Digital Malawi Acceleration Project

Pre-read to stakeholder interactions

Aug, 2025

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Document control

Project name	Digital Malawi Acceleration Project
Project fund	$150 Million
Agenda of this document	To provide potential investors with a clear overview of the project and establish context for subsequent interactions

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Glossary

#	Abbreviation	Meaning
1	DMAP	Digital Malawi Acceleration Project
2	ICT	Information & Communications Technology
3	OAN	Open Access Network
4	PPP	Public Private Partnership
5	SPV	Special Purpose Vehicle

1. Introduction

The Government of Malawi has secured US$70[1] million in grant financing from the World Bank (expected to be increased later to a total of $150[1] million) to support its digital development agenda. The project is predicted to mobilize an additional $50[1] million in private sector financing. The project is under the Ministry of Information and Digitization and implemented by the Public Private Partnership Commission (PPPC)

Ministry of Information

WORLD BANK GROUP

Public Private Partnership Commission

Expected impact

Extended connectivity reaching millions of rural and low-income households across Malawi

Inclusive digital access, particularly for women, youth, climate-vulnerable communities, and citizens in remote areas

Enhanced public services, through secure digital identity systems and streamlined e-service delivery in government and the private sector

Economic opportunities, as digital entrepreneurship and skills development expand with support from different programs

[1] Inclusive Digitalization in Eastern and Southern Africa Program: Malawi

2. Purpose of this document

This pre-read aims to provide prospective investors with a brief overview of the upcoming interactions with respect to the DMAP. It is designed to outline the context of the engagement and the scope of our one-on-one discussions. By sharing this in advance, we seek to enable focused, insightful conversations that help us understand potential investors' interest areas, risk appetite, and preferred investment models. The insights gathered will also inform recommendations to the government on policy measures and facilitation needed to attract and retain investment. Ultimately, the document ensures all participants are aligned for productive and value-driven dialogue.

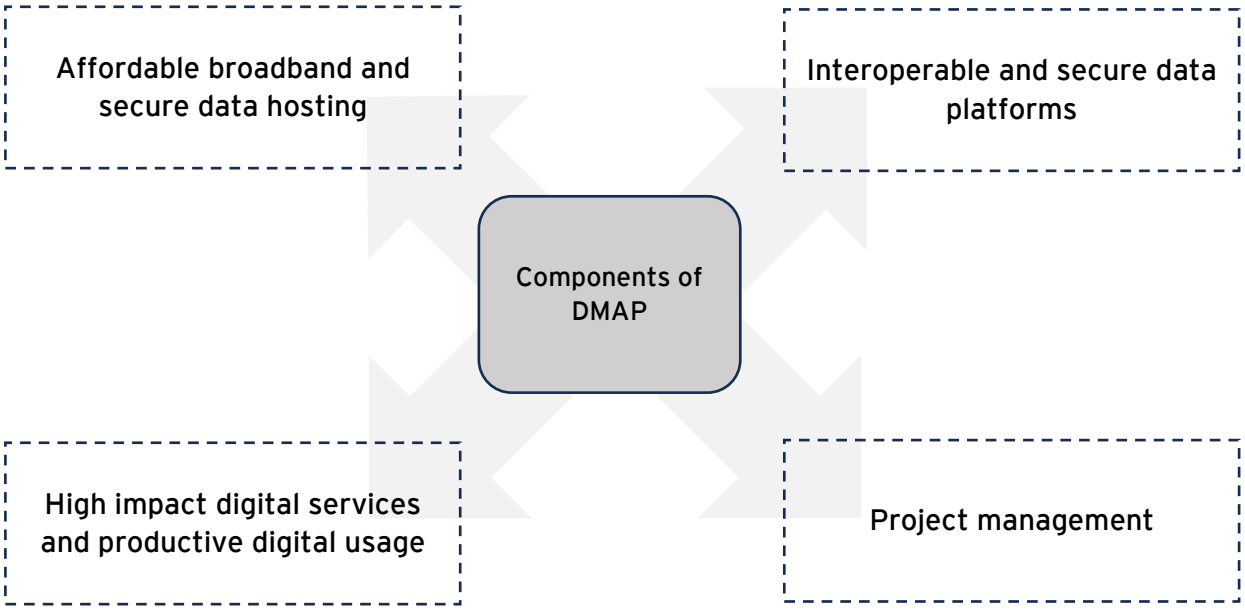
3. Engagement background

Information and Communication Technology (ICT) is now globally recognized as an essential tool in promoting competitiveness, job creation, sustainable development, and overall poverty reduction. ICT has the potential to transform business and government - driving entrepreneurship, innovation and economic growth and breaking down barriers of distance and cost in the delivery of services. In recognition of the critical role that ICT plays in fostering socio-economic development and empowering the poor, the Government of Malawi secured a grant from the World Bank to implement an ICT Project, the Digital Malawi Acceleration Project (DMAP).

