POSTAL AND TELECOMMUNICATIONS REGULATORY AUTHORITY OF ZIMBABWE (POTRAZ)

'creating a level playing field'

ANNUAL POSTAL AND TELECOMMUNICATIONS SECTOR PERFORMANCE REPORT

2024

Disclaimer:

This report has been prepared based on data provided by service providers. The information provided in this Annual report is subject to alteration in case of any revisions or updates from the service providers. Although every effort has been made to ensure accuracy of the data contained in this report, the Authority is not liable for the inaccuracy of any information.

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LIST OF ACRONYMS

2G…… Second Generation

3G……..... Third Generation

ACPU…..... Average Cost per User

AMPU……... Average Margin per User

ARPU…..... Average Revenue per User

ADSL…… Asymmetric Digital Subscriber Line

AI ……Artificial Intelligence

GB…… Gigabyte

IoT……..Internet of Things

LTE……Long Term Evolution

MB…… Megabyte

Mbps……. Megabits per second

ML ……..Machine Learning

PSTN……. Public Switched Telephone Network

PB…… Petabyte

VoIP…… Voice Over Internet Protocol

A NOTE TO READERS

The Economy adopted the Zimbabwe Gold (ZWG) as a trading currency replacing the ZWL in April 2024. To ensure comparison of revenues, costs, and investment between 2023 and 2024, the ZWL and ZWG figures were converted to USD using average quarterly exchange rates and summing the quarterly figures to get annual figures. The absolute nominal revenues, costs, and investment figures in ZWL and ZWG are however still provided in this report.

1. EXECUTIVE SUMMARY

This report presents annual comparison on the performance of the markets within the postal and telecommunications sector during the period 2023 to 2024. The report covers data on subscriptions, usage traffic, infrastructure deployment, revenues, investment, and employment in the postal and telecommunication sector. The data collected is also used by the Authority to monitor and inform policy decisions aimed at facilitating orderly growth of these sectors. The following trends characterised the postal and telecommunications sector in the year 2024 compared to 2023:

- **Increases in mobile and Internet/data subscriptions vis-à-vis a contraction in fixed telephony subscriptions.**

The total number of active mobile subscriptions increased marginally by 4.7%, from 14,973,816 to record 15,677,094 in 2024. Resultantly, mobile penetration rate increased by 4.76 percentage points from 97.5% in 2023, to record 102.26% in 2024. Meanwhile, the total number of active fixed telephone lines declined by 3.75%, from 309,645, to record 298,047 as of 31 December 2024. Consequently, fixed tele-density declined by 0.06 percentage points, from 2.0%, to reach 1.94% in 2024. The total number of active Internet/data subscriptions as of 31 December 2024 was 12,493,098. This translates to a 11.14% increase from 11,240,969 active subscriptions recorded as of 31 December 2023. Resultantly, the Internet penetration rate increased by 8.19 percentage points from 73.3% to 81.49% as of 31 December 2024.

- **Overall growth in Internet/data usage as well as mobile voice traffic.**

A total of 299.77 petabytes (PBs) of mobile Internet/data traffic were consumed in 2024. This represents a 75.09% increase in usage, from 171.21PBs consumed in 2023. Used incoming international Internet bandwidth capacity grew by 56.98%, from 1,320,305Mbps in 2023, to record 2,072,642Mbps in 2024. Used outgoing international Internet bandwidth capacity also increased by 31.75% to record 516,883Mbps in 2024, from 392,333Mbps recorded in the previous year.

Total voice traffic increased by 12.82%, from 11.7 billion minutes, to record 13.2 billion minutes in 2024. The growth in total voice traffic emanated mainly from an increase in national traffic, particularly net on net calls due to increased promotional offers by service providers.

This could have been spurred by increased competition posed by the coming on board of Starlink.

- **Decline in Postal and Courier Volumes.**

Postal and courier items declined by 28.74% from 2,012,181 recorded in 2023, to 1,433,976 in 2024.

- **Growth in revenues, capital expenditure amidst rising operating costs.**

The year 2024 was characterised by a trend of growing revenues amidst rising operating costs in the sector. Owing to currency change that happened in 2024, financials were compared in USD. The total postal and telecommunications sector revenue for 2024 amounted to USD1 billion, up from USD997.2 million generated in 2023; this represents revenue annual growth rate of 0.28%.

Telecommunications capital expenditure grew by 91.5%, from USD55.4 million recorded in 2023, to record USD106.1 million in 2024. The capital expenditure was mainly on Long Term Evolution (LTE) and 5G deployments, and network upgrades. Capital expenditure by postal and courier operators declined by 48.5%, from USD454,404 recorded in 2023 to USD234,207 in 2024.

On the other hand, the total postal and telecommunications sector operating costs amounted to USD636.8 million in 2024, up from USD530.6 million incurred in 2023, giving an annual variance of 20.01%.

- **Increase in the number of licensees.**

A total of ten (10) additional licences were issued in 2024; these consisted of three (3) ISP National Licences, one (1) Network Facilities Services licence, one (1) Mobile Virtual Network Operator licence and five (5) Courier licences. The list of the licensed operators in the various markets as of 31 December 2024 is provided in the following table:

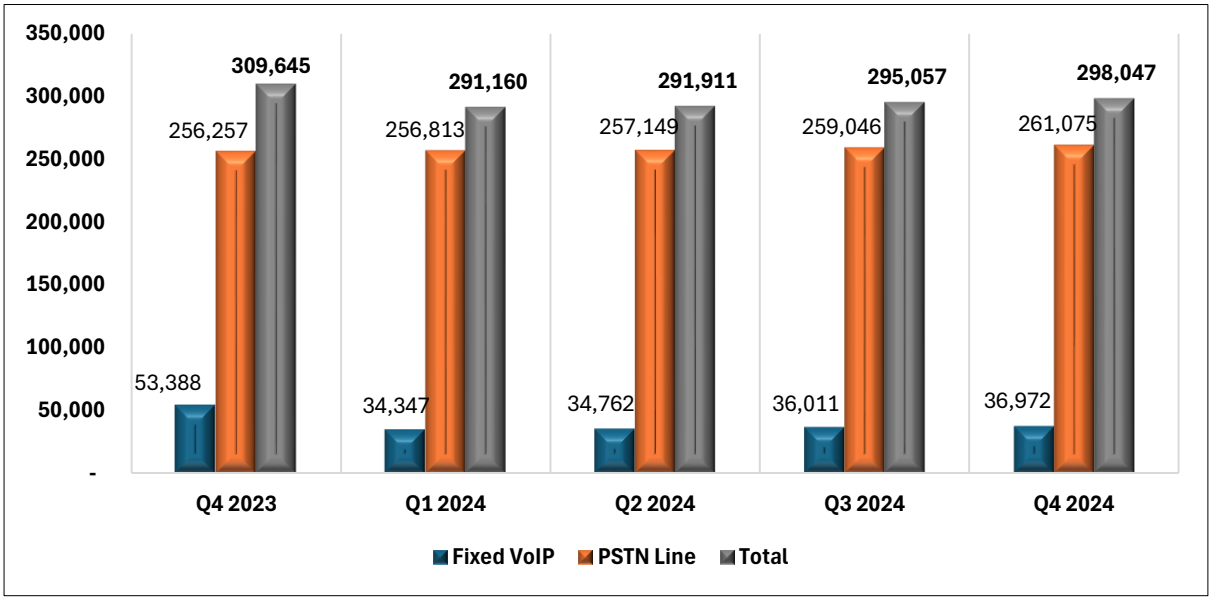
Licence Category	Licensed Operators
Unified Telecommunication Services	1. TelOne 2. Pecus
Mobile Cellular Services	1. Econet 2. NetOne 3. Telecel
Internet Access Providers	1. Africom 2. Dandemutande 3. Liquid 4. PowerTel 5.Telecontract 6. ZARNet 7. Powertel 8. Dark Fibre Africa Zimbabwe 9. ZIMREN (Pvt) Ltd
Network Facilities, Network Services and International Gateway	1. Fiber Connections 2. Fibrehood (PVT) Ltd 3. Starlink Zimbabwe
Internet Service Provider (ISP - Metro)	1.ClikIt Telecom 2. Frampol Investments Pvt Ltd 3. IT Anywhere 4. Linter-lix (PVT) Ltd
Internet Service Provider (ISP - National)	1.Timeless Technology 2. ZODSAT 3. Starlink Zimbabwe 4. AURA Group 5. IMC Communications
Internet Service Provider (ISP - Provincial)	1.Kamba Communications
Mobile Virtual Network Operator	1.Dolphin Telecoms 2. Taura (APP) Ltd
Application Services	1. Canlink
Postal Services	1. ZIMPOST
Courier Services	1. DHL 2. FEDEX 3. Courier Connect 4. Unifreight/Swift 5. Innscor Transport t/a Overnight Express 6. United Parcel Services 7. Skynet 8. Tuma Logistics 9. Zimdelivery 10. Confident Courier (Pvt) Business Corporation 11. Merchandise Carriers (Pvt) Ltd 12. Leebond Enterprises (Pvt) Ltd t/a Hot Courier 13. Luwy Cay Shipping t/a LC Shipping 14. Purple Monkey (Pvt) Ltd 15. Ana Air Transport (Pvt) Ltd 16. Gemoian Ent (Pvt) Ltd t/a G&M Logistics

