



Digital Malawi Program Phase I: Malawi Digital Foundations Project (P160533)

AFRICA EAST | Malawi | Digital Development Global Practice |
IBRD/IDA | Investment Project Financing | FY 2017 | Seq No: 9 | ARCHIVED on 24-Jan-2022 | ISR49950 |

Implementing Agencies: Ministry of Finance, Economic Planning and Development, Public Private Partnership Commission, Ministry to Information and Communications Technology, Malawi Communications Regulatory Authority (MACRA)

Key Dates**Key Project Dates**

Bank Approval Date: 05-Jun-2017

Effectiveness Date: 03-Aug-2018

Planned Mid Term Review Date: 12-Jul-2021

Actual Mid-Term Review Date: 12-Jul-2021

Original Closing Date: 30-Jun-2022

Revised Closing Date: 30-Jun-2022

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

To increase access to affordable, high quality internet services for government, businesses and citizens and to improve the government's capacity to deliver digital public services.

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

No

Components Table

Name

Digital Ecosystem:(Cost \$9.50 M)

Digital Connectivity:(Cost \$34.00 M)

Digital Platforms and Services:(Cost \$23.90 M)

Project Management:(Cost \$5.00 M)

Overall Ratings

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

Implementation Status and Key Decisions

The key achievements of the project since the last ISR submitted in July 2021, are summarized below:

- **Free Public WiFi:** As part of the COVID-19 response, the project supported provision of free Wi-Fi connectivity for 30 critical public institutions. Public launch of free WiFi took place in October and received wide media coverage. Free wifi sites included 8 hospitals, 16 schools, 4 libraries and 2 markets with the aim to ensure much needed business continuity during COVID-19 pandemic and to allow the public in nearby areas to get free internet access. These institutions and locations were selected in close consultations with Ministry of Health (MoH) and the Ministry of Education (MoE). Following the success of this initiative, a second round of sites will be served under the project restructuring.



- **MAREN, the national research and education network**, has connected 43 out of 61 universities sites as of November 2021. This number has increased from 28 which was reported during the last mission in July. This resulted in over 76,177 students benefiting from improved internet access, of whom 49% are women. Connecting the remaining 18 sites is work in progress, and a total of 61 universities are expected to be connected by the end of 2021.
- **Eduroam**: Of a total of seven Campuses to be connected through “Eduroam” which is an international WiFi internet access roaming service for users in research and higher education, two sites (University of Malawi (UNIMA) and Malawi University of Business and Applied Sciences (MUBAS)) started providing services for students, with two additional sites (College of Medicine (COM) and Kamuzu College of Nursing (KCN)) almost completed and waiting for the delivery of the core switches and one site (Malawi University of Science and Technology (MUST)) piloting as of mid-November. The remaining two sites (Mzuzu University (MZUNI) and Lilongwe University of Agriculture and Natural Resources (LUANAR)) will initiate deployment once the Forex is procured.
- **A total of \$2.0 million Grants was allocated for tech Hubs**: A total of US\$2 million in grants have been issued to six tech hubs, namely mHub, Mzuzu Entrepreneurs, Dzuka Africa, Growth Africa, Takeno Lab and Ntha Foundation. The hubs are expected to have trained up to 4,500 Malawian youth (with a target of at least 50% women) in digital skills and entrepreneurship and to link them up with jobs. The grant scheme led to the scaling up of at least two female led hubs, Ntha Foundation and Dzuka Africa. A total of 250 computers were also procured to be used by the hubs to support their training initiatives.
- **Students with internet access**: The number of Higher Education students provided with enhanced access to the internet under this project has well exceeded its end target of 10,000 with the actual number of students now reaching 46,605 as of December 2021..
- **Data Protection**: The draft Data Protection and Privacy Law which incorporates inputs from various consultations was submitted to the Ministry of Justice and Constitutional Affairs (MoJCA) for further processing, including tabling this important piece of legislation in Parliament.
- **Procurement**: Good progress was made to advance major procurements, notably on Government connectivity, Data Center, and Government eProcurement, the bidding deadlines for which all closed before the end of 2021.

