

Ericsson, Econet expansion in Zimbabwe

Ericsson plans to expand Econet's existing network, which to date has approximately four million subscribers. Under the terms of the agreement, Ericsson will be responsible for the expansion of the Core and Access (2G and 3G) networks as well as key business support system delivery. Ericsson will also provide transport and transmission technologies and services such as system integration and business consultancy.

Douglas Mboweni, CEO of Econet Wireless Zimbabwe, says the agreement has several benefits for the operator and the user. "Ericsson has been doing business in Africa as far back as 1897 and as a result, understands the African market and has a proven track record for technology leadership in this sector. Additionally, the company's ability to provide diverse connectivity services to Econet, together with their understanding of our business requirements, as an operator in this specific market, has allowed us to really drive solutions and innovations that suit our consumer needs."

Expanding network capacity

Econet Wireless is the largest telecommunications company in Zimbabwe with an overall market share that exceeds 70% in the mobile sector. This agreement with Ericsson will allow the company to expand their network capacity to approximately 10 million by August 2010 as well as ensure that Harare's major city centre has full 3G coverage by June 2010.

Lars Lindén, president, Ericsson sub-Saharan Africa, says the expansion deal will not only allow both companies to strengthen their competitiveness, but enable further support for high-growth markets, such as Zimbabwe, where strong subscriber growth is expected to increase over the next couple of years. "Business opportunities exist in a vast number of sectors in Zimbabwe, including information technology and this type of recapitalisation and expansion is crucial to growth and development."

Increase in voice, data traffic

Ericsson have 100% share of supply in Harare, Chitungwiza, Ruwa and Norton. The expansion project forms part of the three-year frame agreement that was signed last year and will see Ericsson increase capacity to the core network, in both 2G and 3G mobile telephony packets, to provide a true end-to-end solution that allows for the expansion of voice and data traffic to the country.

Lindén concludes, "Any market innovator must expand its offering and see the many business opportunities that exist for efficient technologies, especially in a country wanting to stabilise and grow its economy. Ericsson has a strong relationship with Econet Wireless, and through such expansion deals, we become one step closer to realising 50 billion connections by 2020."