

III. TELECOMMUNICATIONS

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

During the third quarter of 2008/09 fiscal year, the total installed exchange capacity of fixed telephone reached 1,765,238 (in terms of line) showing a 54 percent increase over last year.

However, it decreased by 0.6 percent compared with preceding quarter. At the

same time, the number of fixed telephone subscription under all categories (residential, business enterprises, governmental, etc) decreased by 0.1 and 0.6 percent from 896,018 and 900,328 in the previous quarter and same period of last year to 894,775 during the third quarter.

On the other hand, the number of waiting list for fixed telephone subscribers went down by 6.5 percent compared to preceding quarter as the corporation managed to narrow the wide gap between exchange capacity and customer demand.

Table 3.1 Telephone Subscription Demand during Third Quarter

Items	2007/08	2008/09		Percentage Changes	
	Q.III	Q.II	Q.III	C/A	C/B
	A	B	C		
Installed Capacity	1,146,240	1,776,543	1,765,238	54	-0.6
Subscriber Lines	900,328	896,018	894,775	-0.6	-0.1
Waiting	-	20,062	18,753	-	-6.5
Expressed Demand	-	916,018	913,528	-	-0.3
Main Lines as % of Expressed Demand	-	97.8	98.0	-	-
Expressed Demand as % of Capacity	-	51.6	51.8	-	-

Source: Ethiopian Telecommunications Corporation (ETC)

Similarly, the number of mobile phone subscribers both pre-paid and post paid, rose by 4.8 percent from 3,168,271 in the

previous quarter to 3,319,493 in the review quarter. It also increased by 59.1 percent year-on-year basis.

Table: 3.2 Mobile Subscription during Third Quarter

Items	2007/08	2008/09	Percentage
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	Q.III	Q.II	Q.III	changes	
	A	B	C	C/A	C/B
No. of Mobile Subscribers	2,085,967	3,168,271	3,319,493	59.1	4.8
Radio Network Capacity	2,311,803	3,168,271	4,731,248	104.7	49.3

Source: ETC

In addition, the number of dial up internet subscribers reached 42,707 showing a 6.7 percent rise over the preceding quarter of 40,034 dial up subscribers. It also grew by 47.9 percent than that of same period last year.

Table 3.3 Dial up Internet Subscribers

2007/08	2008/09		Percentage Changes	
Q.III	Q.II	Q.III	C/A	C/B
A	B	C		
28,880	40,034	42,707	47.9	6.7

Source: ETC

Note: There are 1,496 multimedia sub-scribers in addition to dial up subscribers by the end 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.