



INCLUSIVE DIGITALISATION IN EASTERN AND SOUTHERN AFRICA (IDEA)

**HALF-YEAR IMPLEMENTATION PROGRESS REPORT:
JANUARY–JUNE 2026 AND OUTLOOK FOR JULY–DECEMBER 2026**

1. Introduction

The Inclusive Digitalization in Eastern and Southern Africa (IDEA) Programme is a World Bank-financed Multiphase Programmatic Approach (MPA) with an overall financing envelope of US\$2.48 billion. The programme supports participating Member States to expand affordable broadband connectivity, strengthen digital public infrastructure, and increase the inclusive use of digitally enabled services and digital skills.

The IDEA Programme is implemented through a regional project coordinated by the COMESA Secretariat and country projects implemented by participating Member States. During the reporting period, participating Member States included Angola, the Democratic Republic of Congo (DRC), Malawi, Zambia and Eswatini. While implementation was underway in Angola, DRC, Malawi and Zambia, Eswatini focused on project preparation ahead of full implementation.

This report presents implementation progress achieved under the IDEA Programme during January–June 2026, covering both the COMESA regional project and the participating Member State projects. It also outlines the priority activities planned for the second half of 2026.

2. Implementation Progress: January–June 2026 and Outlook for July–December 2026

2.1 COMESA PCU Implementation Progress

The COMESA PCU has made steady progress on the World Bank IDEA Project, which was launched in April 2025 after being approved in June 2024. Key highlights and progress for the reporting period include the following:

2.1.1 Artificial Intelligence (AI) and Emerging Technologies Consultancy

The reporting period marked the transition of the Artificial Intelligence (AI) and Emerging Technologies consultancy from procurement to implementation. Following completion of the procurement process, the consultancy contract was successfully negotiated and signed. A kick-off meeting was held between the COMESA IDEA PCU and the consulting firm to establish a common understanding of the assignment scope, implementation methodology, timelines, reporting arrangements, and expected deliverables.

The consultancy submitted its Inception Report, which underwent several rounds of technical review and refinement by the PCU. Detailed comments were consolidated and shared with the consultant, resulting in improvements to the proposed methodology, stakeholder engagement strategy, country selection approach, AI use-case identification, and implementation schedule. Following satisfactory incorporation of comments, the inception phase was successfully completed, laying the foundation for stakeholder consultations and subsequent development of regional AI policy and regulatory frameworks.

2.1.2 Regional Digital Inclusion Strategy and Action Plan Consultancy

Significant progress was also achieved under the consultancy for the development of the Regional Digital Inclusion Strategy, Action Plan and Associated Regulatory Frameworks.

Following contract signing, the PCU convened a kick-off meeting with the consulting firm to align expectations on the scope of work, deliverables, methodology, timelines, and coordination mechanisms.

The consultancy prepared and submitted an Inception Report, which underwent three rounds of technical review involving consolidated comments from the PCU and the World Bank. The report was progressively strengthened to improve the implementation methodology, stakeholder engagement approach, analytical framework, and work plan. The revised report was approved on 16 June 2026, marking completion of the inception phase and enabling commencement of regional stakeholder consultations.

2.1.3 Least-Cost Digital Infrastructure Planning and Financing Models Consultancy

Substantial progress was made in advancing procurement of the Least-Cost Digital Infrastructure Planning and Financing Models consultancy. Twenty Expressions of Interest were received and evaluated in accordance with World Bank Procurement Regulations, with nineteen submissions meeting the eligibility requirements. Six firms were shortlisted and invited to submit technical and financial proposals.

During the reporting period, the Request for Proposals was finalized and issued, clarification requests from bidders were addressed, technical and financial evaluations were completed, and contract negotiations were undertaken with the preferred bidder. These activities positioned the consultancy for contract award and commencement of implementation during the second half of the year.

2.1.4 Regional Monitoring and Evaluation System

The COMESA IDEA PCU strengthened the programme's regional Monitoring and Evaluation (M&E) system during the reporting period. Key achievements included the development of a Regional M&E Plan, Indicator Registry, Annual M&E Work Plan, standardized reporting templates, and an interim Excel-based Results Monitoring System (RMS) to support harmonized reporting across participating Member States.

