Google's \$1B investment in Africa includes funding for startups and a massive subsea cable for faster, cheaper internet

Article





The news: Google, which already owns 10,000 miles of submarine cable, is is investing \$1 billion over five years in Africa to support "digital transformation" in the region including a subsea cable to enable faster internet speeds, per TechCrunch.

 The subsea cable will connect South Africa, Namibia, Nigeria and St. Helena and will serve as a conduit between Europe and Africa when it is completed in five years..

The opportunity: The "Equiano" subsea cable will provide approximately 20 times more network capacity than the last cable built to connect Africa, said Nitin Gajria, the managing director for Google in Africa.

- Google says that for every 10% increase in broadband penetration, GDP increases by 1.4%.
- The impetus to bolster connectivity in the region is that In five years 300 million Africans will access the Internet for the first time.
- Equiano's higher capacity and network speeds will lead to a 21% drop in internet prices per Gajria, as well as a five-fold increase in Internet speed in Nigeria and triple in South Africa.
- Gajria added that between 2022 and 2025, Equiano will indirectly create 1.7 million jobs in Nigeria and South Africa.

Trendspotting: Big Tech companies continue to invest heavily in network connectivity in emerging countries as a way to own not just the content and data on the internet, but physical infrastructure and services.

- Google is the sole owner of its Equiano subsea cable, and it announced <u>plans</u> in June to build a submarine fiber-optic cable called "Firmina" connecting the US and Argentina. Google also announced its "Dunant" cable linking the US and France
- Facebook and Amazon are <u>collaborating</u> on a Philippines-to-USA cable project.

Google most recently landed the final leg of "Grace Hopper", an internet cable covering 3,900 miles of transatlantic territory connecting the US, UK, and Spain.