Risks

Systematic Operations Risk-rating Tool

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

Results

PDO Indicators by Objectives / Outcomes



Increase access to affordable, high quality services				
► Internet Users per 100 people (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	17.60	37.00	37.00	30.00
Date	30-Dec-2016	01-Apr-2021	01-Apr-2021	30-Jun-2022
Comments:	The number of people with increased access to affordable high quality internet services has increased during the period under review and the target is exceeded. The target will be raised as part of the project restructuring.			
► Retail Price of Pre-Paid Mobile Broadband Monthly Bundle, 500MB Data Volume (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	4.08	2.70	2.70	3.00
Date	30-Dec-2016	01-Apr-2021	01-Apr-2021	30-Jun-2022
Comments:	It was reported that the continued support for reforms has led to a reduction in retail data prices as of September 30 2020. Both Airtel and TNM reduced their retail data prices for out of bundle/pay as you go services in Quarter 3 of 2020. The two operators provide broadband internet to about 5,950,000 subscribers.			
► Number of Public Institutions Utilizing High Speed Internet Connections Under the Project (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	53.00	53.00	400.00
Date	02-Jun-2017	28-Jul-2021	28-Jul-2021	30-Jun-2022
Comments:	The feasibility study for the provision of connectivity to 500 public institutions has been completed and approved by the PPPC Board and the bidding process is now closed, with contracts to be awarded in early 2022. The indicator measures the number of sites within government institutions that have been provided with enhanced connectivity. This should thus increase substantially once this contract is implemented. In the meantime, the recorded indicators relates to other contracts, notably for MAREN and GLAN.			
► Direct project beneficiaries (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	35,271.00	4,337,750.00	6,280,000.00
Date	02-Jun-2017	28-Jul-2021	31-Dec-2021	30-Jun-2022
Comments:	Discussions during the December 2021 Implementation Support Mission confirmed the methodology to be used for this indicator is the increase in internet users compared with the baseline of start of 2017. According to MACRA figures, at that point there were an estimated 3.294 m internet users, As of end 2021, this had increased to 7.621 m internet users, implying an increment of 4.327 m internet users.			



□Female beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	46.00	41.40	41.40	48.00

Improve the government's capacity to deliver digital public services				
▶Number of Transactions Per Year Utilizing the Shared Digital Services Platform (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	25,000.00
Date	02-Jun-2017	28-Jul-2021	28-Jul-2021	30-Jun-2022
Comments:	The shared digital services platform has not yet been launched. This indicator should increase significantly with the launch of the Government eProcurement system.			
▶People obtaining new digital skills or knowledge under the project (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2,116.00	2,116.00	1,500.00
Date	02-Jun-2017	28-Jul-2021	28-Jul-2021	30-Jun-2022
Comments:	The project has been providing capacity building training for project stakeholders to support efficient implementation and sustainability. This training has expanded across MDAs and other key stakeholders. The target for this indicator will be increased at the time of the project restructuring.			
□Of which, Percentage of Women and Girls obtaining new digital skills or knowledge under the project (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	51.40	51.40	50.00

Overall Comments

These indicators will be revised as part of the project restructuring, with some indicators raised. As of December 2021, three out of six PDO indicators have been met or exceeded.

Intermediate Results Indicators by Components

Digital Ecosystem				
▶Publication and Adoption of National Strategies for Broadband Access and Digital Government (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value				



Value	0.00	2.00	2.00	2.00
Date	02-Jun-2017	23-Nov-2020	23-Nov-2020	30-Jun-2022
Comments:	The digital government strategy has been approved, adopted and signed by the office of the President. The National Broadband Strategy was approved by the principal secretaries in August 2019 and revisions were requested by the Office of the President which were completed and resubmitted for signature.			
► Average wholesale monthly price per Mbit/s of international internet bandwidth (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	466.00	85.00	85.00	50.00
Date	28-Feb-2017	28-Jul-2021	28-Jul-2021	30-Jun-2022
Comments:	Wholesale prices for international bandwidth continue to fall, and are expected to fall further once the results of the government connectivity transaction are announced.. With continued reforms on MACRA's end it is expected that further reductions will occur			

Digital Connectivity				
► Percentage of the population covered by at least a 3G mobile network (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	32.00	86.00	86.00	60.00
Date	31-Dec-2015	28-Jul-2021	28-Jul-2021	30-Jun-2022
Comments:	This target has already been significantly exceeded. This indicator target will be raised as part of the project restructuring.			
► Number of Higher Education Students Provided with Enhanced with Access to the Internet Under the Project (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	34,061.00	46,604.00	10,000.00
Date	02-Jun-2017	28-Jul-2021	31-Dec-2021	30-Jun-2022
Comments:	This indicator has already been significantly exceeded and will be raised during the project restructuring.			