To operationalize the framework, the PCU conducted bilateral technical harmonization meetings with the Malawi, Angola, and Zambia Project Implementation Units (PIUs). The discussions focused on indicator harmonization, reporting arrangements, data quality assurance, baseline establishment, attribution methodologies, and regional indicator aggregation, promoting a consistent approach to results measurement and reporting across the programme.

Progress also continued on the development of the Regional Digital M&E Platform. Working with the COMESA ICT Unit and the EGEE-ICT Programme, the PCU advanced the system architecture, hosting arrangements, technical specifications, and procurement preparations, laying the foundation for the platform's development and rollout.

2.1.5 Programme Coordination and Implementation Support

The PCU continued to coordinate programme implementation through preparatory activities supporting upcoming regional engagements. This included planning for stakeholder consultations under the Artificial Intelligence and Digital Inclusion consultancies, as well as preparations for the IDEA Annual Digital Forum and the Third PSC Meeting. Activities covered stakeholder coordination, concept development, programme planning, logistical arrangements, communication and visibility, participant engagement, and collaboration with the World Bank, consultants, participating Member States, and relevant COMESA divisions.

2.1.6 Communication, Website Development and Programme Visibility

The reporting period saw continued efforts to strengthen programme communication and visibility. The IDEA website framework was refined through several rounds of consultation and review, while content covering programme components, digital inclusion, artificial intelligence, digital infrastructure planning, monitoring and evaluation, and environmental and social safeguards was developed and consolidated.

The PCU also progressed branding initiatives and prepared communication materials to enhance awareness and visibility of the programme.

2.1.7 Environmental and Social Safeguards

The Project made important progress in implementing environmental and social safeguard requirements. The IDEA Grievance Redress Mechanism (GRM) Manual and Stakeholder Engagement Plan (SEP) were revised, finalized, approved, and prepared for publication on the COMESA website following World Bank review.

Assignment-specific Stakeholder Engagement Plans were also prepared for the Artificial Intelligence and Digital Inclusion consultancies to guide stakeholder identification, consultation processes, information disclosure, and feedback mechanisms during implementation.

2.1.8 Capacity Building and Institutional Strengthening

The PCU continued investing in staff capacity development throughout the reporting period. Staff participated in World Bank Procurement Training, Gender Equality Training for Project Implementation Units, and specialized training in Stata and Advanced Excel for data analysis and reporting. These initiatives strengthened technical capacity in procurement, monitoring and evaluation, gender mainstreaming, data management, and implementation of World Bank-financed operations.

2.1.9 Project Coordination, Reporting and Institutional Support

The PCU continued to provide overall coordination and implementation support across all components of the programme. Activities included preparation of quarterly implementation progress reports, coordination with the World Bank and participating Member States, support to financial reporting and audit processes, implementation monitoring, and day-to-day project management.

The Secretariat also continued strengthening collaboration with Member States through regular coordination meetings, technical discussions, and implementation support, contributing to improved programme oversight and timely delivery of planned activities.

2.2 COMESA PCU Financial Performance

The Project approved Budget for the year 2026 is \$3,705,360.00

This is broken as follows:

Component	2026 Budget (USD)	Expenditure (Jan–Jun 2026) (USD)	% Utilized
Component 1: Regional Harmonization and Planning Platform	\$2,502,210.00	\$110,870.00	4%
Component 2: Regional Knowledge and Capacity Building	\$444,340.00	\$36,000.00	8%
Component 3: Regional Project Coordination and Management	\$758,810.00	\$178,665.12	24%
Total	\$3,705,360.00	\$325,535.12	9%

This represents a consumption rate of **9%** against the approved budget. Limited cumulative budget absorption rate over the implementation period is attributed to delay in kicking off the planned activities under Component 1 and 2. The consultancy related to digital inclusion and Artificial intelligence were envisaged to be at an advanced stage in Q2. However, the first deliverable under the contract was presented for payment at the end of June 2026. The least cost option activities are yet to kick off.

