

Econet bars international calls for pre-paid customers

Econet Wireless has barred its pre-paid customers from making international calls, citing foreign currency shortages.

Zimbabwe's largest mobile phone company by subscribers says the measure will help conserve the little foreign currency at its disposal for other "critical business transactions".

Managing Director Douglas Mboweni said only post-paid 'Business Partna' customers would continue to have access to international calls.

"Business Partna is for corporates and business people and we feel calls from these packages would generate more foreign currency for the country," he said.

"The foreign currency that we [have] at the moment is not enough to handle all subscribers, hence we are reserving the little that we have for business organisations... Individuals, from now onwards are no longer in position to make international calls as they used to do due to foreign currency constraints," said Mboweni.

However, pre-paid users can still send SMS messages to international networks.

Zimbabwe's mobile phone operators began limiting the number of international calls from Zimbabwe last month, citing the unavailability of foreign currency to pay for termination rates.

Termination rates are charged by foreign networks to connect mobile phone calls to recipients in their countries.

Officials said the tariffs charged by local companies were no longer viable because the government was fixing the Zimbabwean dollar at "unrealistic rates" against major international currencies.

The Zimbabwean dollar is fixed at Z\$250 to one US dollar, while on the informal market it trades at above Z\$14,000 to one US dollar.

Mobile phone operators' rates for international calls are about Z\$86 (US\$0.34 at the official exchange rate) per minute, from which they are also obliged to pay their international counterparts termination rates in foreign currency.

Mboweni, also chairman of Telecommunications Operators Association of Zimbabwe (TOAZ), said international calls would be viable once there was a correction to international tariffs.

At present, "pipes are congested because tariffs are cheap".

"Instead of people calling home, they are now sending money to Zimbabwe, which is changed on the black market and used to pay the cheap tariffs, while mobile operators struggle to raise foreign currency to pay for termination rates," said Mboweni.

Zimbabwe's three cellphone operators - Econet Wireless the government-owned NetOne and Telecel -

have a combined subscriber base of about 1.5 million.

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