Podcast Transcript

EPISODE #421

Glass in the Ground: Navigating Israel’s Fiber Revolution

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EPISODE SYNOPSIS

Moving house and need reliable internet? Herman and Corn dive into the complex landscape of Israel's fiber optic rollout as of early 2026. They explore the three major physical networks—Bezeq, IBC, and Partner—and explain why that final stretch of cable from the street to your living room is often the most difficult part of the journey. From the "Fiber Law" and Jerusalem stone challenges to the shift toward symmetric gigabit speeds with XGS-PON, this episode provides a practical roadmap for anyone trying to navigate the high-speed digital landscape. Whether you are a remote worker or a data-heavy household, learn how to spot the real infrastructure behind the marketing brochures.

DANIEL'S PROMPT

Daniel

I'd like to discuss the current state of fiber optic internet in Israel. I'm moving soon and want to take the guesswork out of checking for availability. What are the standalone networks currently in the ground? Where does the rollout actually stand compared to official government reports? Finally, what are the economics of the rollout? Why is the 'last hundred meters' from the curb to the building such a sticking point for providers?

TRANSCRIPT

Corn

Alright, we have a really practical one today. Our housemate Daniel is moving soon, and if you listened to that audio he sent over, you heard little Ezra chiming in with some enthusiastic background vocals too. It sounds like the move is definitely happening, and for a household like ours where everyone is working from home or dealing with massive data sets, internet isn't just a luxury. It's the lifeblood. Daniel was specifically asking about the state of fiber in Israel, and he's tired of the guesswork. He wants to know who actually owns the glass in the ground and why that last stretch from the street to the living room is such a headache.

Herman

Herman Poppleberry, at your service. And honestly, Daniel's timing is perfect. We are sitting here in early February of twenty twenty-six, and the landscape has shifted significantly even in just the last few months. You know, Daniel mentioned becoming a bit of a networking detective, looking at manhole covers and junction boxes. That is actually one of the most reliable ways to see what is going on because the physical infrastructure tells a story that the marketing brochures sometimes gloss over.

Corn

It's funny you say that, because I saw a crew working near the Jaffa Gate just yesterday. They were pulling those bright orange conduits through the old stone tunnels. It really highlights the contrast here in Jerusalem, doesn't it? You have three-thousand-year-old stone and twenty-twenty-six-era high-speed glass being threaded through it. But to Daniel's first question, who actually owns these standalone networks? Most people just sign up with a provider and don't realize they might be riding on someone else's physical lines.

Herman

Exactly. In Israel, you really have three primary physical fiber networks that are actually in the ground. First, you have Bezeq. They are the 800-pound gorilla. Because they were the original state monopoly, they already had the ducts and the poles everywhere. For a long time, they were slow to move on fiber because they were milking their copper VDSL network, but once they started, they went fast. As of the latest Ministry of Communications report from just last month, Bezeq has essentially met its primary deployment obligations, covering about eighty-nine percent of the country's households.

Corn

And that is a huge jump from where they were just a few years ago. But Bezeq isn't the only one. Who's the second major player?

Herman

That would be IBC, which most people know by the brand name Unlimited. This one has a fascinating ownership structure. It's a consortium that includes the Israel Electric Corporation, Cellcom, and Hot. The secret sauce there is the Electric Corporation's infrastructure. They have high-voltage lines running across the whole country, and they can string fiber along those towers much cheaper than digging a trench. Recently, we've seen some big investment shifts there too, with groups like Phoenix Financial and More Investment House taking stakes. They currently reach over one point five million households.

Corn

So if you're Daniel looking at a potential new apartment, you're likely seeing either Bezeq or IBC. But then there's Partner, right? They were the ones who really kicked off the competition by digging their own independent trenches.

Herman

Right. Partner Fiber is the third standalone network. They decided early on that they didn't want to be beholden to Bezeq's wholesale prices, so they started laying their own glass, primarily in high-density urban areas like Tel Aviv, Haifa, and here in certain neighborhoods of Jerusalem. Now, everyone else you see advertising fiber, like G-I-B-I or some of the smaller ISPs, those are almost always virtual resellers. They are buying capacity on one of those three physical networks.

Corn

This is where it gets confusing for the consumer. You might think you're switching networks because you switched from Cellcom to a smaller provider, but you might still be using the exact same physical fiber line coming into your building.

Herman

Exactly. And that leads into Daniel’s second question about the actual state of the rollout versus the government reports. The Ministry of Communications is currently claiming that close to ninety-five percent of Israeli households have access to fiber. On paper, that sounds like a total victory. But as Daniel pointed out, if you live in a specific building in Jerusalem or a small town in the periphery, that ninety-five percent feels like a myth if you’re still stuck on a forty-megabit copper line.

Corn

Why the discrepancy? Is the government just being overly optimistic with their numbers?