Committed consultancy contracts values

Component 1:

Consultancy to Conduct a Study and Development of Policy and Regulatory Frameworks for Artificial Intelligence (AI) and Other Emerging Technologies **\$149,100.00**

Consultancy for Development of a Regional Digital Inclusion Action Plan and Associated Draft Regulations and Policies **\$192,300**

Component 2:

Consultancy for Technical Consultancy on Development of Least-Cost, Digital Infrastructure Planning and Financing Models for Connectivity **\$409,895.00** (*in final vetting stage*)

2.3 COMESA PCU Outlook for July to December 2026

Key Activities Planned for the Next Six Months

- Conduct regional stakeholder consultation workshops for the Artificial Intelligence (AI) and Emerging Technologies consultancy.

- Conduct regional stakeholder consultation workshops for the Digital Inclusion Strategy, Action Plan and Associated Regulatory Frameworks consultancy.
- Commence implementation of the Least-Cost Digital Infrastructure Planning and Financing Models consultancy, including inception activities, data collection and stakeholder engagement.
- Review and validate draft outputs from the AI and Digital Inclusion consultancies, including situational analyses and preliminary policy recommendations.
- Operationalize the Regional Digital M&E Platform through procurement of hosting infrastructure, system configuration, testing and user orientation.
- Continue bilateral technical meetings and quarterly coordination sessions with participating Project Implementation Units (PIUs).
- Organize and convene meetings of the IDEA Technical Working Group (TWG).
- Organize and convene the IDEA Annual Digital Forum and the Third Project Steering Committee (PSC) Meeting.
- Complete development and operationalization of the IDEA website and implement communication and visibility activities.
- Continue implementation of Environmental and Social (E&S) safeguards, including the Stakeholder Engagement Plan (SEP), Labour Management Procedures (LMP), and Grievance Redress Mechanism (GRM).
- Implement regional capacity-building activities for the COMESA PCU and participating Member States in monitoring and evaluation, digital infrastructure planning, procurement, and environmental and social safeguards.
- Continue project coordination, procurement, financial management, reporting, audit follow-up, and implementation support.

3. Progress in IDEA Participating Member States and Outlook for the Second Half of 2026



The IDEA Programme is implemented through country projects in participating Member States, each financed directly by the World Bank. During the reporting period, implementation continued across Angola, the Democratic Republic of Congo (DRC), Malawi and Zambia, while Eswatini focused on project preparation following the approval of its Digital Eswatini Project. Overall, participating Member States progressed at different stages of implementation, reflecting their respective project effectiveness dates and implementation readiness. This section summarizes the implementation progress achieved during January–June 2026 and outlines the priority activities for the second half of 2026.

3.1 Malawi

The Digital Malawi Acceleration Project (DMAP: P505095) is a flagship Government of Malawi initiative aimed at expanding affordable broadband connectivity, strengthening digital infrastructure, and promoting secure, inclusive and productive use of digitally enabled services across the country. Building on the achievements of the Digital Malawi Foundations Project (DigiMAP; P160533), the project is implemented through four components: (i) Affordable Broadband and Secure Data Hosting; (ii) Interoperable and Secure Data Platforms; (iii) High-Impact Digital Services and Productive Digital Usage; and (iv) Project Management and Capacity Building. The project is financed at US\$150 million, comprising an initial US\$70 million that became effective in November 2024 and a second tranche of US\$80 million expected in July 2028.

Overall implementation remains satisfactory, with notable progress recorded during the reporting period across the project's priority investments. Key milestones included approval of the Commercial Transaction Manual, completion of assessments for 100 Universal Service Fund telecommunications towers, expansion of Government data hosting capacity, migration of the Bomalathu Digital Services Platform to the National Data Centre, onboarding of Government digital services, and procurement of biometric registration equipment for the National Registration Bureau. While implementation continues to face procurement lead times, delays in institutional reforms and change management challenges affecting adoption of digital platforms, mitigation measures are being actively pursued and implementation momentum continues to strengthen.