2. SUBSCRIPTIONS & PENETRATION RATES

2.1 FIXED

The total number of active fixed telephone lines declined by 3.75% to record 298,047 as of 31 December 2024, from 309,645 recorded in the previous year. The trend in fixed VoIP as well as PSTN lines throughout the year is shown in Figure 1 below:

Figure 1: Growth in Fixed Telephone Subscriptions

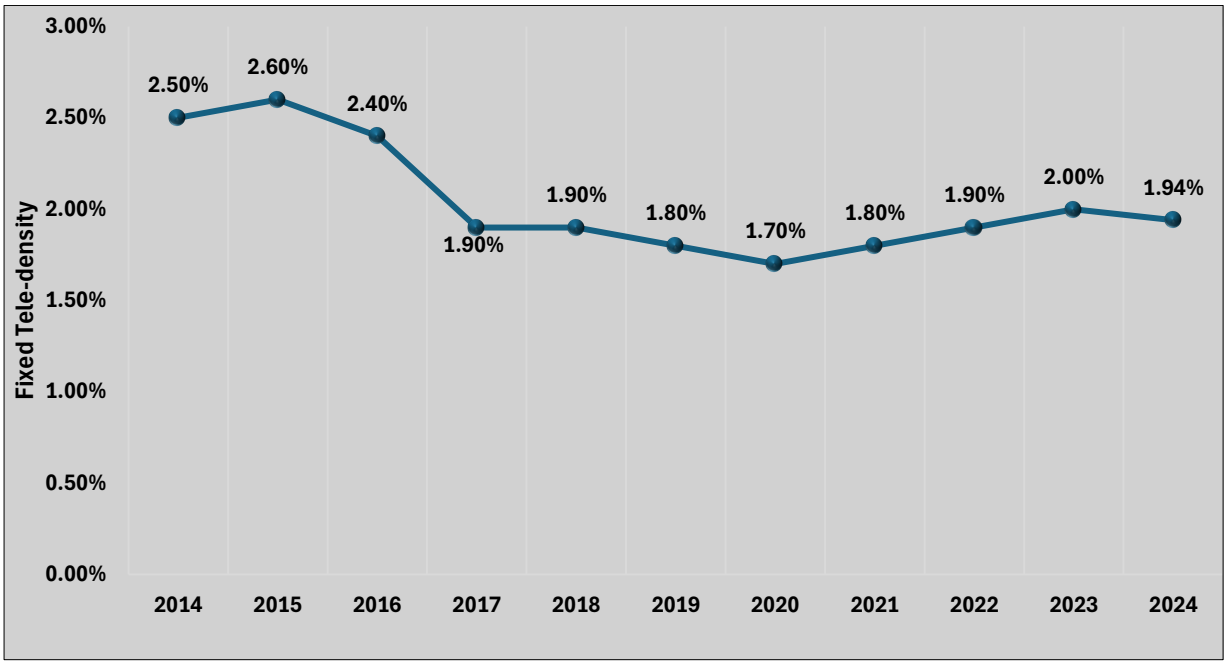


Fixed VoIP subscriptions contracted by 30.75% to record 36,972 as of 31 December 2024, from 53,388 recorded in the previous year. This may be attributed to the growing prominence of messaging apps such as WhatsApp and Facebook that offer free voice and video calling functionalities.

On the other hand, traditional fixed voice active subscriptions grew by a margin of 1.88% to record 261,075 as of 31 December 2024, from 256,257 recorded as of 31 December 2023. However, this marginal growth could not outweigh the significant decline in VoIP subscriptions, hence a dip in the fixed tele-density by 0.06 percentage points from 2.0% in 2023 to 1.94% in the year under review

Figure 2 below shows a trend of fixed tele-density from 2014 to 2024:

Figure 2: Fixed Tele-density



The rapid proliferation of mobile phones and growth in smartphone penetration rate have had detrimental effects on fixed tele-density as people shift preference towards the convenience and flexibility that comes with mobile phones.

2.2 MOBILE

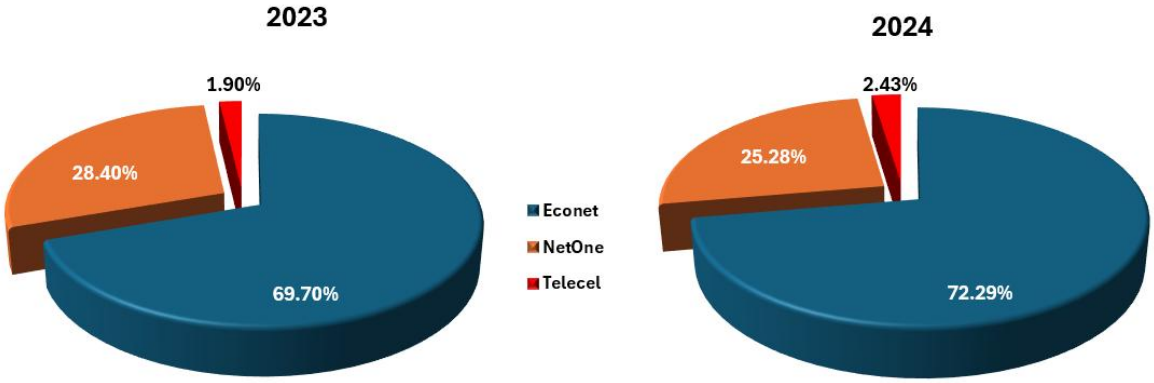
The total number of active mobile subscriptions grew by 4.7% to record 15,677,094 in 2024, from 14,973,816 recorded in the previous year as shown in Table 1 below:

Table 1: Active Mobile Subscriptions per Operator

	Active Subscriptions 2023	Active Subscriptions 2024	Change (%)
Econet	10,440,693	11,332,804	8.5%
NetOne	4,251,791	3,963,193	-6.8%
Telecel	281,332	381,097	35.5%
Total	14,973,816	15,677,094	4.7%

Econet and Telecel gained subscribers in 2024 by 8.5% and 35.5% respectively, whereas NetOne recorded a 6.8% decline in active mobile subscriptions. The annual variation in the market share of active mobile subscriptions is shown in Figure 3 below:

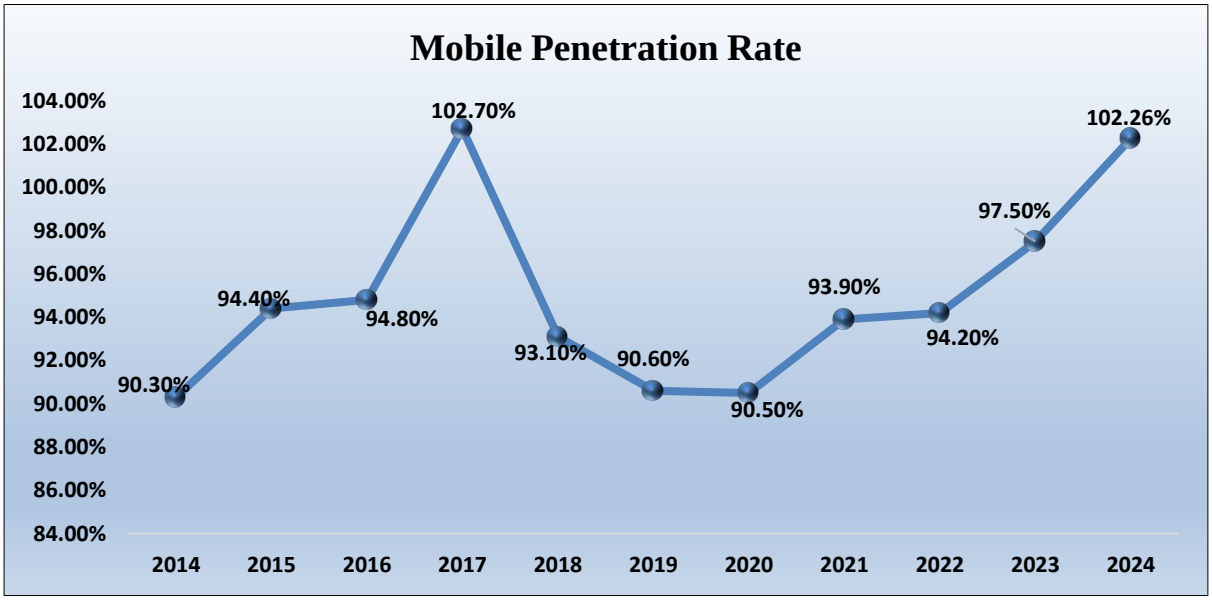
Figure 3: Market Share of Mobile Subscriptions



As shown above, Econet and Telecel gained subscriber market shares by 2.59 and 0.53 percentage points respectively in 2024, whereas NetOne lost subscriber market share by 3.12 percentage points.

