


**Tanzania  
Entrepreneurship**




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**Partners**

- GSMA Development Fund
- Vodacom Tanzania

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**2010 Statistics**

- Life expectancy: 52.49 years
- Population: 41,892,895
- GDP per capita: USD 1,500
- Internet penetration: 1.6%
- Mobile penetration: 45.18%

Sources: CIA World Factbook (<https://www.cia.gov/library/publications/the-world-factbook/>); Mobile penetration data provided by Informa UK Limited and based on market intelligence. Internet penetration data provided by [www.internetworldstats.com](http://www.internetworldstats.com) and based on data published by Nielsen Online, the International Telecommunication Union, GfK, and local regulators.

## Case Study

### Internet Cafés: Creating a Communication Gateway for the Unconnected

In Tanzania, local entrepreneurs in three communities – Dar-es-Salaam, Dodoma and Arusha – were presented a new business prospect and a much needed resource: access to high-speed wireless Internet connectivity. With 36 percent of the country's population living under the poverty line,<sup>1</sup> this new business idea was readily adopted. Internet cafés in these three cities are now connected to a mobile broadband network, enabling locals to gain high-speed access to the vast repository of information and multimedia services found on the Internet.

#### Challenge

- Tanzania is often considered one of the least urbanized African countries and has one of the world's poorest economies in terms of per capita income.<sup>2</sup>
- Internet penetration in Tanzania is only 1.6 percent of the total population.<sup>3</sup> This statistic shows there is still significant and unsatisfied demand for fast and reliable Internet access.

#### Solution

- Through the project, entrepreneurs obtain a microfinance loan to purchase Internet cafés that are housed in converted shipping containers, which serve as an environmentally friendly and affordable solution.
- Each Internet café is equipped with several computer terminals connected to Vodacom's HSPA network, which can provide download speeds of up to 7.2 megabits per second.
- In a country where fixed lines and computers are scarce, the Internet cafés enable many ordinary Tanzanians to enjoy Internet access and its many associated benefits for the first time in their lives.
- In addition to online services, customers have access to airtime vouchers, payphone calls, handset recharging services and Vodacom's M-PESA mobile money transfer service.

*“Our goals are to expand the use of our services and empower the people of Tanzania through our technology. How do you gain knowledge? The public Internet café is a tool for this. Tanzanians now have access to information from anywhere in the world and it empowers them.”*

*- Peter Correia, Chief Operating Officer, Vodacom Tanzania*



A Wireless Reach project partner outside one of the initial Vodacom cafés.

## The Technology

- Each Internet café consists of:
  - A Mecer Desktop System
  - HSPA USB Modem with SIM Card
  - BMTL All-in-one Printer
  - Simyawatu Mobile Phones
  - A Phone Recharge Station

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## Results

- Stemming from the success of the initial pilot, Vodacom has expanded the project to include two additional Internet cafés with 30 computers in Tanzania's University of Dodoma and ten additional Internet cafés throughout Tanzania.
- The sites chosen are diverse, which helps project partners ensure the business model is successful across several landscapes. There is positive consensus among the Internet café owners that the strength of their business is the high-speed wireless Internet connectivity on Vodacom's HSPA network.

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## Project Partners

- **GSMA Development Fund** received Wireless Reach funding to implement and manage the project in country.
- **Qualcomm's Wireless Reach™ initiative** acted as the primary funder and provided project management support.
- **Vodacom Tanzania** provided the 3G wireless network.



<sup>1</sup> <https://www.cia.gov/library/publications/the-world-factbook/geos/tz.html>

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

### Qualcomm's Wireless Reach™ Initiative

Qualcomm believes access to 3G and next-generation mobile technologies can improve people's lives. Qualcomm's Wireless Reach initiative is a strategic program that brings wireless technology to underserved communities globally. By working with partners, Wireless Reach invests in projects that foster entrepreneurship, aid in public safety, enhance the delivery of health care, enrich teaching and learning and improve environmental sustainability. For more information, please visit [www.qualcomm.com/wirelessreach](http://www.qualcomm.com/wirelessreach).