Under Component 1: Affordable Broadband and Secure Data Hosting, implementation advanced significantly towards expanding broadband infrastructure and strengthening Government digital infrastructure. Following World Bank approval of the Commercial Transaction Manual (CTM), technical, environmental and social assessments for 100 Universal Service Fund (USF) telecommunications towers were completed, with the Request for Bids currently under World Bank review ahead of launch of the electronic reverse auction. This represents a major milestone towards extending broadband connectivity to underserved communities. Government data hosting capacity was strengthened through completion of the stop-gap expansion of the National Data Centre, increasing storage capacity by 115 TB, while procurement preparations for the long-term expansion are at an advanced stage. The completion of the redundancy link between the Lilongwe and Blantyre Data Centres has further improved the resilience, reliability and business continuity of Government digital services. Preparatory work is also progressing for connectivity of 500 priority public institutions, the Government Wide Area Network (GWAN) Core Upgrade, the IP Transit initiative and infrastructure sharing arrangements with ESCOM to support cost-effective national fibre deployment.

Under Component 2: Interoperable and Secure Data Platforms, implementation continued to strengthen the foundations of digital government. The successful migration of the Bomalathu Digital Services Platform to the National Data Centre has improved the reliability, security and sustainability of Government digital services. Readiness assessments for 25 priority Government e-services were completed, with six services already onboarded and an additional 19 services currently being integrated for phased rollout. Progress towards implementation of the Next Generation Digital Identification Programme was also achieved through the signing of a contract

for the supply of 2,400 Biometric Registration Kits for the National Registration Bureau. In parallel, reviews of the National Registration Act and the Marriage, Divorce and Family Relations Act are underway to strengthen the legal framework supporting digital identity services.

Implementation under Component 3: High-Impact Digital Services and Productive Digital Usage, which is primarily financed under Phase II of the project, focused on establishing the institutional framework required for implementation. During the reporting period, the Grants Manual was finalised and submitted to the World Bank for review and No Objection. Once approved, the manual will provide the governance framework for financing digital innovation, entrepreneurship and productive digital usage. Preparatory activities to operationalise the grants programme are continuing in readiness for Phase II implementation.

Under Component 4: Project Management and Capacity Building, project management systems continued to be strengthened. A comprehensive asset verification exercise was completed, improving accountability and project asset management. The project also continues to support the establishment and operationalisation of the Malawi Information Technology Authority (MITA), which remains a critical institutional reform for strengthening governance, coordination and sustainability of Government digital transformation initiatives. Regular engagement with implementing agencies, aligned programmes and the World Bank has further strengthened implementation coordination and oversight.

Despite the encouraging implementation progress, the project continues to face several implementation challenges that require close management:

- **Procurement Delays:** Procurement of major investment packages continues to experience delays due to the complexity of procurement processes and the time required for World Bank reviews. To mitigate this, Management is strengthening procurement planning, maintaining close engagement with the World Bank and implementing agencies, and expediting procurement processes wherever feasible.
- **Delayed Establishment of the Malawi Information Technology Authority (MITA):** Progress towards establishing MITA has been slower than anticipated due to delays in completing the necessary legal and institutional processes. The project is working closely with the Ministry of Justice and other key stakeholders to expedite the required legal reforms and operationalisation of the Authority.
- **Change Management and Adoption of the Bomalathu Platform:** Adoption and utilisation of the Bomalathu Digital Services Platform across Government institutions has been slower than anticipated due to change management challenges. To address this, the project is implementing a comprehensive change management programme that includes stakeholder engagement, user sensitisation, capacity building, and institutional support to promote wider adoption and effective utilisation of the platform.

Looking ahead, the project will prioritise the rollout of the 100 Universal Service Fund telecommunications towers, expansion of data hosting capacity at the National Data Centre, implementation of the Government Wide Area Network (GWAN) Core Upgrade, and onboarding and promoting adoption of additional Government digital services through the Bomalathu

platform. Continued efforts will also focus on supporting the establishment of the Malawi Information Technology Authority (MITA), strengthening implementation coordination across implementing agencies, and addressing procurement and institutional bottlenecks. These actions are expected to accelerate implementation and further advance progress towards achieving the Project Development Objective of increasing access to, and inclusive use of, the internet and digitally enabled services across Malawi.