Mobile penetration rate grew by 4.76 percentage points to record 102.26% as of 31 December 2024, from 97.5% recorded in the previous year. The annual mobile penetration rate variations are shown in Figure 4 below:

Figure 4: Mobile penetration rate



Mobile telecommunication companies have been expanding their network coverage to reach previously underserved areas, including rural and remote regions. The expansion of mobile networks improves accessibility and availability of mobile services, attracting new users and increasing mobile penetration rates. As such mobile penetration rate is expected to grow steadily due to increased connectivity covering underserved and unserved areas.

2.3 INTERNET/DATA

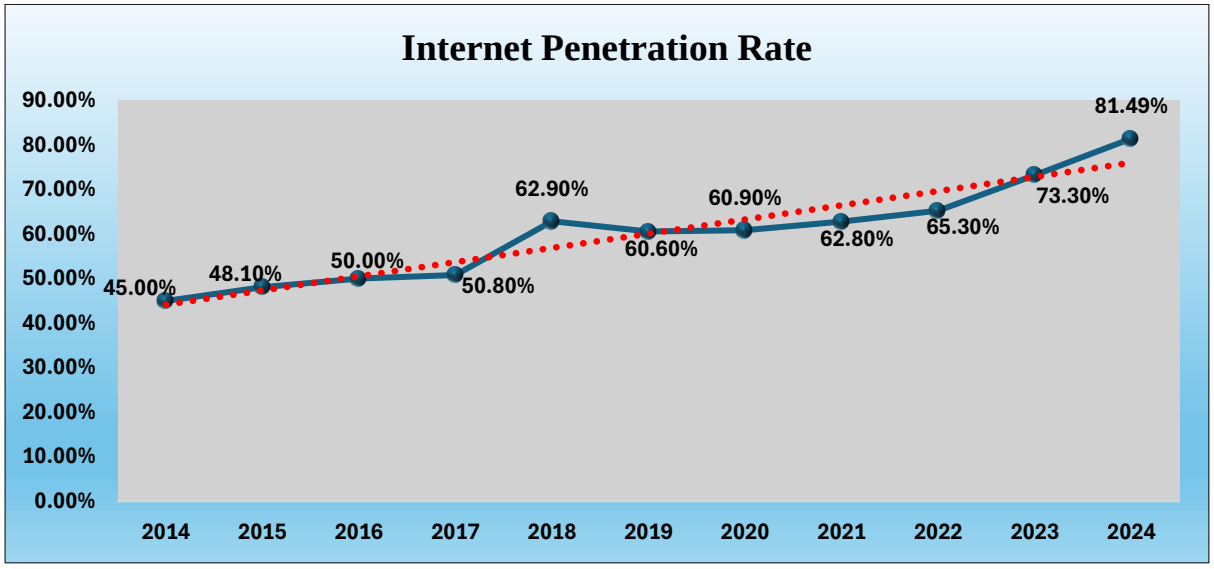
The total number of active Internet/data subscriptions as of 31 December 2024 was 12,493,098. This translates to a 11.14% increase from 11,240,969 active subscriptions, as of 31 December 2023. The growth in active subscriptions by technology is shown in table 2 below:

Table 2: Active Internet subscriptions

Technology	2023	2024	Change (%)
3G/HSDPA/LTE	10,971,779	12,170,615	10.93%
Fixed LTE	72,756	102,105	40.34%
Leased Lines	2,870	2,871	0.03%
DSL	104,463	97,667	-6.51%
WiMAX	9,359	16,814	79.66%
CDMA	170	200	17.65%
VSAT	5,073	23,410	361.46%
Active Fibre Subscriptions	74,499	79,416	6.60%
Total	**11,240,969**	**12,493,098**	**11.14%**

The growth in adoption and deployment of fixed LTE has been ongoing, in substitution of older technologies. The coming onboard of Starlink Zimbabwe also played a significant role in the massive growth of VSAT subscribers by a significant margin of 361.46%. Overall, the Internet penetration rate increased by 8.19 percentage points to reach 81.49%, from 73.3% recorded in 2023 as shown in Figure 5 below:

Figure 5: Internet penetration rate



The expansion of telecommunications infrastructure along with the ever-growing demand for Internet based services and proliferation of smartphones has played a significant role in driving Internet penetration over the years in Zimbabwe. This is evidenced by a steady increase in the last 10 years as depicted above.

3. TRAFFIC AND USAGE PATTERNS

3.1 VOICE TRAFFIC

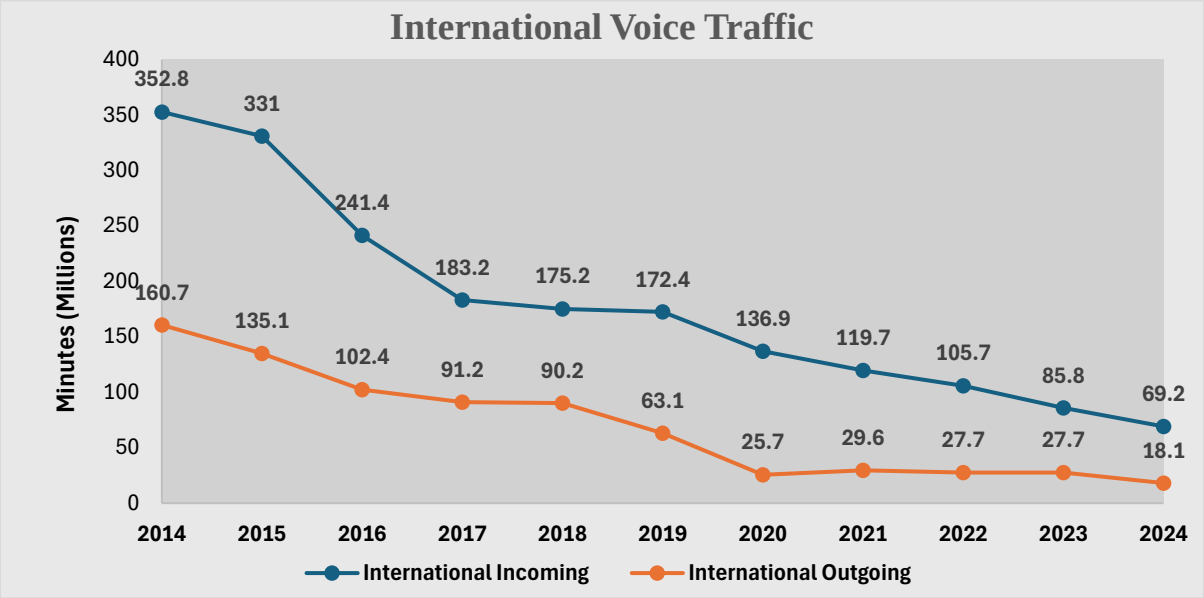
Total voice traffic for MNOs and fixed operator increased by 12.82% to record 13.2 billion minutes in 2024, from 11.7 billion minutes recorded in the previous year. The growth in total voice traffic emanated mainly from an increase in national traffic, particularly net on net calls. Table below shows a comparison of the total voice traffic in minutes for MNOs.

Table 3: Mobile Voice Traffic

Traffic category	2023 (In Minutes)	2024 (In Minutes)	Variance (%)
Net on Net	8,823,606,723	10,649,841,791	20.70%
Mobile to Fixed	19,388,984	16,819,742	-13.25%
Incoming from Fixed	223,861,433	204,947,755	-8.45%
Mobile to Other Mobile	2,347,354,071	1,819,163,116	-22.50%
Outgoing to IAPs	9,324,166	11,130,592	19.37%
Incoming from IAPs	110,613,263	116,020,264	4.89%
Total National	**11,534,148,641**	**12,817,923,259**	**11.13%**
International Incoming	84,764,270	66,728,647	-21.28%
International Outgoing	24,876,391	17,033,476	-31.53%
Inbound Roaming	2,720,907	1,989,876	-26.87%
Outbound Roaming	776,545	772,719	-0.49%
Total	**11,646,650,521**	**12,904,447,977**	**10.80%**

The following shows a downward trend for aggregate international voice traffic for both mobile and fixed operators:

