Digital Malawi Program- Phase I, Digital Foundations

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Country Context

- Malawi has a low GDP per capita of less than US $ 400

- Shows low levels of diversification with Agriculture accounting for 76% percent of employment and 33% of GDP.

- Human Development is low as evidenced by a ranking of 173 out of 188 countries under the UNDP Human Development Index of 2016

- The country shows low ranking on ICT development with a ranking 168 out of 175 in the ITU Development Index

- Malawi also depicts low infrastructure development generally (including in the ICT sector)

- Yet there are a number of positives:
  - it has a young population with 45% aged 14 years or younger
  - It is a stable democracy
  - It has generally nice weather and great potential in the agricultural, tourism, mining, manufacturing etc.
  - There is emphasis on development

Project Development Objectives

- To promote affordable, high quality connectivity services for government, business and citizens throughout Malawi

- To increase government's capacity to deliver digital public services

- All citizens are expected to benefit through:

  - Development of the ICT sector

  - Socio-economic development resulting from ICT infrastructure and services development

  - Improved government service delivery

  - Improved education, innovation and employment outcomes

  - Low operating costs for the government and private sector though more affordable ICT services

Project Development Objectives (Cont..)

- **Examples of Outcomes**

  - Rural farmers are able to check the prices of commodities in local and international markets in order to make informed decision on selling produce

  - A patient in Rumphi is seen by a medical doctor sitting in Mzuzu or Lilongwe or New Dheli

  - A learner in rural Mchinji is able to enjoy similar books, labs, lecturer as a learner in an urban setting

- Etc

Component 1: Digital Ecosystem –US$9.5 Million

- Improved ICT regulatory outcomes for improved services
    - Technical Assistance targeted at MACRA
    - Capacity Building
    - Complementing local efforts in the establishment of the National computer emergency response team (CERT), universal service fund (USF)
    - Implementation activities for the new e-Transactions and Communications Acts
- Assessment of gaps in national digital skills
- Improved digital skills and support for innovation   and innovation hubs

Partnerships with industry, financiers (facebook, Google, etc.)

Component 2: Digital Connectivity – US$34 Million

- ## Connectivity for Public institutions – US$26 Million

  - A Missing Gap Approach to be taken

  - Pre-existing national fibre network(s) assumed

  - To be preceded by Detailed Feasibility Study on technical (digital mapping), legal and financial aspects of the proposed project

  - Seamless Government backbone/national network

  - Will use mostly optic fibre cable (OFC) network for 27 of the 28 districts - Likoma to be covered by Radio

  - Purchase of Internet/Connectivity Service/Last Mile Rollout

Component 2: Digital Connectivity – US$34 Million Cont..

- ## Connectivity for Private Sector

  - Open Access principles to be enforced

  - Pro-competition approach

  - Aggregation of pubic demand to enhance cost efficiency

  - A second capacity tender envisaged to add to the current internet capacity within Government and possibly public sector – this could drive prices further down

  - Implemented in close collaboration with the Regulator

Component 2: Digital Connectivity – US$34 Million Cont..

- Connectivity for High Education – US$4 Million
  - International global network of researchers and high education institutions share resources and collaborate on various activities online
  - in Malawi, the Malawi Research and Education Network (MAREN) not operational
  - MAREN tender may be floated separately
  - Connectivity for up to 22 institutions among public and private universities, research institutions

Component 2: Digital Connectivity – US$34 Million Cont..

- Rural Broadband Access – US$4 Million

  - Designed to provide connectivity to underserved, uneconomic areas

  - In close cooperation of the operationalisation of the Universal Service Fund at the regulator