Digital Malawi Acceleration Project (DMAP: P505095) is a flagship national initiative designed to expand affordable broadband connectivity, strengthen digital infrastructure, and promote secure and inclusive access to digital services across Malawi. The project, which builds upon the earlier Digital Malawi Foundations Project (DigiMAP; P160533) is structured around four key components: (1) affordable broadband and secure data hosting; (2) interoperable and secure data platforms; (3) high-impact digital services and productive usage; and (4) project management and capacity building. Implementation has started well with a disbursement rate of 19 percent since effectiveness was achieved in November 2024.

Under Component 1: Affordable Broadband and Secure Data Hosting, substantial progress has been made in improving government ICT infrastructure, notably through the completion of the Government national datacenter in Lilongwe and the commissioning of resilient telecom links with the disaster recovery site in Blantyre. For rural connectivity, stakeholder sensitization meetings with local authorities, communities, contractors, and mobile network operators have been conducted across all districts, and technical assessments for 1,302 rural sites, including 319 sites under the Ministry of Lands, are underway. Secondly, technical assessments of 66 potential sites for new rural cell towers and a review of the core infrastructure for the Government Wide Area Network (GWAN) are ongoing. A critical step for Component 1 is the completion of the disbursement condition, which is preparation of a Commercial Transaction Manual (CTM). This is well underway and should be completed in early 2026.

Component 2: Interoperable and Secure Data Platforms builds on the progress made under DigiMAP. The Bomalathu Data Exchange Platform is being expanded, supported by a technical working group, and draft ToRs for additional vendor engagement were developed. In addition, integration between Bomalathu and the National e-Payment Gateway (NePG) has been achieved in the test environment. The implementation of next-generation digital ID is yet to commence, but this should be accelerated now that the elections, held in September 2025, are passed.

Component 3: High-Impact Digital Services and Productive Usage is in its formative stage, with training for over 600 Land Information Officers underway. Planned initiatives such as tech hubs and support for digital start-up support are conditioned by the completion of a grants manual, which is currently in draft form. Other initiatives on e-waste management, and digitalization pilots in key sectors are pending initiation, as these will rely upon funding for Phase 2, an additional financing of US\$80m. The Government is expected to submit a formal request for Phase 2 funding after the November 2025 Implementation Support Mission.

Under Component 4: Project Management and Capacity Building, the operationalization of the National Digital Transformation Authority (MITA) has been delayed due to the election. Environmental and social safeguards sensitization has been conducted across district councils.

Challenges faced during the period under review include the following:

- The country's broader economy has been hindered by macroeconomic instability, which complicates project implementation despite the IDEA program's successes;
- While mobile coverage is widespread, fixed broadband penetration remains very low, highlighting the limited reach of high-speed wired internet.
- Gaps in digital inclusion persist, particularly for women, rural populations, and individuals with disabilities; and
- Weak institutional and financial capacity within the government has, at times, slowed the use of digital technologies for service delivery and transparency and hence digitalization.

In 2026, the way forward requires accelerating project planning, enhancing coordination between agencies, and implementing necessary reforms to ensure digital projects and broader economic goals are achieved despite macro-economic challenges. The DMAP plans to connect an additional 500 government offices and 2,000 schools. The project will provide further support for digital ID, with a goal of enrolling an additional two million people. In 2026, Malawi is expected to join a regional affordable devices initiative to help low-income users purchase mobile phones and laptops. Efforts will focus on ensuring the national Data Center fully serves the government's needs and securely migrates data. The government plans to offer more digital services to the public. On-going support will continue for institutions like the data protection authority and technical units within the government. Initiatives are in place to prioritize inclusion, with ambitious goals to ensure at least half of the beneficiaries are women.

3.2 Democratic Republic of Congo (DRC)

Financing: USD 400M IDA + EUR 100M AFD Effectiveness: June–July 2025

Key achievements:

- Operationalization of the PIU.
- Progress on regulatory strengthening (FDSU operational).
- Advisory services launched for cybersecurity, e-signatures, civil registration.
- Quick wins: Kinshasa connectivity pilot (USD 10M).
- Innovation grants and hackathon planned for 2026.
- Launch of National Digital Economy & AI Plan (2026–2030, USD 1B).

Challenges:

- Delays in backbone investment strategy validation.
- Institutional restructuring (split of ministries).
- AFD co-financing disbursement delays.