Figure 6: International traffic

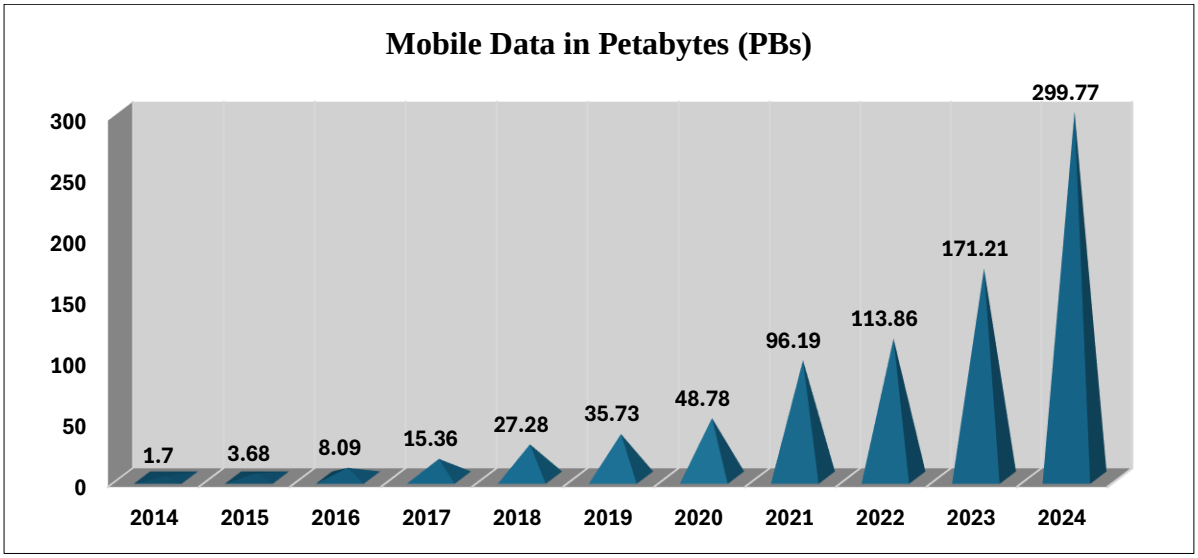


International traffic continued a downward trend as users prefer third party applications such as WhatsApp, Facebook Messenger, Telegram, and Apple's FaceTime, amongst others, which offer alternative voice and video calling functions at affordable rates compared to traditional means of communication.

3.2 MOBILE INTERNET & DATA TRAFFIC

A total of 299.77 petabytes (PBs) of mobile Internet and data traffic were consumed in 2024. This represents a 75.09% increase in usage, from 171.21PBs consumed in 2023. The growth in mobile Internet and data traffic is shown in Figure 7 below:

Figure 7: Growth in mobile Internet & data usage



The exponential growth in mobile Internet/data traffic over the years may be attributed to several factors, that are but not limited to improved network infrastructure which has improved network speeds, e-commerce and e-learning, wide adoption of smartphones and social media engagement.

3.3 USED INTERNATIONAL INTERNET BANDWIDTH CAPACITY

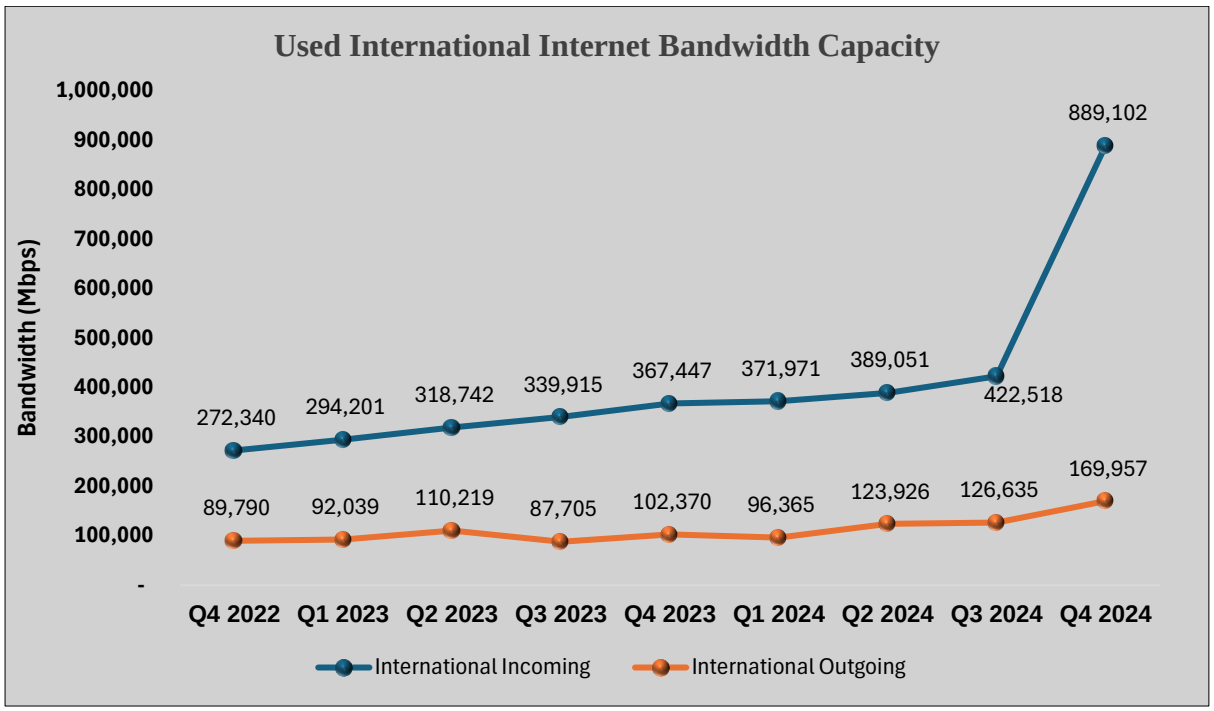
Used incoming international bandwidth capacity grew by 56.98% to record 2,072,642Mbps in 2024, from 1,320,305Mbps recorded in 2023. Used outgoing international Internet bandwidth capacity also increased by 31.75% to record 516,883Mbps in 2024, from 392,333Mbps recorded in 2023 as tabulated below.

Table 4: International Internet Bandwidth Capacity (Mbps)

	2023	2024	Change (%)
International Incoming	1,320,305	2,072,642	56.98%
International Outgoing	392,333	516,883	31.75%

The growth in used incoming and outgoing international Internet bandwidth capacity in recent trading quarters is shown in Figure 8 below:

Figure 8: International Internet Bandwidth Capacity (Mbps)



3.4 POSTAL & COURIER VOLUMES

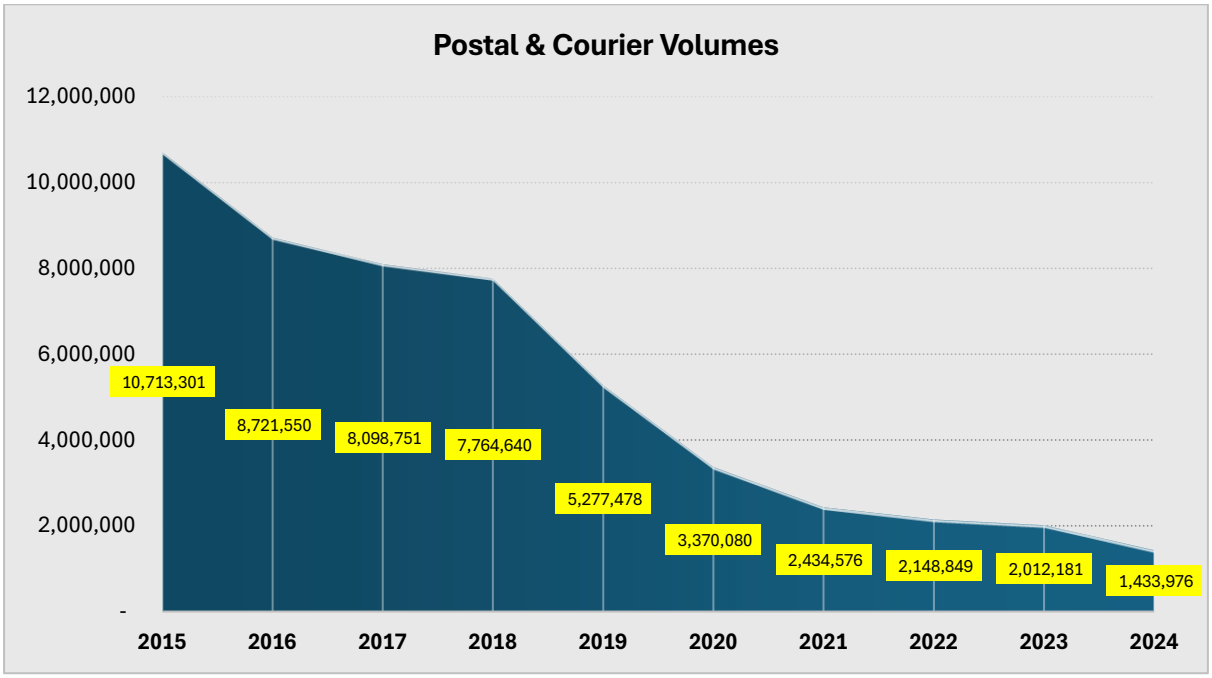
A total of 1,433,976 postal and courier items were processed in 2024; this represents a 28.74% decline from 2,012,181 recorded in 2023. The annual variation in postal and courier volumes is shown in Table 5 below:

Table 5: Postal & Courier Volumes

Service Category	2023	2024	Change (%)
Domestic postal letters	1,147,622	740,609	-35.47%
Domestic courier	486,562	498,472	2.45%
International incoming postal & courier	310,059	146,072	-52.89%
International outgoing postal & courier	67,938	48,823	-28.14%
Total postal & courier	**2,012,181**	**1,433,976**	**-28.74%**

Domestic courier was the only service category that recorded growth in volumes as shown above. Total postal and courier volumes in recent years is shown in Figure 9 below:

Figure 9: Postal & Courier Volumes



The growing operation of unlicensed operators in the postal and courier space may have detrimental effects on the postal and courier volumes by licensed operators. This is due to lower prices that they offer to gain market share.