  - To be preceded by a gap analysis under the technical assistance program

Component 3: Digital Platforms and Services – US$23.9 Million

- ## Digital Government Reforms

  - Technical Assistance for the Department of e-Government

  - Digital Government Strategy and Implementation Plan

  - Capacity Building for Digital Government Department

  - Institutional Review and Restructuring

  - Capacity Building for Digital Leadership

  - Change Management for stakeholders especially the civil service

Component 3: Digital Platforms and Services – US$23.9 Million Cont…

- Digital Government Regulatory Review

  - Demand Aggregation and Procurement Control for ICT infrastructure and Services

  - Interoperability Framework

  - Data Privacy and Protection

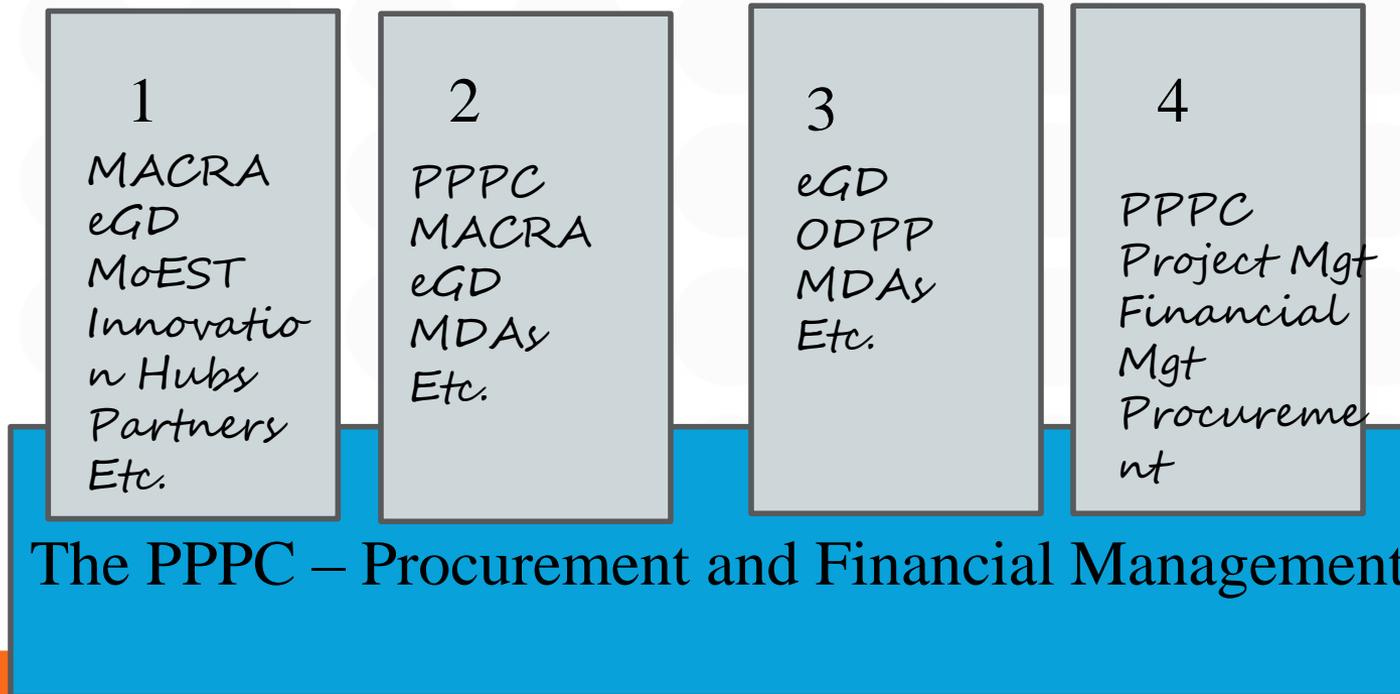 - Public Sector Computer Emergency Response Team (CERT)

Component 3: Digital Platforms and Services – US$23.9 Million Cont…

- Digital Government Infrastructure (Shared Platform)

  - Primary factor is Connectivity

  - Private Cloud/Government Data Center/Malawi Cloud

  - Authentication/ Identity Management

  - Mobile Delivery Platform: m-Government

  - Government Portal

  - Electronic Document Management, Email etc.

Component 4: Project Management – US$5 Million

- This will cover operating expenses of the Project

Implementation Arrangements

1	2	3	4
MACRA eGD MoEST Innovation Hubs Partners Etc.	PPPC MACRA eGD MDAs Etc.	eGD ODPP MDAs Etc.	PPPC Project Mgt Financial Mgt Procurement

The PPPC – Procurement and Financial Management

Risk Management

Type of Risk	Likeli hood	Severity of Impact	Mitigation
Change	High	High	Religious observance of stakeholder and communications management norms throughout the project lifecycle
Technology Risks	Medium	Medium	Thorough planning for all project activities
Budgetary Overruns	Low	High	Robust Financial Management and porject planning systems
Regulatory Risks (World Bank, MACRA, EAD, etc.)	Low	High	Following all set procedures
PPP Risks	High	Medium	Following all set procedures

Progress to Date

- Detailed Planning of the Project Activities – 5-yr Work Plan and Budgets

- Completion of the Project Preparatory Advance (PPA) Activities – e.g. Digital Government Strategy , Broadband Strategy, Regulatory Advisory Services, Government Data Architecture Formulation etc

- Commencement of USF Gap Analysis Study, Data Protection Legislation Drafting, DHRMD MoICECT Institutional Review, MAREN Secretariat establishment

- Looking forward to commencement of procurement within the next twelve months of PPP Connectivity, electronic Government Procurement user requirements, electronic document management, rural broadband networks, connectivity for institutions of high learning, government local area networks

- Institutional Reforms of the Department of e-Governement (key to the long term success of the program)

THANK YOU
FOR
YOUR ATTENTION

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