

Somalia

The Somalia telecommunication market has persisted despite the lack of guidance from a central government or sector regulator since 1991. With many competing operators and service providers, Somalia offers competitive telecom and Internet services with relatively low prices compared to neighbouring countries.

Mobile services: Mobile telecommunications have had a positive impact on the economy of Somalia, despite the lack of regulation. Private and unlicensed mobile companies using satellites for international communications have emerged to serve the high demand for communications. Fixed lines and mobile phones are being offered by many telecommunication operators such as: Golis Telecom Somalia, Hormuud, NationLink Telecom, Somali Telecom Group, Galkom, Global Internet Company, Telkom, Netco, Somafone, Telkom Puntland, and Telenet International. Starting in 2012, many mobile operators began launching 3G services in Somaliland and soon expanded to other regions. A number of telecommunication operators are offering LTE services in the region, including Somtel International and Telesom, both of which are based in Somaliland, while Globalsom and Sahal Telecom have launched time division duplex LTE (TD-LTE) networks in Mogadishu. In 2015, global satellite service provider O3b Networks signed satellite connectivity contracts with three Somalia telecommunication operators.

Fixed services: The penetration rate of fixed telephone and fixed broadband is low as most of the operators are concentrating in providing mobile services. Internet connections are mainly provided via dial-up, GPRS, ADSL, and long range Ethernet (LRE). Wireless and satellite services also exist in Somalia. Most companies are beginning to provide VoIP services. The installation of East Africa Submarine Cable System (EASSy) in Somalia has supported its ICT and telecommunication infrastructure development.

Government policy: The Ministry of Post and Telecommunication (MPT) oversees the ICT and telecommunication sector in Somalia. Somali ICT Development Association (SICTDA) is a non-governmental, non-profit association that aims to promote ICT applications in all aspects of life to accelerate development. There are no regulations or taxes, and no service obligation.

Key indicators for Somalia (2017)		Arab States	World
Fixed-telephone sub. per 100 inhab.	<i>0.0004</i>	7.9	13.0
Mobile-cellular sub. per 100 inhab.	48.3	102.6	103.6
Active mobile-broadband sub. per 100 inhab.	2.4	53.9	61.9
3G coverage (% of population)	65.5	88.0	87.9
LTE/WiMAX coverage (% of population)	18.0	50.9	76.3
Individuals using the Internet (%)	2.0	48.7	48.6
Households with a computer (%)	3.6	47.1	47.1
Households with Internet access (%)	4.2	50.1	54.7
International bandwidth per Internet user (kbit/s)	1.3	65.3	76.6
Fixed-broadband sub. per 100 inhab.	0.7	5.6	13.6
Fixed-broadband sub. by speed tiers, % distribution			
<i>-256 kbit/s to 2 Mbit/s</i>	92.6	30.7	4.2
<i>-2 to 10 Mbit/s</i>	7.4	33.8	13.2
<i>-equal to or above 10 Mbit/s</i>	-	35.4	82.6

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

Tariffs are among the lowest in Africa. However, the absence of regulation has also led to problems with frequency spectrum coordination and interconnection between networks. There is a growing need in Somalia for a policy and regulatory framework and the establishment of a regulatory body that is managerially and financially independent from the Somalia telecommunication operators. The absence of regulation in the ICT and telecommunication sector has resulted in having illegal companies operating in the country. In 2012, a national communications act was approved that lays the foundation for the establishment of a national communications regulator in the broadcasting and telecommunications sectors.⁴¹⁵ The proposed communications act was approved again in June 2016. However, it was put on hold following concerns raised by the private sector. In May 2017 MPT began a consultation on a new draft communications law that aims to establish the legal, regulatory, and institutional frameworks for the country's thriving telecommunication sector.

Conclusion: Recent progress in the political stability and the formation of a new government are good signs of a stabilisation of the country and to become more attractive to foreign investment, which is needed to take the telecommunication and broadband sector to the next level. The government is beginning to regulate the sector and is planning to issue new spectrum licences that will allow the operation of high-speed mobile broadband technologies.