4. REVENUES, COSTS & INVESTMENTS

4.1 FIXED TELEPHONY REVENUE, COSTS & INVESTMENT

Table 6 below shows, in absolute terms, the financials for the fixed network operator for 2023 and 2024 in ZWL and ZWG respectively:

Table 6: Fixed Network Revenue, Costs & Investment

	2023 (Absolute-ZWL)	2024 (Absolute-ZWG)
Revenue	391,304,196,950	1,448,401,495
Costs	302,597,239,053	1,314,784,886
Investment	96,969,428,090	126,029,055

Financials were converted to the USD using quarterly average exchange rates to enable comparison as shown in table 7 below:

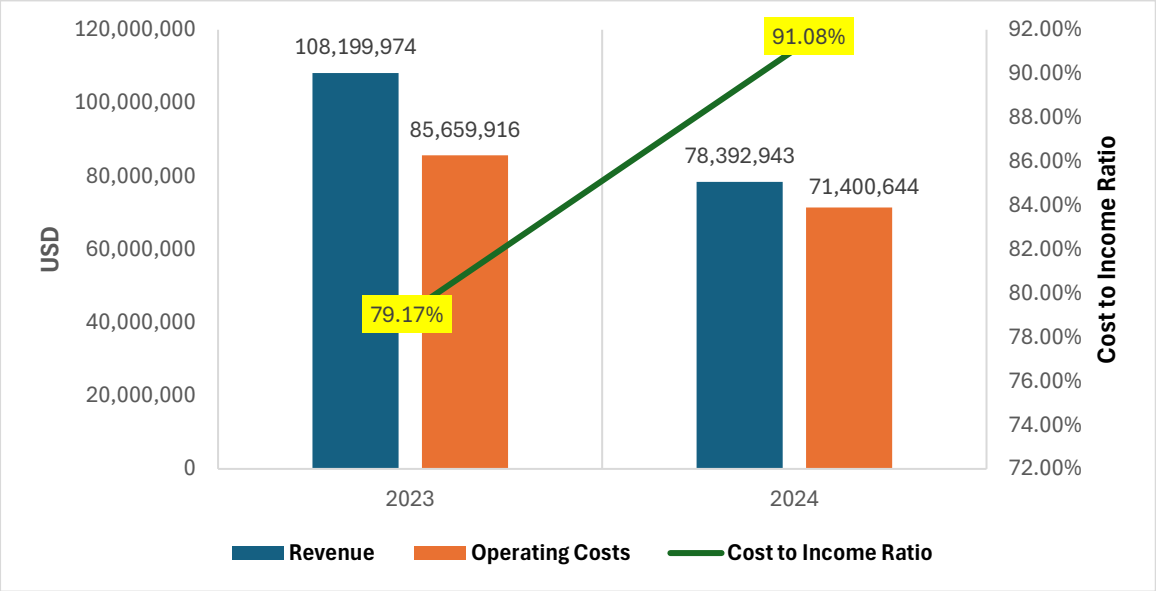
Table 7: Fixed Network Revenue, Costs & Investment (USD)

	2023 (Approximate - USD)	2024 (Approximate - USD)	Change (%)
Revenue	108,199,974	78,392,943	-27.55%
Costs	85,659,916	71,400,644	-16.65%
Investment	28,885,165	7,249,626	-74.90%

The fixed network operator revenue contracted by 27.55% to record USD78.4 million from USD108.2 million generated in the previous year. On the other hand, operating costs declined by 16.65% in the same period to record USD71.4 million from USD85.7 million incurred in 2023. Investments declined significantly by 74.90% to USD7.2 million from USD28.9 million invested last year.

Figure 10 below depicts fixed telephone revenue vis-à-vis operating costs, and financial performance.

Figure 10: Fixed Telephone Revenues & Operating Costs



Cost to Income ratio worsened from 79.17% to 91.08% signalling reduced profitability in the wake of the economic difficulties being faced by the operators.

4.2 MOBILE

Table 8 below shows, in absolute terms, the financials for the MNOs for 2023 and 2024 in ZWL and ZWG respectively:

Table 8: Mobile Revenue, Operating Costs & Investment

Metric	2023 (Absolute-ZWL)	2024 (Absolute-ZWG)
Revenue	2,219,830,434,353	13,612,664,667
Costs	684,430,530,661	6,662,306,594
Investment	51,020,081,504	1,679,259,528

Financials were converted to the USD to enable comparison as shown in table 9 below:

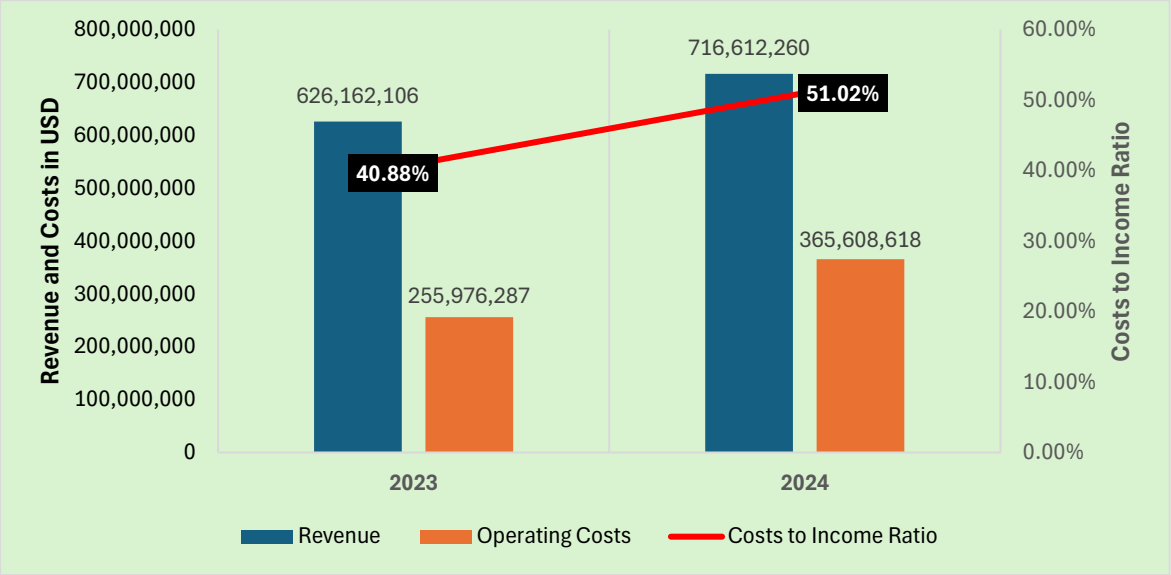
Table 9: Mobile Revenue, Operating Costs & Investment (USD)

Metric	2023 (Approximate - USD)	2024 (Approximate - USD)	Change (%)
Revenue	626,162,106	716,612,260	14.45%
Costs	255,976,287	365,608,618	42.83%
Investment	26,863,931	83,341,147	210.23%

The total revenue for the MNOs grew in real terms by 14.45% to record USD716.6 million in 2024, from USD626.2 million generated in the previous year. However, operating costs increased by a bigger margin of 42.83% to record USD365.6 million from USD256 million incurred in 2023. Collectively, MNOs invested USD83.3 million in 2024 from USD26.9 million invested in the previous year.

Figure 11 below depicts mobile network operator revenue vis-à-vis operating costs, and financial performance.