Herman

It’s not necessarily that they’re lying; it’s about how they define access. In these reports, access usually means the fiber is in the street or available to the building. It doesn't mean every individual apartment is hooked up. There is also the issue of the incentive zones. Remember, Bezeq was allowed to cherry-pick the eighty-nine percent of the country that was economically viable to cover. The remaining eleven percent, mostly remote villages, border towns, and lower-income neighborhoods, were put into what’s called the Incentive Fund, or Keren Ha-Tiz-ma-rot.

Corn

Right, we’ve talked about that fund before. It’s basically a pot of money funded by a percentage of all the telecom companies' revenues, which is then used to subsidize the rollout in those non-profitable areas.

Herman

Exactly. And we are actually in the middle of a major milestone for that right now. The Ministry just published the third incentive tender in January of twenty-six. They held a bidders' conference on January twenty-sixth, and proposals are due by mid-March. This third tender is intended to cover the absolute last households in the country that don't have a deployment obligation yet. So the government is pushing hard to hit that one hundred percent mark by the end of this year or early twenty-seven.

Corn

That’s impressive, but it still doesn't solve Daniel’s problem of the last hundred meters. He mentioned that he could see the manhole cover with the fiber logo right outside his door, but the provider tells him he can't get service. This seems to be the biggest sticking point in the whole economics of the rollout. Why is that specific stretch so difficult?

Herman

This is the billion-shekel question. Think about the economics. Digging a trench down a main street costs a certain amount, but once that line is there, you can potentially serve thousands of people. But once you turn the corner to a specific building, the math changes. You have to deal with what we call the vertical deployment. In a modern high-rise in Tel Aviv, they usually have built-in communications closets and conduits. It’s easy. You just blow the fiber up the tube.

Corn

But Jerusalem isn't exactly known for its modern high-rises, at least not in the neighborhoods Daniel is looking at. You have these old stone buildings, some with thick walls and no internal piping for wires.

Herman

Exactly. To get the fiber from the street into an old building, you often have to drill through stone, run conduits along the exterior of the building, or try to navigate ancient, clogged pipes that were originally meant for a single telephone line in the nineteen-fifties. And here is the kicker: the cost of that labor and those materials often exceeds the revenue the provider will get from a single subscriber for the first two or three years.

Corn

So if only one person in a twenty-unit building wants fiber, the company looks at the cost of the vertical install and says, it’s not worth it.

Herman

Precisely. That is why you often see these providers waiting until they have three or four confirmed sign-ups in a single building before they'll send a crew to do the vertical work. It's a classic chicken-and-egg problem. But there was a major legislative fix for this, which we call the Fiber Law. It essentially states that if even one resident in a building requests fiber, the provider has the right to install the infrastructure in the common areas, and the Vaad Bayit, the building committee, cannot legally block it without a very narrow set of reasons.

Corn

I remember when that passed. It was supposed to be the end of the building committee wars. But in practice, does it actually work? I've heard stories of neighbors getting into huge arguments because they don't want an orange pipe running up the side of their beautiful stone facade.

Herman

Oh, the aesthetic argument is real. In Jerusalem especially, there are strict rules about what you can put on the outside of buildings. Sometimes the provider has to use special colored conduits to match the Jerusalem stone, which adds cost. And even with the law on your side, most providers don't want to get into a legal battle with a building committee over one subscriber. They'd rather just move on to the next building where the committee is cooperative.

Corn

So Daniel's best bet might actually be to talk to his potential new neighbors before he even signs a lease. If he can find out that three other people in the building are also dying for high-speed internet, he can go to the provider as a group. That completely changes the economic calculation for the company.

Herman

That is brilliant advice, honestly. A group of five subscribers is a guaranteed win for a deployment team. And there's another technical hurdle most people don't realize: the internal wiring of the apartment itself. Even if the fiber gets to the basement, getting it to the third floor is one thing, but then getting it from the front door to the home office is another. A lot of people don't want cables stapled to their baseboards.

Corn

This is where those pre-terminated solutions you mentioned earlier come in, right? I was reading that in twenty-twenty-six, a lot of companies are moving away from fusion splicing in the field because it’s so labor-intensive.

Herman

Yes! That is a huge trend right now. Splicing involves a technician using a high-precision machine to literally melt two glass fibers together. It takes time, and you need a clean environment. Nowadays, they are using more pre-terminated cables where the connectors are put on in a factory. It’s essentially plug-and-play. It cuts the installation time by almost seventy percent. If Daniel sees a crew using these pre-made reels, it’s a good sign that the deployment in that neighborhood is going to move fast.

Corn

Let’s talk about the speeds for a second. Daniel mentioned ISPs trying to upsell him on two point five gigabits or even five gigabits. For a household like ours, or Daniel’s, do we actually need that? Or is the standard gigabit still the sweet spot?

Herman

For ninety-nine percent of people, a symmetric gigabit connection is more than enough. The big shift we’ve seen in twenty-twenty-five and early twenty-six is the move to XGS-PON technology. Most early fiber was G-PON, which was asymmetric. You’d get a gigabit down but maybe only a hundred or two hundred megabits up. XGS-PON allows for symmetric ten-gigabit speeds. Bezeq and IBC have been aggressively upgrading their central office equipment to support this.