Digital Malawi Acceleration Project

The DMAP project has four components:

Figure 1: Components of DMAP



Component 1: Affordable broadband and secure data hosting

This component covers rural connectivity that will expand broadband coverage in rural areas with the aim of achieving universal coverage of mobile broadband, connecting at least 500 public sector sites in addition to the 530 sites connected through the previous Digital Malawi Foundations Project and provision of connectivity services to at least 2,000 schools and higher education institutions (HEIs) throughout the country. It will include integrated infrastructure planning of 'digital corridors' for Southern Africa.

Component 2: Interoperable and secure data platforms

This component covers the Next Generation Digital ID and identity verification services, including electronic Know Your Customer (eKYC) and Public Key Infrastructure (PKI). To reach all citizenry, the Bomalathu data exchange platform for Government will be expanded. The platform faces both Government agencies as well as other players in the private sector, including financial institutions, and the public. The Component will also seek to enhance policy and regulatory frameworks, operationalization of the Data Protection Authority and support for the MCERT at MACRA.

Component 3: High impact digital services and productive digital usage

This component covers the Digital skills and digital literacy which was started by Digital Malawi Project benefiting over 19,000 beneficiaries, and it is now planned to expand. Participation in regional program on device affordability will also be an activity in this component. This device affordability program will be complemented by an e-waste initiative that promotes recycling and resale or safe disposal of laptops and phones. This will be carried out in conjunction with the tech hubs, with a focus on skills development and job creation for young people and persons with disabilities (PWD). Finally, it will also look at the Sectoral deep dives: social protection, disaster and emergency response, financial inclusion, and lands management.

Component 4: Project Management

This component covers the establishment of Malawi Information Technology Authority (MITA) by providing funding for the establishment and operationalization of the proposed authority. The Component will also fund the DMAP management and coordination unit that includes procurement, financial management and social and environment standards.

4. Stakeholder interaction overview

4.1 Objectives

As a part of the first component of DMAP, the objective of the assignment is to engage with potential investors to assess their interest in the project and gather insights on their priorities, investment preferences, and expectations from government entities. This will help align project execution and policy measures to attract and facilitate investment.

4.2 Expected understanding from the interactions

The interactions aim to capture the potential investors' perspectives on strategic, operational, regulatory, and financial aspects of digital infrastructure deployment. The assessment will provide a holistic view of potential investors by examining their market presence, infrastructure, rollout models, financial outlook, and investment appetite. It will also capture their experience with DIGMAP, expectations from government and DFIs, perspectives on Malawi's digital ecosystem and regulatory environment, as well as their commitment to open access, rural connectivity, and social initiatives.

4.3 Focus areas and line of questioning for the discussion

To ensure our discussions are well-informed and productive, we will focus our discussion on gaining a clear understanding of your organization, and its operating approach, market positioning, and outlook towards Malawi's telecom and digital ecosystem. Emphasis will be placed on strategic priorities, investment considerations, and the commitment to inclusive and sustainable development. The broad focus areas of the discussion will be:

1. Understanding the range of Telecom, and Digital Infra services offered by the potential investor; how long they've been operational; and the physical assets they own such as last-mile, middle mile, cross border cables, etc.
2. Determining where the operator is active—cities, towns, rural areas, or cross-border—and assess their competitive positioning, and its presence across government customer segments
3. Assessing whether the operator owns, shares, outsources, or rents digital infrastructure, and understand how they build (Technology preference) or share network sites while ensuring SLA compliance, and reliability
4. Examine how the operator preferred procurement model to build infrastructure for the project—through direct purchase, PPPs, long-term contracts, Anchor tenant model, Reverse subsidy model, Revenue sharing model, Leasing or any others
5. Understand how services are priced— Cost based, distance based, bandwidth based, fixed, regulated guidelines and tariffs, negotiated terms and contracts (IRU, leasing),

etc —and how the investment commitment for the project is going to be fulfilled, including self-funding, private equity, debt, blended finance, or SPVs

6. Explore potential investors' future growth plans, including regional and cross-border expansion, and assess their willingness to invest and expected returns as well as history of their previous similar engagements
7. Identify the extent and type of external support needed to sustain operations, such as subsidies, incentives, guarantees, or grants from development funds
8. Review of the opportunities and challenges in Malawi's digital market and the regulatory policies shaping the ICT sector, incl. but not limited to taxation, licensing, and competition
9. Assess investor views and alignment to open access principles like infrastructure sharing, fair pricing, and transparency, and identify key risks such as regulatory, operational or others
10. Understand investor opinions on initiatives for digital literacy, social and environmental programs, and collaboration with universal service funds to reach underserved communities

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