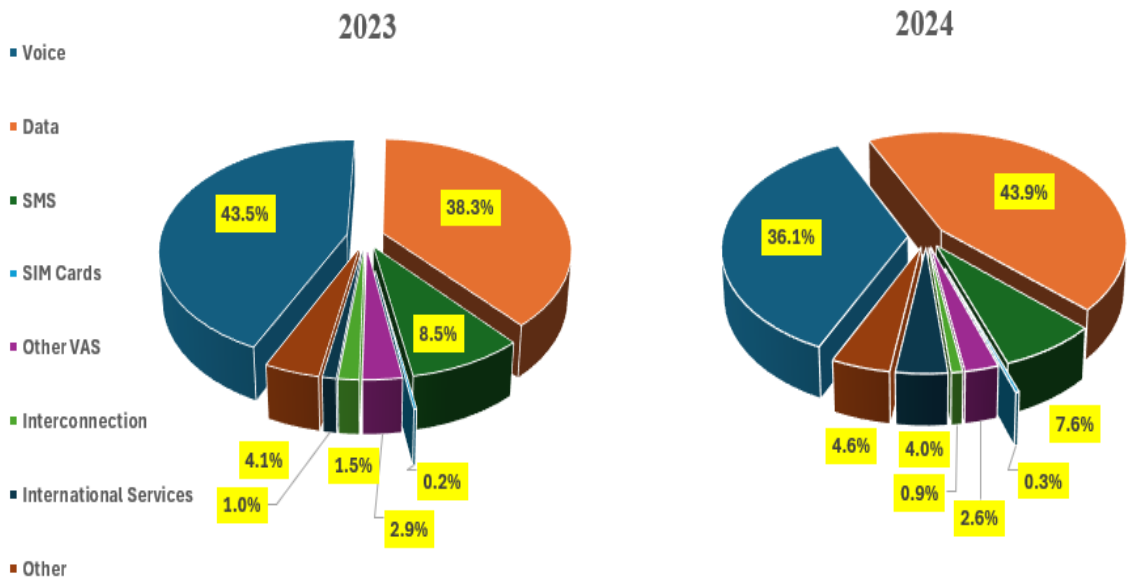
Figure 11: Mobile Network Revenues & Costs



The growth in operating costs outweighed the growth in revenue as indicated by the worsening cost to income ratio from 40.88% to 51.02%.

Figure 12 below shows revenue contribution by service:

Figure 12: MNO revenue contribution by service



As telecommunication users shift preference from traditional voice calls to data centric services, Internet/data services have increasingly become the cash cow for mobile network providers as shown above with a 43.9% revenue contribution in 2024, from 38.3% contributed in 2023.

4.3 IAP REVENUES, COSTS & INVESTMENT

Table 10 below shows, in absolute terms, the financials for the IAPs for 2023 and 2024 in ZWL and ZWG respectively:

Table 10: IAP Revenues, Costs & Investment

Metric	2023 (Absolute-ZWL)	2024 (Absolute-ZWG)
Revenue	1,297,366,366,373	4,932,887,809
Costs	956,027,644,265	4,210,622,623
Investment	122,927,760,533	332,357,470

Financials above were converted to the USD for comparison purposes as shown in table 11 below:

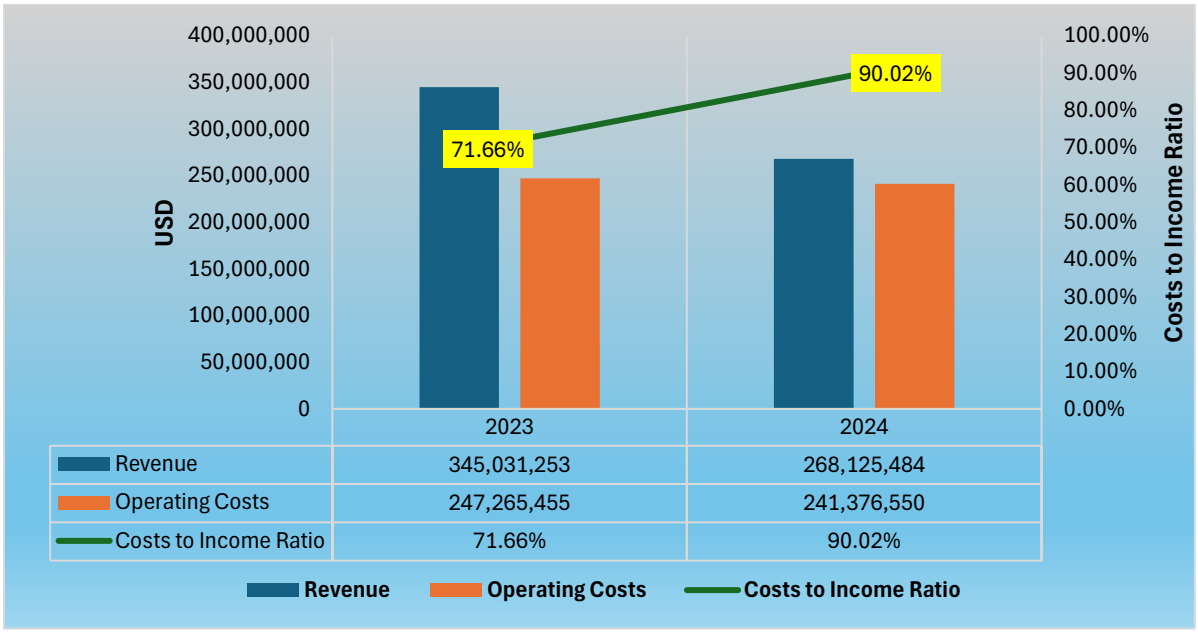
Table 11: IAP Revenues, Costs & Investment (USD)

Metric	2023 (Approximate - USD)	2024 (Approximate - USD)	Change (%)
Revenue	345,031,253	268,125,484	-22.29%
Costs	247,265,455	241,376,550	-2.38%
Investment	28,532,546	22,740,702	-20.30%

The total revenue for IAPs contracted in real terms by 22.29% from USD345 million generated last year to USD268.1 million in 2024. Operating costs also declined by 2.38% to record USD241.4 million from USD247.3 million incurred last year. Meanwhile, USD22.7 million was put towards investment in 2024, as compared to USD28.5 million invested last year.

Figure 13 below depicts mobile network operator revenue vis-à-vis operating costs, and financial performance.

Figure 13: IAP Revenues & Operating Costs



As indicated above, the decline in revenue outpaced the decline in operating costs, signalling loss of profitability as the IAP operators used 91.02% of their revenue to cover operational expenses in 2024, as compared to 2023 position of 71.66%.

4.4 POSTAL & COURIER

Table 12 below shows, in absolute terms, the financials for the IAPs for 2023 and 2024 in ZWL and ZWG respectively:

Table 12: Postal & Courier Revenue, Costs & Investment

Metric	2023 (Absolute-ZWL)	2024 (Absolute-ZWG)
Revenue	95,469,705,509	401,791,726
Costs	103,213,652,098	539,105,976
Investment	1,548,174,770	4,914,744

Financials above were converted to the USD to enable comparison as shown in table 13 below:

Table 13: Postal & Courier Revenue, Costs & Investment (USD)

Metric	2023 (Approximate - USD)	2024 (Approximate - USD)	Change (%)
Revenue	26,014,714	21,429,143	-17.63%
Costs	27,393,077	29,833,533	8.91%
Investment	454,404	234,207	-48.46%

Total revenue for the postal and courier operators declined in real terms by 17.63% to record USD21.1 million in 2024, from USD26 million generated last year. However, their operating costs grew by 8.91% to record USD29.9 million from USD27.4 million incurred in 2024.

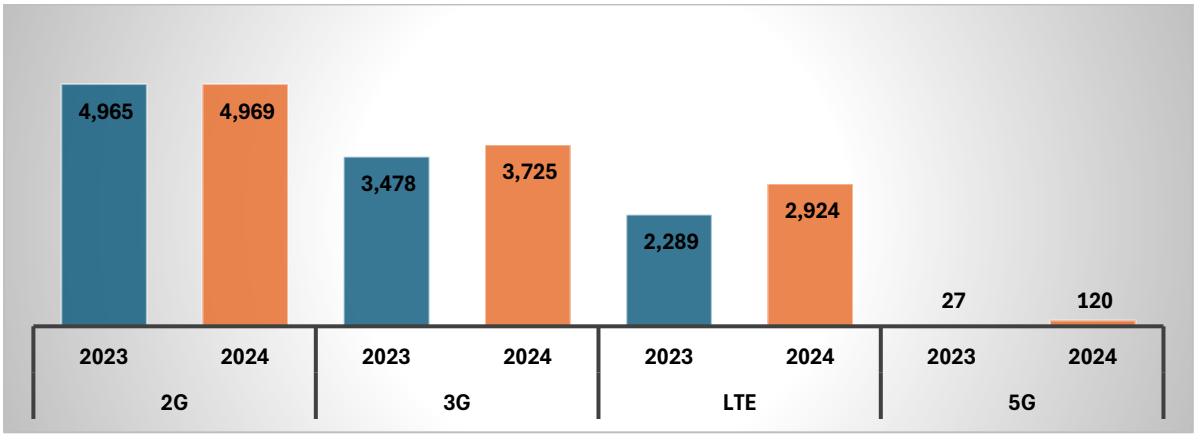
Operating costs for the postal and courier operators continued to rise amidst falling revenues, signaling losses in the trading year 2024. This calls for adjustment of the current business models to align with the demands of the current market.