Corn

The symmetric part is the key for us. When we’re uploading these massive podcast files or doing high-res video calls, that upload speed is what usually chokes the connection, not the download.

Herman

Exactly. And the economics of this have actually worked in our favor. Because of the wholesale price drop initiated by the Ministry of Communications late last year, the regulated rate that companies pay Bezeq for using their fiber dropped from seventy-two shekels down to forty-nine shekels for a gigabit line. That is a thirty percent cut. That's why we're seeing retail prices for a gigabit connection hover around one hundred shekels a month now. It's becoming a commodity.

Corn

It's amazing how fast that happened. I remember paying twice that for a fraction of the speed not too long ago. But there's a bigger picture here too, right? It's not just about the lines in our streets. It's about how Israel connects to the rest of the world. Daniel might have the fastest fiber in Jerusalem, but if the underwater cables connecting us to Europe or Asia are bottlenecked, he'll still see lag in his Zoom calls to New York.

Herman

This is where it gets really interesting and a bit concerning. Israel's big dream was to become a global data bridge, a terrestrial alternative to the Suez Canal for data. The main project for this is Google's Blue-Raman cable. The Blue segment connects Italy to Israel, and the Raman segment connects Jordan to India. The idea was to link them with a terrestrial fiber line through Israel.

Corn

And where does that stand? I've heard there have been some serious delays.

Herman

There have. The terrestrial segment through Israel is largely done, thanks to Bezeq and the Eilat-Ashkelon Pipeline Company laying fiber along their routes. But the maritime segments in the Red Sea are a mess right now. Because of the ongoing conflict and the Houthi attacks on shipping, the specialized cable-laying ships have been hesitant to operate in those waters. Insurance premiums have skyrocketed. As of right now, segments of the Raman cable are effectively on hold. This is forcing a lot of traffic to still rely on the older, more congested routes through Egypt.

Corn

So even if Daniel has a ten-gigabit line in his house, his latency to a server in Singapore might still be higher than he expects because the traffic has to take the long way around Africa or through a congested Mediterranean bottleneck.

Herman

Exactly. It’s a reminder that internet infrastructure is a global ecosystem. You can have the best "last mile" in the world, but you’re still at the mercy of the "long haul" cables. However, for domestic use, or for connecting to the big cloud providers who have local data centers here in Israel now, like Amazon and Google, Daniel is going to see a massive improvement.

Corn

That’s a good point. With the local cloud regions now fully operational, a lot of the traffic never even has to leave the country. If he’s using a service that’s hosted in the Israel region, that fiber connection is going to feel instantaneous.

Herman

It really is. So, if we’re giving Daniel a checklist for his move, what should it be? Number one: don't trust the ISP’s website if it just says "coming soon." That could mean next week or next year.

Corn

Right. Number two: do the detective work. Look for those manhole covers. If you see "Bezeq Fiber" or "Unlimited" or "Partner" on a plate within fifty meters of the building, the glass is in the ground. That’s half the battle.

Herman

Number three: Check the building's basement or the communications cabinet near the entrance. If you see a splitter box with a bunch of thin white or yellow cables coming out of it, the building is already lit. That means your install will take an hour, not a month.

Corn

And number four: Talk to the building committee. Ask if they've already signed an agreement with a provider. Sometimes a building will sign an exclusivity deal for the vertical wiring, meaning you can only get fiber through one specific company, even if others are in the street.

Herman

That's a big one. And finally, don't be afraid to push for XGS-PON if you're a power user. Ask the provider if the equipment they're installing in your house is capable of symmetric speeds. If you're paying for a gigabit, you want that gigabit going both ways.

Corn

This has been a really deep dive, Herman. I think Daniel is going to feel a lot more confident heading into these apartment viewings. It's funny how something as invisible as light pulses in a glass tube can become the most important factor in choosing a home.

Herman

It's the modern reality. You check the water pressure, you check the light, and you check the fiber. In that order.

Corn

Well, if you're listening and you've had your own struggles with the "last hundred meters," we'd love to hear about it. You can find us at myweirdprompts.com where we have a contact form and a searchable archive of all our past episodes. We've covered everything from edge computing to the history of subsea cables, so if you want to go even deeper, the website is the place to be.

Herman

And hey, if you've been finding these deep dives helpful, please take a second to leave us a review on Spotify or wherever you're listening. It really helps the show reach more curious people like Daniel. It genuinely makes a difference to us.

Corn

Thanks to Daniel for the prompt, and thanks to Ezra for the backup vocals. We'll have to see if Ezra's first word is "fiber" or "gigabit."

Herman

My money is on "latency."

Corn

Fair enough. Thanks for listening to My Weird Prompts. We'll be back next week with another exploration into the weird and wonderful world of technology and beyond.

Herman

Until next time, keep looking at those manhole covers. You never know what's running under your feet.

Corn

See ya!