

THE CITIZEN

< Real's offer for Bale
'a big joke' **SPORTS EXTRA**

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REPORT But association of internet service providers decries high taxes

Tanzanians enjoy cheapest Internet, new study shows

Findings by South African-based organisation show that Tanzania is the number one African country when it comes to broadband affordability

By Alawi Masare
The Citizen Reporter

Dar es Salaam. Tanzania has the most affordable internet packages in Africa, a new study shows.

According to a report released by Research ICT Africa, a South African-based organisation that conducts surveys on issues related to Information and Communi-

cations Technology, Tanzania is the number one African country when it comes to broadband affordability packages, a move that some stakeholders say give the country a competitive edge in attracting investors in the services sector.

However, internet service providers have criticised the report, saying it is too general and has failed to take into

MORE INFO: TRANSMISSION MEDIUM

The term broadband refers to the wide bandwidth characteristics of a transmission medium and its ability to transport multiple signals and traffic types simultaneously. The medium can be coax, optical fiber, twisted pair or wireless.

consideration excessive taxation on internet services in the country, low penetration rate and little coverage of the services.

The research which com-

Continued on page 2

13.30

Average sum in dollars Tanzanians pay for 5GB of data per month

No end to water crisis at Muhimbili

By Anuciatha Lu
The Citizen Correspondent

Dar es Salaam. The Muhimbili National Hospital (MNH) is grappling with a water crisis despite promises by authorities to rectify the situation, a weeklong survey by *Citizen* has established.

Patients have been preserving little water they get in buckets and other containers that were seen in the side wards at Tanzania's biggest referral hospital.

Many people visiting patients entered the hospital premises carrying gallons of water as they sought to quench their relatives and friends admitted to the facility to quench their thirst and stay clean.

Patients in some wards located in Mwaiesela, Sewahaji and Kibaha blocks reporting to be access-

Continued on page 2

THRONG Shopping bonanza as city residents pack streets ahead of Idd ul Fitr celebrations



Tanzania 'offers cheapest Internet'

Continued from page 1

Compares mobile and fixed broadband in twelve African countries indicate that for 5GB of surfing data, Tanzanians on average pay \$13.30 per month on prepaid and \$18.77 for asymmetric digital subscriber line (ADSL).

While mobile internet access is generally cheaper and faster than fixed line web surfing, wireless connections have proven unstable.

Tanzania also provides ADSL-based internet access at the most affordable rates in Africa, going for \$18.77 per 1GB, whereas Cameroon is the most expensive with \$59.14, the study shows.

South Africa is in second position, offering the lowest broadband price at \$22.47 on prepaid basis and \$21.80 on contract for a 5GB basket.

Rwanda, Kenya and Ghana follow a price leap later with competitive data offerings at \$25.22, \$33.40 and \$28.27 for the 5GB respectively.

However, Nigeria offers the cheapest contract-based broadband on the continent for \$17.99 for 5GB, while Botswana is the most expensive at \$105.68.

Although Ghana's \$3.72 offering for 1GB is lower than that of Tanzania at \$10.17, the country moves down on the ranking list when it comes to larger volumes.

"Tanzania becomes the cheapest probably because of the infrastructure we have that is connected to the undersea cable. The National ICT backbone is a government invest-

ment and therefore removed the burden to internet service providers," said Mr Lemange Thomas, marketing officer at Tanzania Telecommunications Ltd (TTCL) responsible for the National ICT backbone.

"This attracts investment in the country by reduced cost of internet services. As the world moves to reliable and affordable connectivity, we see a great possibility for charges to be cheaper in the future pushed by competition," he added.

However, the chairman of the Tanzania Internet Service Providers Association, Mr Gregory Almeida, raised a concern over taxes attached to internet services, saying that it will deteriorate the sector growth.

"We are worried by the increasing taxes, low growth rate and small coverage of the services. Very few Tanzanians have access to internet prob-

ably those in big towns," said Mr Almeida.