5. TELECOMMUNICATIONS INFRASTRUCTURE

5.1 MOBILE BASE STATIONS

The total number of base stations was 11,738 as of 31 December 2024, up from 10,759 as of 31 December 2023. An annual comparison of base stations by technology are shown in Figure 14 below:

Figure 14: Mobile Base Stations



Operators continued to move away from deployment of 2G and 3G network infrastructure in favour of LTE and 5G network technologies as illustrated on the chart above. A total of 979 base stations were deployed in 2024, of which 635 were LTE and 93 were 5G.

In terms of mobile network coverage in urban and rural areas, the annual variation in population network coverage by technology is shown in the Table 14 below:

Table 14: Mobile Network Population Coverage

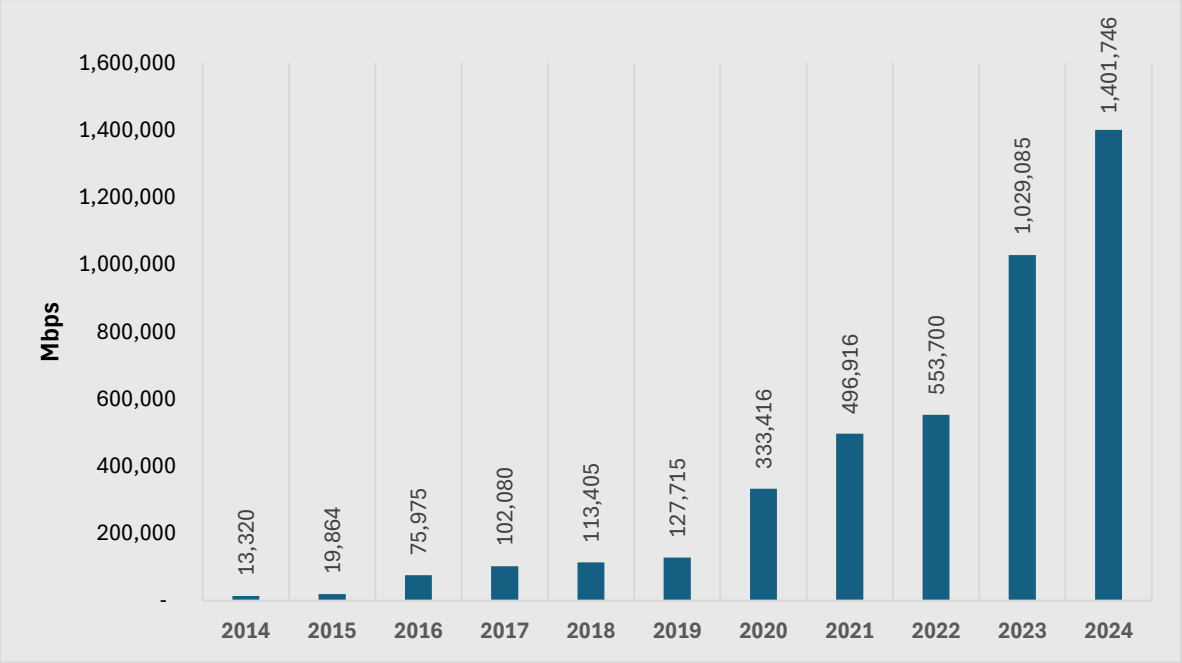
		2023	2024	Change (Percentage Points)
2G	**Rural**	75.07%	75.70%	0.63
	Urban	99.90%	99.90%	0.00
	Total	93.75%	93.85%	0.10
3G	**Rural**	67.60%	71.60%	4.00
	Urban	99.90%	99.90%	0.00
	Total	86.80%	87.90%	1.10
LTE	**Rural**	3.75%	24.60%	20.85
	Urban	93.0%	95.00%	2.00
	Total	44.70%	51.60%	6.90
5G	**Rural**	-	-	-
	Urban	2.65%	15.90%	13.25
	Total	2.65%	15.90%	13.25

As shown above, LTE network population coverage grew significantly by 20.85 percentage points in rural areas in 2024. Moreso, operators continued to increase their 5G coverage particularly in the urban areas as indicated by a 13.25 percentage point improvement in population network coverage.

6. INTERNATIONAL INTERNET BANDWIDTH

Equipped international Internet bandwidth increased by 36.21% to reach 1,401,746Mbps as of 31 December 2024, from 1,029,085Mbps recorded as of 31 December 2023. Demand for data and Internet services continued an upward trend in the year under review. Consequently, Internet Access Providers invested in the expansion of their bandwidth capacities as shown in Figure 15 below:

Figure 15: Equipped International Internet Bandwidth Capacity



As the demand for Internet services maintain its momentum, service providers have been faced with the need to continuously invest in infrastructure, including such notable projects like the switching on of the fast Internet fibre over the rail in Somabula early in 2024. Initiatives like these, along with other technological advancements have necessitated growth in equipped international Internet bandwidth capacity over the years as depicted above.

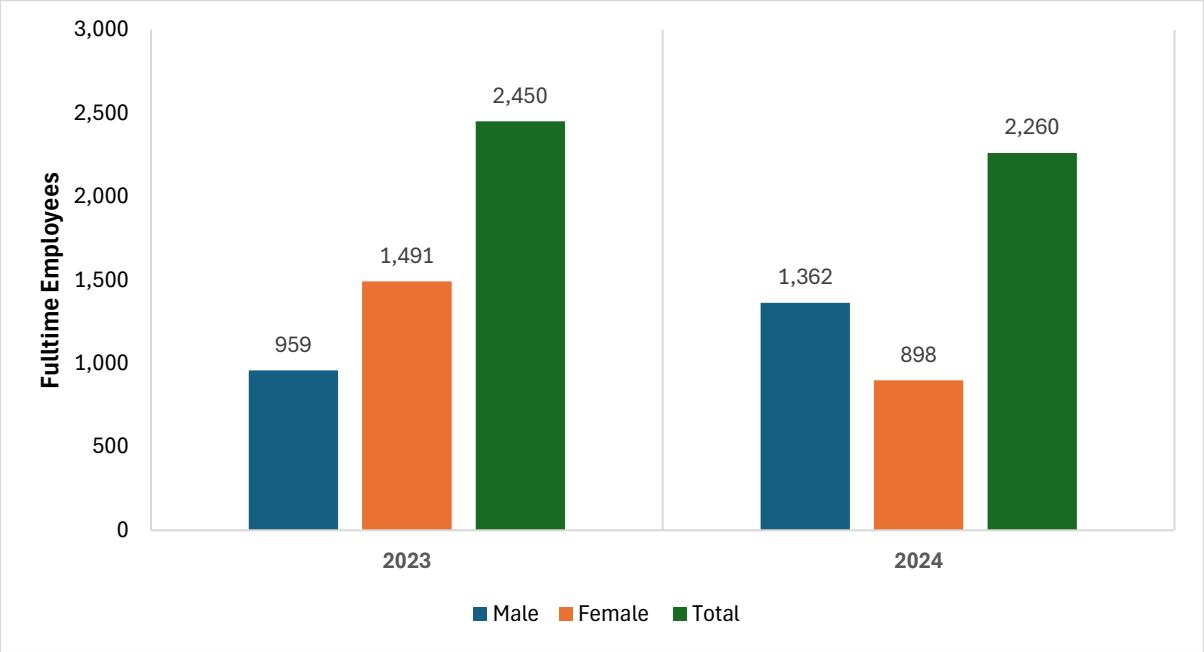
7. EMPLOYMENT

The total number of people employed on a full-time basis in the postal and telecommunications sector increased by 18.58%, to reach 7,423 as of 31 December 2024, from 6,260 people employed at the end of last year. The number of employees is broken down by subsector and by gender as follows:

7.1 MOBILE NETWORK OPERATORS:

The total number of people employed by the MNOs on a full-time basis, as of 31 December 2024, was 2,260 down from 2,450 employees recorded in the previous year. The total number of mobile network employees is broken down by gender in Figure 16 below:

Figure 16: Employment by mobile network operators

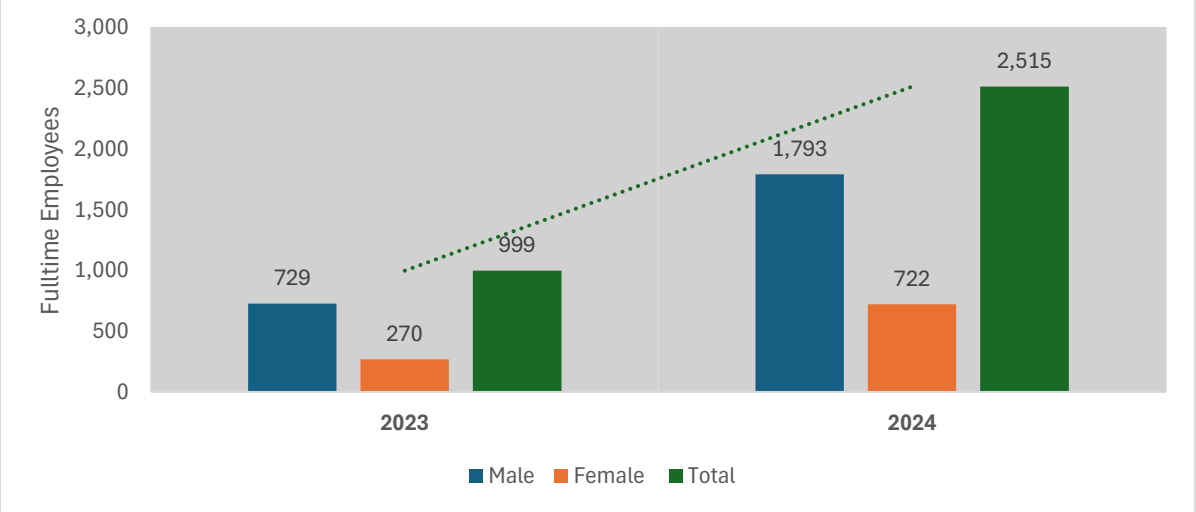


As shown above, there was a decline in employment by mobile network operators in 2024.