Digital Platforms and Services				
► Number of e-Services and Applications Utilizing the Shared Services Platform (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	8.00



Date	02-Jun-2017	28-Jul-2021	31-Dec-2021	30-Jun-2022
Comments:	Digital Malawi will deploy a shared services platform as a foundation for the digitization of government operations. The shared platform includes a data center, enterprise service bus, mobile gateway and digital services portal. The indicator is defined as count of the systems, pre-existing or otherwise, that will connect to the shared platform.			
▶ Number of MDAs and LGAs using eProcurement System (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	6.00
Date	02-Jun-2017	28-Jul-2021	28-Jul-2021	30-Jun-2022
Comments:	The bidding process for this procurement closed in December 2021 and the contract should be awarded in early 2022, making achievement of this indicator possible.			
▶ Digital services developed based on priorities identified through citizen engagement (Yes/No) (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	Yes	Yes
Date	02-Jun-2017	28-Jul-2021	31-Dec-2021	30-Jun-2022
Comments:	The Public WiFi project fulfils requirements for a priority activity identified through citizen engagement, and in response to the COVID-19 pandemic.			

Overall Comments

All indicators will be revised as part of the project restructuring, and selected targets will be increased. As of December 2021, and some four out of seven intermediate indicators have been met or exceeded.

Performance-Based Conditions

Data on Financial Performance

Disbursements (by loan)

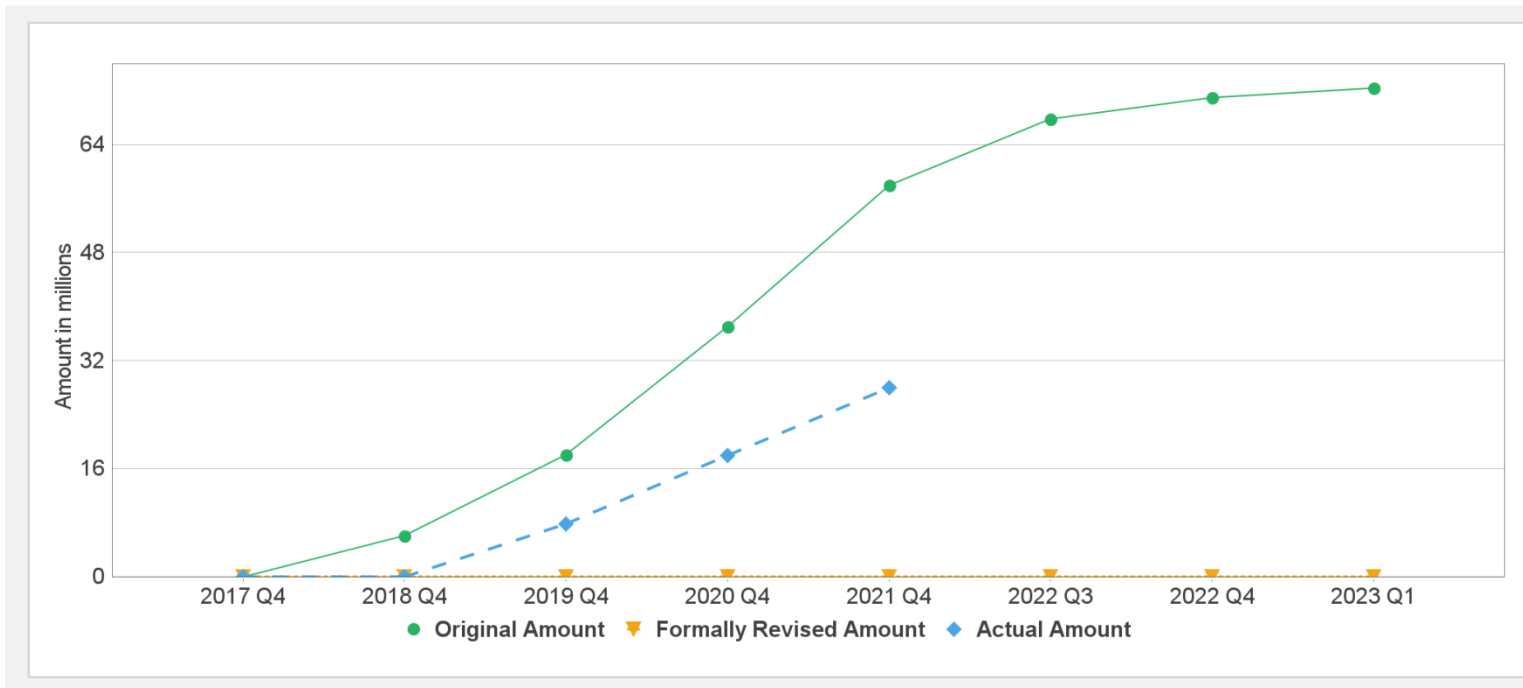
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P160533	IDA-60500	Effective	USD	72.40	72.40	0.00	27.98	46.61	38%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P160533	IDA-60500	Effective	05-Jun-2017	09-Jul-2018	03-Aug-2018	30-Jun-2022	30-Jun-2022



Cumulative Disbursements



PBC Disbursement

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC
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Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.