According to him, the government charges 35 per cent tax on internet services and therefore growth rate and cheap cost are going to be nullified soon. "Bad enough, the government introduced the taxes without even consulting us," he said.

Tanzania Communication Regulatory Authority (TCRA) says currently 7.6 million Tanzanians are using internet services.

Dr Honest Ngowi, a senior lecturer at Mzumbe University Business School, says cheap internet services in Tanzania were a competitive advantage over other countries especially in the electronic commerce (E-Commerce).

"The role of internet in communication, governance and business is very significant. It therefore has implications in

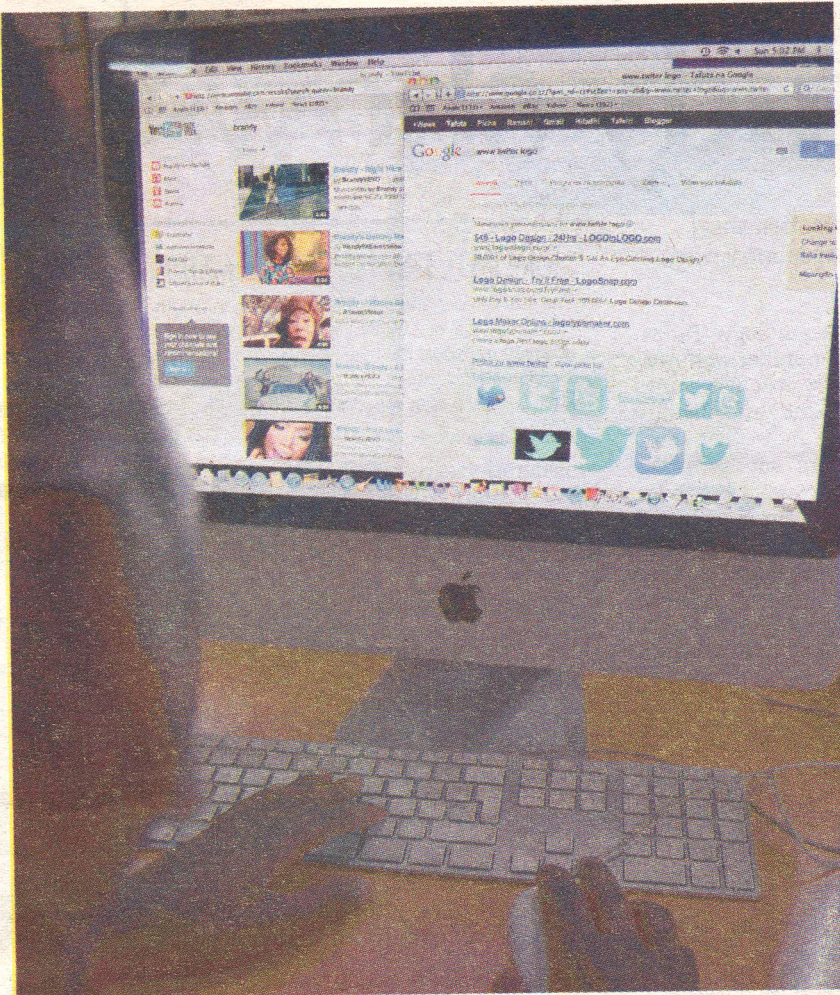
the economy especially when most transactions are being done electronically," says Dr Ngowi.

He adds, however, that for cheapest to be really, it should be down the global standards.

"It also depends on the income level of a particular group of consumers," he says.

Industrial stakeholders also feel that cheap internet services have not brought significant impact in the production costs.

"Ideally, the cheapest internet services were supposed to reduce cost of production and ultimately result into low price of commodities. However, in Tanzania it has not functioned like that because communication is a small portion of our production costs," says Mr Hussein Kamote, Confederation of Tanzania Industries (CTI) Director of Policy and Advocacy.



A man surfs the Internet in Dar es Salaam yesterday. Tanzania is said to have the lowest Internet charges in the region.

PHOTO | SALHIM SHAO