7.2 INTERNET ACCESS PROVIDERS

Internet Access Providers (IAPs) employees are broken down by gender in Figure 17 below:

Figure 17: Employment by Internet Access Providers

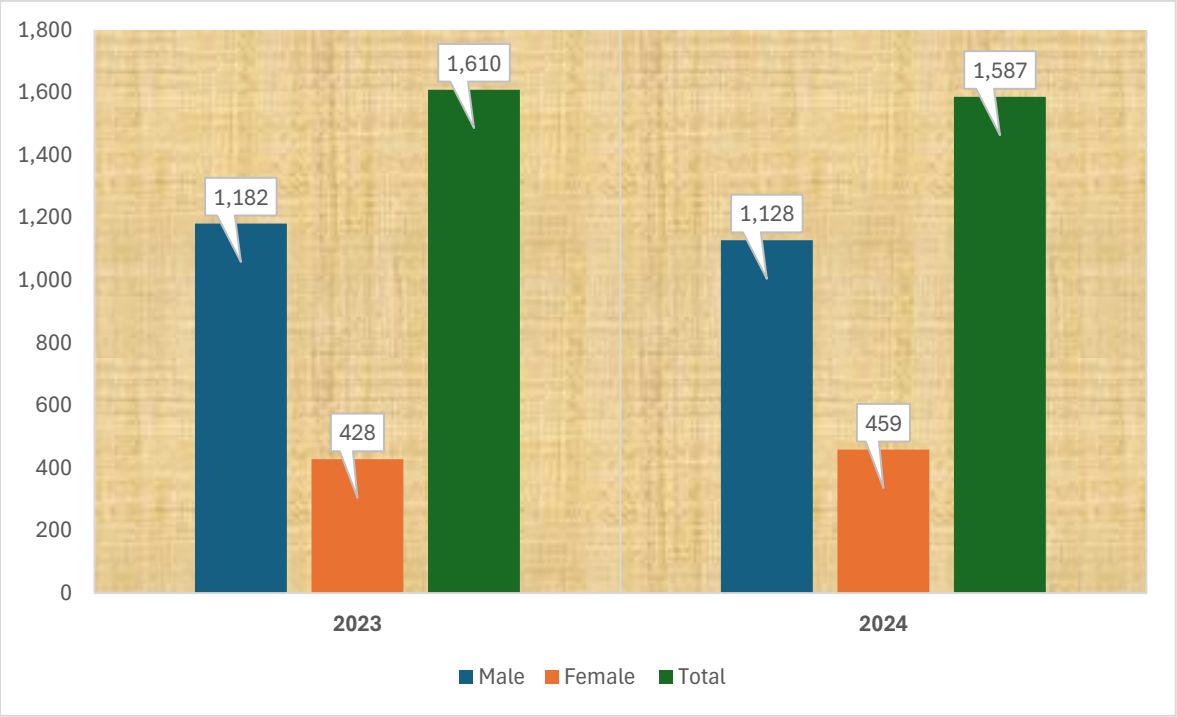


The growing demand for Internet access and increased uptake and use of Internet-based applications has increased the demand for technical support and customer care personnel by Internet Access Providers. This may have accelerated employment growth in the year under review to 2,515, up from 999 recorded last year as shown above.

7.3 FIXED NETWORK

The total number of people employed by the fixed network operator on a fulltime basis declined by 23 to record 1,587 from 1,610 recorded last year. The annual comparison is shown in Figure 18 below.

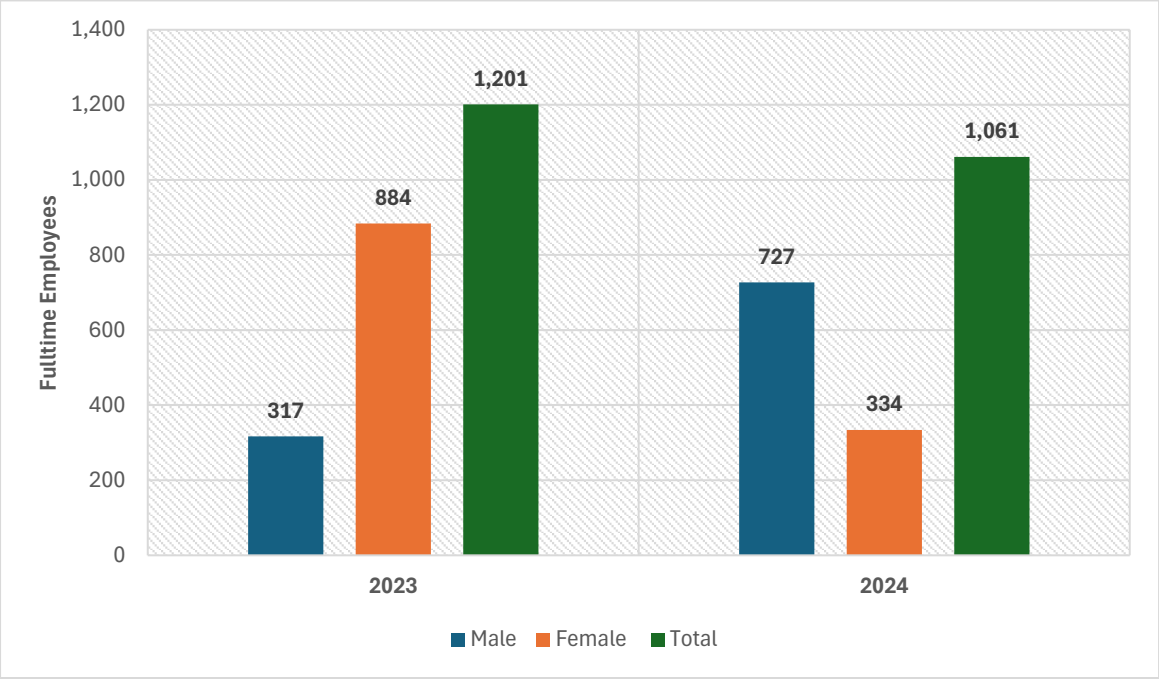
Figure 18: Employment by the fixed network



7.4 POSTAL & COURIER

The total number of people employed on a full-time basis by the postal and courier operators declined to 1,061, as of 31 December 2024, from 1,201 people employed as of 31 December 2023 as shown in Figure 19 below:

Figure 19: Postal & Courier employees



8. OUTLOOK

The postal and telecommunications sector is expected to evolve significantly in the year ahead driven by increasing digital adoption, network infrastructural development, and an increasingly tech-savvy population. The continued expansion of mobile and fixed broadband coupled with the growth in smartphone penetration rates will continue to spur the demand for online services, e-commerce, and social media engagement. Further investments in fibre optic networks, data centres and 5G rollouts across the country will aid the growing digital economy and bridging the digital divide in the country. This will also accelerate growth of e-commerce, fintech and digital financial services to promote cross border digital trade as envisioned under the African Continental Free Trade Area (AfCFTA) flagship project.

On the competition side, expectations are that more players will enter the various markets for postal and telecommunication services and intensify competition in the market. This should go a long way in fostering price competition for enhanced service affordability.

Innovation hubs being set across universities in Zimbabwe will continue to fuel innovation and technological startups amongst the youths. The prevalence of online shopping and e-commerce platforms is expected to boost courier volumes, create new opportunities for businesses and consumers. However, this will be heavily dependent on laying out robust delivery channels for easy access to consumers and licensing of the unlicensed courier operators.

Increased adoption of Artificial Intelligence and the Internet of Things is expected to improve efficiency, service delivery and productivity in various sectors, such as agriculture, healthcare and transportation, to drive sustainable socio-economic growth. However, this requires huge capital outlays and foreign currency which is not sufficiently available to sector players.

As the country embraces digital transformation, postal and telecommunications users need to be wary of the risks of cyber-attacks, which prompts for increased data and consumer protection initiatives across the country.

Overall, the sector is expected to register moderate growth, albeit the possible disruption of the world economic order emanating from the "*America First*" trade initiatives by the United States of America.