

Kenya accounts for 7% of Africa mobile industry

Kenya mobile telephony industry now accounts for 7% of mobile phone subscribers in sub-Saharan Africa. Kenya had 17.4 million mobile phone subscribers by end of June 2009, translating to 45.7% penetration.

By [Titus Kaloki](#) 6 Jan 2010

The International Telecommunications Union (ITU) report says Kenya has the third highest number of subscribers, after Nigeria and South Africa that respectively account for 26% and 19% of mobile cellular subscriptions in sub-Saharan Africa.

According to another report by Pyramid Research, mobile penetration in Kenya's telecom market will grow by 95% over the next five years. "Kenya shows impressive growth rates with significant opportunity," notes Dearbhla McHenry, analyst at Pyramid Research and author of the report. "By the end of 2008, Kenya had more than 15 million mobile subscribers, with a mobile penetration rate of 39%. The subscriber base is expected to rise to 29.28 million, or 66.7% penetration, by year-end 2013."

Total revenue of Kenya's telecom market is forecast to grow by 42% from US\$1.39 billion in 2008 to US\$1.98 billion by 2013, with 78% of the total revenue to be generated by the mobile sector.

"Mobile data will be the telecom sector's fastest-growing revenue stream, increasing in revenue from US\$ million in 2008 to US\$224 million in 2013, partly due to the launch of 3G services but also to the explosive growth of low-tech, low-margin mobile data services, particularly mobile money transfers," says McHenry.

Both end-users and industry players still face significant challenges in increasing ICT uptake levels.

"These include the lack of full liberalisation of markets and the limited availability of infrastructure. In addition, prices for ICT services remain very high, compared to income levels, and broadband Internet services are out of the reach of most Africans," said ITU in the report.

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