

## Econet eyes 74% market share

Econet Wireless is planning to ramp up its subscriber base to nearly two million subscribers, taking its market share to 74% unless the other two networks implement unexpected investment in network expansion.

By [Sam Hungwe](#) 6 Mar 2009

The mobile network, currently on a programme to increase the subscriber level to 1.2 million from 900,000 has put a proposal to shareholders for a US\$93.90 million equipment loan from Econet Wireless Global (EWG), part of which will be settled with equity to the South Africa-based group.

The proposed investment will provide Econet Wireless with additional network capacity for 500,000 new subscribers while also improving the call completion rate and potentially higher volume of traffic, a circular shareholder said.

Dropped calls and congestion have become nagging problems for mobile phone users in Zimbabwe.

Zimbabwe's mobile market penetration rate is at 10%, against an average of 40% for sub-Saharan Africa. The state-owned NetOne is unlikely to invest in network expansion due to the poor financial position of its shareholder, while Orascom-owned Telecel is still grappling with an unresolved empowerment battle that nearly cost its operating licence about two years ago.

Lenders are also likely to remain risk-averse to exposure in Zimbabwe, currently under the management of an inclusive government expected to salvage it from a decade-old economic and political crisis.