## Internet expansion is only progressing slowly



Internet users in a park (source: Kaldari/Commons)

Cuba's telephone provider ETECSA has released <u>new figures</u> on the state of <u>mobile and internet access in Cuba</u>. <u>Since the launch</u> of the <u>4G network</u> in 2019, the expansion of the mobile infrastructure has made great strides. However, the speed of infrastructure expansion has slowed noticeably due to a new pricing scheme.

There are currently 7.9 million cell phone users on the island, which means that on average 78 percent of Cubans have a cell phone number. Between January and April of this year, 158,988 new numbers were added. By comparison, in 2018 there were only 5.8 million cell phone users, which corresponded to around 52 percent of the population.

87 percent of the population live in areas that have at least 3G network coverage. The coverage with the fast 4G network is currently 50.04 percent and has increased only slightly in recent years. While the supply now fully covers all large and medium-sized cities, there are still many gaps in mobile internet coverage in rural areas. Nevertheless, Cuba is doing much better in terms of mobile network coverage and speed than just a few years ago and no longer has to hide from other countries in the region.

The biggest deficits are in the expansion of DSL house connections. 14.3 percent of the population has a landline. Most of them are connected via old copper cables, which makes the expansion of fast internet "en casa" technically complex and costly. Although 84 percent of the smallest district units (consejos populares) nationwide are connected to the fast internet, the problem is the notorious "last mile": Since 2019, the number of DSL connections in Cuba has more than doubled, but from a low level. Currently, only 7.23 percent of households, or around 282,000 residential units, have an active DSL connection. Their speed is also capped at 4096 Mbit/s, and in many cases the available bandwidth is lower.

The expansion is progressing much more slowly than planned. A major obstacle is the fact that tariffs are now relatively low and in the national currency, which means that insufficient funds can be generated for the necessary investments. A few years ago, Internet and mobile communications in Cuba were billed in convertible pesos (CUC). Since the 2021 currency reform, both services have been moved into a pricing scheme in the national currency, which was warmly welcomed by customers. 16 gigabytes of mobile data currently costs 950 pesos, which, according to the official exchange rate, is equivalent to 8 €, or around 2.60 € at the informal exchange rate. By way of comparison, at the beginning of the 3G offering in 2018, four gigabytes cost 30 CUC, which at the time was around 30 €.

Since no cross-subsidies are expected for ETECSA due to the current extremely tense foreign exchange situation, the expansion of fiber optic networks in Cuba is likely to continue to progress slowly for the foreseeable future. One possible solution for households, which was already discussed a few years ago, is to use 4G routers to make use of the mobile signal for a domestic Wi-Fi network. However, ETECSA does not yet offer such a service. As a practical palliative, the widespread public WiFi parks have been legally accessible since 2019 with prior registration to amplify their signal.

But there is also good news regarding the future of internet expansion: the new submarine cable "Arimao", which connects Cuba with Martinique and <u>first went into test operation in April 2023</u>, is now successfully in use. This means that the fiber-optic network in Cuba now has a significantly broader backbone, which is a prerequisite for all further expansion steps. (<u>Cubaheute</u>)