Following massive criticism, ETECSA announces adjustments to data tariffs



Cuba's telecommunications provider ETECSA has adjusted its new rates (source: <u>Arturo Filastò/Commons/CC-BY-SA 3-0</u>)

Following the announcement of new mobile phone tariffs (<u>Cubaheute reported</u>), there was a barrage of criticism last week, <u>especially</u> from the university community. In response, Cuba's state-owned telecommunications company ETECSA announced on Monday some adjustments to the new tariffs and further measures.

Additional package for students and extended term

As ETECSA President Tania Velázquez Rodríguez <u>announced</u> on the program "Mesa Redonda," the company will offer university students an additional 6 GB data package in addition to the 6 GB basic package already available. This change, which allows the purchase of 12 GB per month for 720 pesos (approximately two euros at the informal exchange rate), will be available exclusively to students registered in the ETECSA database.

In addition, free access to educational and scientific websites will be facilitated, educational channels on the <u>Cuban video platform Picta</u> will be promoted, and storage space in ETECSA data centers will be made available for scientific journals. To ensure an "adequate energy supply" amid the current power crisis, the company also plans to invest in the technological infrastructure of universities and grant higher education institutions access to ETECSA servers with priority power supply.

ETECSA Vice President Lidia Esther Hidalgo announced that, effective immediately, all data packages will have a duration of 35 days instead of 30. This is an "improvement" that will allow customers to "not be under pressure" when it comes to the possible loss of data volume, according to Hidalgo.

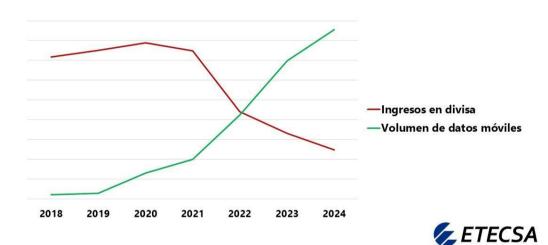
New intermediate tariff announced

Velázquez also announced that there would be an additional data tariff for less than 3,360 pesos (less than 8.50 euros at the informal exchange rate), the lowest price for extra packages to date. However, she did not provide any details on costs and scope, nor did she mention a possible launch date. The extra packages are aimed at customers who have already used up the maximum 360 CUP credit within 30 days.

The extra packages are primarily intended to generate revenue. The most expensive option offers 15 GB for 11,760 pesos, double the average monthly wage. There are also variants in US dollars, ranging from USD 10 for 4 GB to USD 35 for 16 GB. All packages, both basic and extra, include an additional 300 MB for Cuban websites.

Massive investment needed

Ingresos en divisas / Crecimiento de tráfico de datos móviles



Foreign currency revenues of ETECSA (red) and data volume used (green) in 2018–24 (source: ETECSA)

According to acting Communications Minister Ernesto Rodríguez Hernández, the number of mobile phone users has grown from 5.3 million to over 8 million since mobile data was launched at the end of 2018. At that time, only a few thousand Cubans had access to the internet, but today the island has more than 7 million mobile phone users who use mobile data.

Thanks to the infrastructure created at that time, Cuba was able to cope better with the COVID-19 pandemic, promote working from home and distance learning, and provide access to educational and professional websites – progress that is now threatened by the tariff increases, according to Rodríguez.

The minister cited the US blockade, which requires Cuba to spend more foreign currency on international telecommunications services and pay risk premiums, as the reasons for the higher costs compared to other countries. In addition, several providers have restricted their services or withdrawn from the market, including an important technical support service provider.

All this is happening in a scenario where data consumption has grown massively, while the company's revenues have suffered a sharp decline. While internet traffic increased, no funds were available to finance the demand, and revenues shrank so sharply that ETECSA started 2025 with only 25 percent of the top-ups from 2021, Velázquez explained. Over 50 percent of the 5,000 cell towers nationwide no longer have batteries for emergency power supply due to a lack of funds for spare parts.

In view of this situation, a "complex and sensitive but necessary decision" was made to restore the company's ability to operate. "It was better to act than to wait for a greater evil," the minister explained.

Dialogue to continue

Velázquez emphasized that dialogue with institutions and the population would continue. Various institutions had already been visited, complaints heard, and meetings held with organizations such as the student union FEU and the communist youth association UJC to determine measures to support them. Some issues were new, while others had been worked on for some time, primarily with the ministries of education, higher education, and health.

"We have listened to school and university students at various levels of education. We have responded to their complaints about the way the regulations were communicated and about the regulations themselves, and we will set the necessary priorities as soon as we have recovered financially," said Velázquez. (<u>Cubaheute</u>)