

## Malawi

***As Malawi is a landlocked country, the Government is keen to facilitate fibre-optic backbone development in order to access additional cross-border Internet capacity through undersea cables.***

**Mobile services:** Malawi recently adopted the convergence licensing framework that focuses on technological neutrality of communication services in the country. With this framework in place, operators are not constrained on the technology they deploy to offer these services. There are two main mobile operators, Airtel Malawi Limited and Telekom Networks Malawi Limited (TNM), with the latter having six licences, out of which two are in fixed network services. TNM was launched in 1995 as a joint venture between incumbent Malawi Telecommunications Limited (MTL) and Telekom Malaysia. TNM acquired Telekom Malaysia's stake in 2007 and in 2008 listed some of its shares on the local stock market, with the remainder of the company owned by local business interests. Airtel Malawi Limited, a subsidiary of Bharti Group, launched in 1999. Over the past ten years, mobile coverage has reached over 80 per cent of the country as a result of network and facilities investments by the telecom companies. Coupled with relatively high prices, partly due to a variety of taxes, access is relatively low, with just under half (45 per cent) of households having mobile phones in 2015.<sup>297</sup> There is a wide gap between urban (85 per cent) and rural (42 per cent) homes in household mobile telephone penetration. Mobile-broadband was introduced in 2009, when TNM launched 3G, followed by Airtel a year later. TNM deployed a commercial LTE network in 2016, with Airtel Malawi planning to launch the services in late 2017.

**Fixed services:** The fixed telephony services market in Malawi is very small, with two main operators: Malawi Telecommunications Limited (MTL) and Access Communications Limited (ACL). MTL has a 95 per cent market share of the main lines and is also dominant in the upstream transmission services market. MTL was privatized in late 2005, and the Government of Malawi holds 20 per cent of the operator, while the other 80 per cent was sold to a consortium led by Press Corporation, the country's largest conglomerate, which also owns 41 per cent of TNM. MTL and ACL operate CDMA fixed-wireless networks, which support full mobility and broadband access via Evolution-Data Optimized technology. MTL has also rolled out Worldwide Interoperability for WiMAX, which is currently used by ISP resellers. In 2016, MTL's fibre-optic backbone was separated into a new company, Open Connect Limited (OCL)

Key indicators for Malawi (2017)	Africa	World	
Fixed-telephone sub. per 100 inhab.	0.1	0.9	13.0
Mobile-cellular sub. per 100 inhab.	41.7	74.4	103.6
Active mobile-broadband sub. per 100 inhab.	25.5	24.8	61.9
3G coverage (% of population)	50.0	62.7	87.9
LTE/WiMAX coverage (% of population)	30.0	28.4	76.3
Individuals using the Internet (%)	13.8	22.1	48.6
Households with a computer (%)	6.3	8.9	47.1
Households with Internet access (%)	11.1	19.4	54.7
International bandwidth per Internet user (kbit/s)	3.6	11.2	76.6
Fixed-broadband sub. per 100 inhab.	0.06	0.6	13.6
<b>Fixed-broadband sub. by speed tiers, % distribution</b>			
<i>-256 kbit/s to 2 Mbit/s</i>	73.9	38.7	4.2
<i>-2 to 10 Mbit/s</i>	25.5	37.2	13.2
<i>-equal to or above 10 Mbit/s</i>	0.7	24.1	82.6

Note: Data in italics are ITU estimates. Source: ITU (as of June 2018).

from its fixed-telephone services. Fixed-broadband options include ADSL, fixed-wireless broadband and optical fibre for businesses and government in urban areas. A national fibre-optic network is critical for landlocked Malawi. OCL operates the most expansive fibre-optic backbone, with cross-border connections to Tanzania to access the East Africa Submarine System (EASSy) submarine cable. Until recently, it had a monopoly. However, new backbone operators have recently entered the market, including SimbaNet, Electricity Supply Corporation of Malawi and Airtel. The Malawi Internet Exchange was established in Blantyre in 2008.

**Government policy:** The Ministry of Information and Communications Technologies provides policy guidance on matters concerning the media, access to public information, broadcasting, telecommunications, postal services and ICT. The 2013 National ICT Policy sets the direction for the sector. The overarching goal is to contribute to the country's socio-economic development through maximum integration of ICT in all sectors and the provision of ICT services to the rural areas. The Malawi Communications Regulatory Authority is the regulator responsible for posts, telecommunications and broadcasting, established pursuant to section 3 of the Communications Act, 1998. In 2016, an updated Communications Act was passed, which came into effect on 1 June 2017.

**Conclusion:** A new direction is being established for the ICT sector under the converged licensing framework, as more players from the public and private sector emerge in the backbone market. This should result in additional connections to different undersea fibre networks in neighbouring countries, making access and usage of ICTs more affordable.