



Digital Republic of the Marshall Islands Project (P171517)

EAST ASIA AND PACIFIC | Marshall Islands | Digital Development Global Practice |
IBRD/IDA | Investment Project Financing | FY 2022 | Seq No: 1 | ARCHIVED on 22-Dec-2021 | ISR49709 |

Implementing Agencies: Ministry of Finance, Banking and Postal Services, Republic of the Marshall Islands, Ministry of Transport, Communications and Information Technology, Ministry of Culture and Internal Affairs - Gender Development Office

Key Dates**Key Project Dates**

Bank Approval Date: 31-Aug-2021

Effectiveness Date: --

Planned Mid Term Review Date: 30-Jun-2025

Actual Mid-Term Review Date:

Original Closing Date: 31-Aug-2028

Revised Closing Date: 31-Aug-2028

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

To expand access to the internet, promote private sector investment in climate resilient digital infrastructure, and establish the critical foundations for digital government services and the digital economy in the Recipient's territory.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

| Name |
|--|
| Component 1. Public Private Partnership and Market Structure Reform:(Cost \$28000000.00 M) |
| Component 2. Digital Government Platforms, Cybersecurity and Digital Skills:(Cost \$6500000.00 M) |
| Component 3. Enabling environment for Digital Government and Digital Economy:(Cost \$1000000.00 M) |
| Component 4. Project Implementation Support:(Cost \$2000000.00 M) |

Overall Ratings

| Name | Previous Rating | Current Rating |
|--------------------------------------|-----------------|---------------------------------------|
| Progress towards achievement of PDO | -- | <input type="checkbox"/> Satisfactory |
| Overall Implementation Progress (IP) | -- | <input type="checkbox"/> Satisfactory |
| Overall Risk Rating | -- | <input type="checkbox"/> High |

Implementation Status and Key Decisions

The project was approved on August 31 and the Financing Agreement was signed on September 30, 2021. The Effectiveness Deadline has been extended until July 15, 2022.



Risks

Systematic Operations Risk-rating Tool

| Risk Category | Rating at Approval | Previous Rating | Current Rating |
|--|--------------------|-----------------|----------------|
| Political and Governance | High | -- | High |
| Macroeconomic | Moderate | -- | Substantial |
| Sector Strategies and Policies | High | -- | High |
| Technical Design of Project or Program | Moderate | -- | Moderate |
| Institutional Capacity for Implementation and Sustainability | High | -- | High |
| Fiduciary | Substantial | -- | Substantial |
| Environment and Social | Moderate | -- | Moderate |
| Stakeholders | High | -- | High |
| Other | -- | -- | -- |
| Overall | High | -- | High |

Results

PDO Indicators by Objectives / Outcomes

| | | | | |
|---|-------------|-------------------|------------------|-------------|
| To expand access to the internet | | | | |
| ▶ People provided with access to the Internet (Number, Corporate) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 15,000.00 | -- | 15,000.00 | 30,000.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| □ Number of people that benefitted from new access to Internet service. (Number, Corporate Breakdown) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 15,000.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| □ Number of people that benefitted from the improved Internet service. (Number, Corporate Breakdown) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 15,000.00 |



| | | | | |
|---|---|-------------------|------------------|-------------|
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| □ People provided with access to the Internet - Female (Number, Corporate Supplement) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 7,500.00 | -- | 7,500.00 | 15,000.00 |
| ▶ Expanded access to internet services on neighboring islands (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 50.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| Comments: | Measure of neighboring islands with a basic 4G/LTE mobile service which are eligible for coverage under the Project (comprising inhabited islands with a population of approximately 100 people or more). The term neighboring islands, previously referred to as 'Outer Islands', refers to the atolls and islands excluding Majuro and Ebeye. | | | |
| ▶ Mobile broadband penetration (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 40.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| Comments: | This indicator will measure percentage of the population using mobile broadband services as reported to the ITU. | | | |

| | | | | |
|--|--|-------------------|------------------|--------------|
| To promote private sector investment in climate resilient digital infrastructure | | | | |
| ▶ Private sector capital investment in RMI (Amount(USD), Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 7,500,000.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 30-Apr-2028 |
| Comments: | Private Sector Capital Invested to be measured as follows: --Cumulative capital expenditure by the Concessionaire in RMI; --Cumulative capital expenditure outside RMI for the purpose of fulfilling obligations under the Concession contract and either expended by the Concessionaire, or allocated to the Concessionaire by its owner(s); --less Cumulative viability gap funding provided to the Concessionaire | | | |
| ▶ Reduction in hours lost per year by end users due to climate events (percentage decrease) (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 10.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |



Comments: This indicator will monitor hours lost per year by end users due to climate events. Much of the existing infrastructure (copper network and basic mobile services) has become hardened and resilient over the limited coverage area. The Project supports climate-resilient telecoms infrastructure from the outset with more modern equipment covering a wider coverage area. This indicator is intended to ensure new infrastructure is resilient to climate events as the existing service.

| To establish the critical foundations for digital government services and the digital economy | | | | |
|---|---|-------------------|------------------|-------------|
| ► Digital government strategy adopted (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | -- | No | Yes |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| ► Regulatory framework for digital services adopted (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | -- | No | Yes |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| Comments: | Laws and regulations adopted to support digital government, that includes addressing cybersecurity, cybercrime, data protection, digital ID, digital transactions, e-commerce and Netsafe principles and practices. | | | |

Intermediate Results Indicators by Components

| Component 1: Market Structure Reform | | | | |
|--|--|-------------------|------------------|-------------|
| ► Availability of fiber services in the deployment areas (homes passed) (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 95.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| Comments: | The indicator will measure the availability of the fiber network in the deployment area. The deployment area means Project areas appraised for roll-out of fiber services under the Project. The determination of availability will measure the number of homes passed (as a percentage of total number of homes) that have the technical and commercial means to connect by drop wire to the network. | | | |
| ► Premises with a fiber connection (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 25.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |



| | | | | |
|--|---|-------------------|------------------|-------------|
| Comments: | Percentage of premises in the deployment area connected to the fiber network | | | |
| ► Cost of entry level fixed broadband service (Amount(USD), Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 50.00 | -- | 50.00 | 30.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| Comments: | The indicator will measure the cost (US\$ per month) of the entry level (lowest cost) residential fixed broadband service. The per unit cost is expected to fall substantially over the Project implementation period as the amount of bandwidth (Mbps) offered under an entry level package increases. The indicator is designed to monitor overall affordability of basic fixed broadband services in absolute terms. | | | |
| ► Speed (Mbps) of entry level fixed broadband service (Number, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 1.00 | -- | 1.00 | 100.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| Comments: | This indicator will measure in Mbps the speed of an entry level residential fixed broadband service. | | | |
| ► Base-stations installed on neighboring islands (Number, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 17.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| Comments: | Number of base stations installed on neighboring islands | | | |
| ► Project beneficiaries reporting satisfaction with improved internet services (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 50.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| Comments: | Percentage of persons identifying improved internet services | | | |
| □ Project beneficiaries reporting satisfaction with improved internet services - Female (Percentage, Custom Supplement) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 50.00 |
| ► Reduction in CO2 emissions per end user (Percentage, Custom) | | | | |



| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | 0.00 | 50.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |

Component 2: Digital Government Platforms, Cybersecurity and Digital Skills

▶ Digital government strategy developed (Yes/No, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | No | -- | No | Yes |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |

▶ Digital services implemented by government (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | 0.00 | 2.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |

▶ People reached through digital literacy and entrepreneurship programs (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | 0.00 | 2,500.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |

Comments: This measures the implementation of outreach activities relating to digital literacy and entrepreneurship designed to increase participation in the digital economy (disaggregated by gender, youth and parents/caregivers)

People reached through digital literacy and entrepreneurship programs - Female (Percentage, Custom Supplement)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|----------|-------------------|------------------|------------|
| Value | 0.00 | -- | 0.00 | 50.00 |

Youth awareness sessions (online safety) held (Number, Custom Supplement)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|----------|-------------------|------------------|------------|
| Value | 0.00 | -- | 0.00 | 35.00 |

Parent/caregiver online safety workshops conducted (Number, Custom Supplement)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|----------|-------------------|------------------|------------|
| Value | 0.00 | -- | 0.00 | 14.00 |



| ▶ Government's Cybersecurity Program developed (Yes/No, Custom) | | | | |
|---|-------------|-------------------|------------------|-------------|
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | -- | No | Yes |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |

| Component 3: Enabling environment for Digital Government and Digital Economy | | | | |
|--|-------------|-------------------|------------------|-------------|
| ▶ Passage of harmful digital communications bill (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | -- | No | Yes |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| ▶ Passage of digital transactions bill (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | -- | No | Yes |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| ▶ Passage of data protection bill (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | -- | No | Yes |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |

| Component 4: Project Implementation Support | | | | |
|---|---|-------------------|------------------|-------------|
| ▶ Grievances responded and/or resolved within the stipulated service standards (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | -- | 0.00 | 75.00 |
| Date | 14-May-2021 | -- | 30-Nov-2021 | 31-Aug-2028 |
| Comments: | The project's grievance mechanism (GM) defines services standards for responding to and ideally resolving complaints (High/Medium/Low priority 5/10/30 working days respectively) | | | |

