operators to utilize much of their resources in anticipation of exploiting the full benefits of the capacity.

5. POSTAL AND COURIER SERVICE

5.1 Postal and Courier Traffic

As at December 2009 the Commission had licensed 163 Postal and Courier operators in the country. Of the ten operators who filed their compliance return during the period under review, they had a total traffic of letters sent of 26.8 million representing a 38.8 per cent increase compared to 18.6 million letters sent in the previous quarter. At the same time an increase of 19.0 per cent was reported in the number of letters sent during the same period of the previous year.

Table 15: Postal and Courier Services

| Indicator | Q1 09/10 | Q2 09/10* | % Change (+/-) | Q2 08/09 | % change (+/-) |
|--------------------------------|------------|------------|-------------------|------------|-------------------|
| Number of letters posted | 18,601,082 | 25,816,748 | 38.8 | 21,699,332 | 19.0 |
| Total courier items sent | 363,320 | 1,051,500 | 189.4 | 239,445 | 339.1 |
| International incoming letters | 197,379 | 97,048 | -50.8 | 137,600 | -29.5 |
| International outgoing letters | 2,204,159 | 2,650,297 | 20.2 | 2,509,430 | 5.6 |

*Provisional, Source: CCK, Operators Returns

As shown in table 14 above, the number of courier items sent increased by 189.4 per cent from the previous quarter and 339.1 per cent compared to the same period of the previous year.

The quarter also witnessed a reduction in of international incoming letters by 50.8 per cent compared to the previous quarter and a reduction of 29.5 per cent during the same period

of the previous year. On the other hand the international outgoing letters increased by 20.2 per cent in the previous quarter and 5.6 per cent in the same period of the previous year.

5.2 Revenue and Investment in Postal and Courier Services

In 2009 the postal and courier recorded a slight increase of 0.15 per cent in its revenue to reach 5.2 billion. The slight increase could have resulted from the decline in revenue of the Postal Corporation of Kenya by 6.4 per cent. At the same time the total investments increased to two-folds from 104 million in 2008 to 209 million in 2009.

Table 16: Postal and Courier Revenue and Investments

| Year | 2007 | 2008 | 2009* | Change (%) |
|--|--------------|--------------|--------------|-------------|
| Postal Annual Revenue(Millions) | 2,950 | 3,195 | 3,002 | --6.4 |
| Postal Annual investment(Millions) | 54 | 26 | 120 | 361.5 |
| Courier Annual Revenue(Millions) | 1,064 | 1,986 | 2,186 | 10.1 |
| Courier Annual investment(Millions) | 97 | 78 | 89 | 14.1 |
| Total revenue from postal and courier operations(Millions) | 4,014 | 5,180 | 5,188 | 0.15 |
| Total investment from postal and courier operations(Millions) | 148 | 104 | 209 | 101 |

*Provisional, Source: CCK, Operators Returns

6. CONCLUSION

The outlook of the communication sector in Kenya continues to be strong, and growth will be achieved through gaining new customers, offering new services, and in general capitalizing on the growing role of telecommunications in people's everyday lives.

The mobile sector in the country continues to grow increasingly competitive. This is shown with the steady growth in subscriptions. However the falling ARPU's are pressuring operators to source for other means of revenue.

The data and internet boom and the bust in international bandwidth have been likened with the development of the nation's undersea cables launched by the government and the private sector. The Internet access which is still too low is expected to be boosted with this enhanced capacity as operators compete for high level products and service innovations.

Published: 02.03.10
Author: CCK