

## Zim: Dearth of local content blamed for expensive internet

A leading internet service provider (ISP) has admitted internet in Zimbabwe is expensive and frustratingly slow but blamed this on high costs and lack of domestic internet content among a host of factors.

By Dumisani Ndlela 17 Sep 2010



Zimbabwe Online (ZOL) said in its inaugural magazine for the online community that customers with experience elsewhere often complained that costs in Zimbabwe were "a rip off", and "given that we do indeed charge so much for small amounts of bandwidth, we do owe you an explanation".

### ISP market, very competitive

"The ISP market in Zimbabwe is very competitive with low barriers to entry - literally anyone can be an ISP for an investment of just a few dollars. Unfortunately, we are really not making huge profits!" said ZOL.

The ISP firm said lack of local content was making internet expensive.

"Zimbabwe has very little internet content stored locally that is in high demand in the rest of the world. This is a subtle but significant point. The internet works on content, and he who has content has power....as an ISP in Zimbabwe we have to pay to link to the internet in the rest of the world", said ZOL.

### Linking to the rest of the world/b>

"No ISP in Europe or the US has ever called us asking for the price for a link to Zimbabwe because they want to communicate with us. Those living in Europe and even more in the USA are essentially always using local traffic to surf the internet, which is close to free," said ZOL.

ZOL said the scale of the current addressable market was "just too small", making it impossible for ISPs to share consumer broadband lines more than 10:1 in the best case, or 3:1 for business quality broadband, because internet was expensive and there were too few subscribers.

"Consumer broadband lines in the UK and USA are shared up to 100 times over (and) the broadband cost can be split over 100 users."

### Satellite link, expensive

But ZOL said by far the biggest issue was that Zimbabwe's internet was almost entirely via satellite and running a link from Harare to New York cost about 300 times more than a link from New York to London.

Worldwide, providers oversubscribed or shared links on the basis that not everyone was online

the same time.

**"Business broadband is typically shared 50:1 and residential 200:1. We cannot do even half that because when someone in Zimbabwe pays so much for broadband you can bet they are going to use it."**

**ZOL said the 'last mile' link - which is the link between ISP and client but owned by IAPs, cost almost as much as the entire satellite internet link.**

**Exorbitant electricity tariffs and local authority rates were also pushing costs upward.**

#### **ABOUT DUMISANI NDLELA**

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