Performance-Based Conditions



Data on Financial Performance

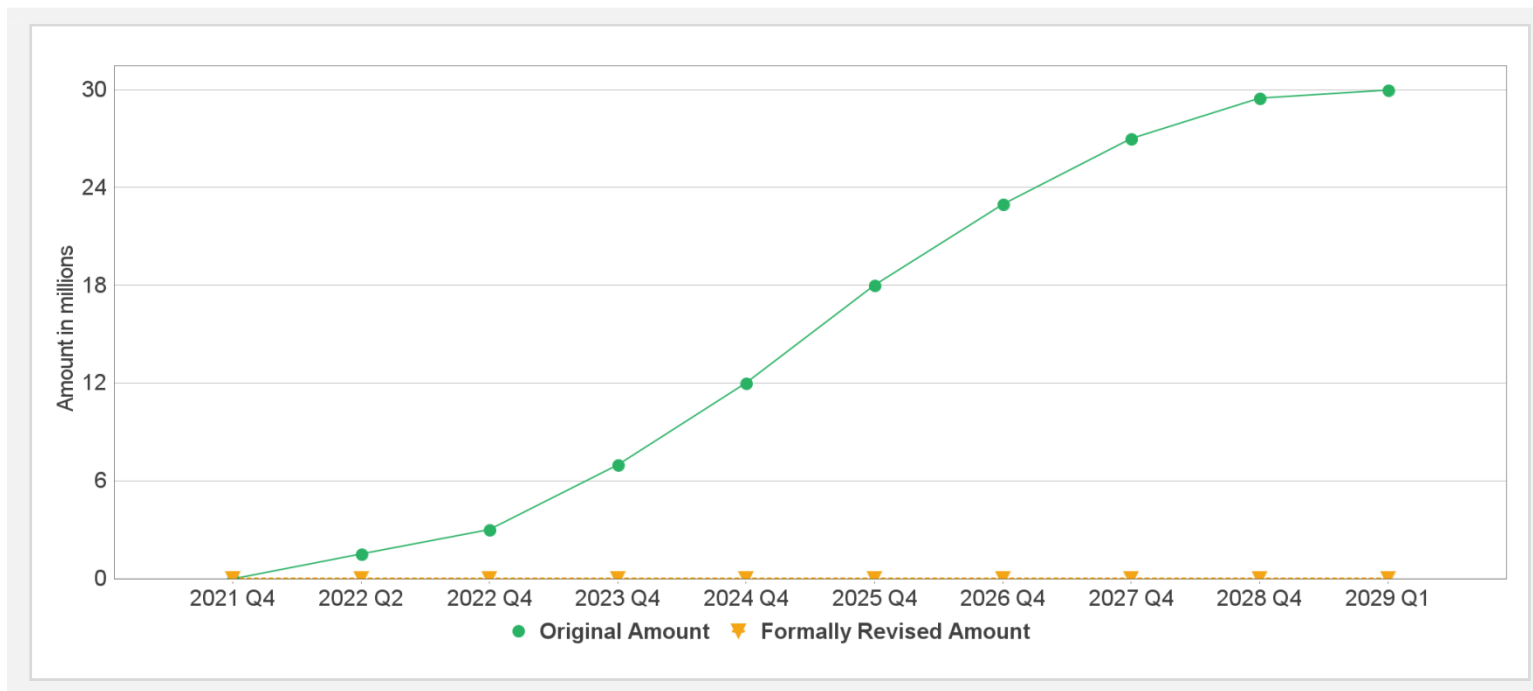
Disbursements (by loan)

| Project | Loan/Credit/TF | Status | Currency | Original | Revised | Cancelled | Disbursed | Undisbursed | % Disbursed |
|---------|----------------|---------------|----------|----------|---------|-----------|-----------|-------------|-------------|
| P171517 | IDA-D8790 | Not Effective | USD | 30.00 | 30.00 | 0.00 | 0.00 | 29.77 | 0% |

Key Dates (by loan)

| Project | Loan/Credit/TF | Status | Approval Date | Signing Date | Effectiveness Date | Orig. Closing Date | Rev. Closing Date |
|---------|----------------|---------------|---------------|--------------|--------------------|--------------------|-------------------|
| P171517 | IDA-D8790 | Not Effective | 31-Aug-2021 | 30-Sep-2021 | -- | 31-Aug-2028 | 31-Aug-2028 |

Cumulative Disbursements



PBC Disbursement

| PBC ID | PBC Type | Description | Coc | PBC Amount | Achievement Status | Disbursed amount in Coc | Disbursement % for PBC |
|--------|----------|-------------|-----|------------|--------------------|-------------------------|------------------------|
|--------|----------|-------------|-----|------------|--------------------|-------------------------|------------------------|



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.
