

### III. TELECOMMUNICATIONS

The Ethiopian Telecommunication Corporation (ETC) is a state-owned institution that renders national and international telecom services using satellite optical fiber, microwave, and multi-access radios, VSAT, UHF and VHF.

During the first quarter of 2008/09, the total installed exchange capacity of fixed telephone reached 1,148,424 (in terms of line) showing a 2.2 and 0.16 percent increase over last year and preceding quarter, respectively.

Besides, the number of fixed telephone subscription under all categories (residential, business enterprises, governmental and others) decreased by 0.001 and 0.2 percent from 897,287 and 899,420 in

the previous quarter and the same period of last year to 897,277 during the review quarter.

On the other hand, the number of waiting list for fixed telephone subscribers declined by 9.8 percent compared to last year mainly due to narrowing the wide gap between exchange capacity and customer demand.

**Table 3.1 Telephone Subscription Demand during First Quarter**

	2007/08		2008/09		
	Q.I	Q.IV	Q.I		
	A	B	C	C/A	C/B
Installed Capacity	1,123,569	1,146,555	1,148,424	2.2	0.16
Subscriber Lines	899,420	897,287	897,277	-0.2	-0.001
Waiting	21,062	19,013	18,990	-9.8	-0.1
Expressed Demand	920,482	916,300	916,267	-0.5	-0.004
Main Lines as % of Expressed Demand	97.71	97.93	97.927	-	-
Expressed Demand as % of Capacity	81.92	79.92	79.78	-	-

Source: Ethiopia Telecommunications Corporation (ETC)

Similarly, the number of mobile phone subscribers both pre-paid and post paid, rose by 24 percent from 1,954,327 in the

previous quarter to 2,424,436 in the review quarter. It also increased by 88 percent year-on-year basis.

**Table:3.2 Mobile and Internet Subscription during First Quarter**

Regions	Major Towns	2007/08				2008/09		Percentage Changes			
		Q.I		Q.IV		Q.I					
		No. of Mobile Subscribers	Radio Network Capacity	No. of Mobile Subscribers	Radio Network Capacity	No. of Mobile Subscribers	Radio Network Capacity				
		A		C		E					
		(Pre-paid & Post-paid)	(Pre-paid & Post-paid)	(Pre-paid & Post-paid)	(Pre-paid & Post-paid)	E/A	F/B	E/C	F/D		
Addis Ababa	Addis Ababa	1,056,405	1,269,488	1,632,202	1,539,137	2,098,658	1,631,866	99.1	26.3	28.5	5.7
South Eastern Region	Nazareth	1,278	96,575	4543	93,695	4,614	93,695	261	-3	1.6	0
North Eastern Region	Dessie	24,655	65,824	25,766	91,195	25,872	83,136	4.9	26.3	0.4	-8.8
Northern Region	Mekelle	47,769	101,729	67,572	103,657	67,933	139,792	42.2	37.4	0.5	34.9
Eastern Region	Dire Dawa /Harrar/	33,917	102,306	39,299	96,257	39,728	121,743	17.1	19	1.1	26.5
Southern Region	Shashemane	30,173	93,903	48,973	168,071	49,133	320,542	62.8	241.4	0.3	90.7
South Western Region	Jimma	27,970	51,220	47,098	50,205	47,486	50,205	69.8	-2.0	0.8	0.0
Western Region	Nekempt	9,493	32,282	9,617	31,288	9,654	35,409	1.7	9.7	0.4	13.2
North Western Region	Bahir Dar /Gondar/	59,237	96,076	79,257	159,829	81,358	181,126	37.3	88.5	2.7	13.2
Total		1,289,619	1,909,403	1,954,327	2,333,334	2,424,436	2,657,514	88	-98.3	24.1	-98.6

Source: ETC

At the same time, the number of dial up internet subscribers reached 36,970 showing a 8.4 percent increase over the

preceding quarter 34,110 dial up subscribers. It also went up by 9.4 percent than that of same period last year.

**Table 3.3 Dial up Internet Subscribers during first quarter**

2007/08		2008/09	Percentage Changes	
Q.I	Q.IV	Q.I		
A	B	C	C/A	C/B
33,800	34,110	36,970	9.4	8.4

Source: ETC

Note: There are 1,496 multimedia sub-scribers in addition to dial up subscribers as of June 2007/08

The significant improvements being witnessed in the telecommunications infrastructure are the reflections of the government's capacity building program in the infrastructure development sub sector of the economy.