2026 priorities:

- Launch backbone tender (USD 190M).
- Launch last-mile tenders (USD 65M).

- Accelerate digital identity, data governance, and e-government master plan.
- Deploy shared data hosting solution (USD 2–3M).
- Expand ICT equipment for government institutions.

3.3 Angola

Digital Acceleration Project (PADA)

First Semester 2026 — Implementation Progress Report

The Digital Acceleration Project of Angola (PADA) is a USD 300 million Government of Angola initiative, funded by the World Bank and implemented under the coordination of the Instituto de Modernização Administrativa (IMA). The Project became effective in May 2025 and aims to boost digital inclusion, modernize public services and strengthen the digital economy, promoting the transition from an oil-dependent economy to a more diversified, inclusive and sustainable model.

PADA is integrated in the Public Administration Digital Transition Agenda, aligned with the National Development Plan (2023–2027) and the National Digital Transformation Strategy, with a focus on digital and interoperable public services. It focuses on the following strategic pillars:

- Public Digital Infrastructure (DPI) — creation of integrated platforms;
- Digital inclusion and connectivity — internet expansion and access in rural and underserved areas;
- Digital identity — modernization of authentication systems;
- Support for the Digital Entrepreneurship Ecosystem — stimulating innovation and technological startups; and
- Cyber Security and Data Protection — strengthening of a secure digital environment.

Overall Progress — First Semester 2026

The first semester of 2026 marked a decisive shift from project set-up to implementation at scale. The most significant milestone was the signing of the three Memoranda of Understanding (MoUs) that constitute withdrawal conditions under the Loan Agreement, through which the Project has now concluded most of the disbursement conditions — notably for the digital identity and connectivity categories — and can move forward on the associated expenditure. The MoUs cover the collaboration arrangements for the Broadband Connectivity Program (with MINTTICS, INACOM and FAS), the Digital Inclusion Program (with MINTTICS and FAS), and the Digital Identification Program (with MINJUSDH, MASFAMU and FAS).

By the close of the semester, the procurement pipeline had accelerated substantially. The Project registered 17 signed contracts, together with 29 procurement processes (tenders) currently under way, spanning all three technical components — a marked contrast with the slower pace of 2025 and evidence that several components are now advancing at full strength. Among the contracts already concluded, the Interoperability Framework study has been completed, providing the roadmap for the interoperability platform.

On the fiduciary side, with most disbursement conditions now met, the Project has approximately USD 100 million available to spend, and disbursement is flowing against the contracts already signed and under implementation as the tender pipeline converts into new commitments.

The Project Implementation Unit (PIU) was further strengthened during the semester, with the Financial Manager, Deputy Coordinator, and Environmental and Social Safeguards specialists now contracted, and additional fiduciary roles (Internal Auditor, External Audit, Monitoring and Evaluation specialist) signed or under recruitment.

Component 1 — Affordable Broadband Connectivity and Inclusion

Component 1 continued to advance its foundational activities. Technical assistance to Angola Telecom (AT), which operates the national backbone, is under implementation to support the company's strategic restructuring and repositioning (USD 3.0 million). Also under implementation are the design of the tender process for the network expansion program, the Digital Inclusion Needs Assessment and market gap analysis, the connectivity specialist, and the technical assistance to reinforce the institutional capacity of FAS and INFOSI for community-level digital inclusion (USD 2.0 million).

The largest Component 1 process now under tender is the consultancy to support a National Programme for the Training of Local Agents in basic digital skills, inclusion and digital citizenship (USD 5.0 million). Component 1 activities remain the most affected by institutional coordination arrangements with the Ministry of ICT, and a clear direction from the Government on the institutional set-up is expected to unlock the Broadband Gap Assessment and the design of the Digital Inclusion Program.

Component 2 — Scaling-up Inclusive and Safe Digital Public Infrastructure

Component 2 is the most active component and is now advancing at full strength. IMA completed the Interoperability Framework study and its platform roadmap, providing the basis for the interoperability platform procurement. The Legal Gap Assessment for the digital governance framework is signed and underway, and the Microsoft licensing acquisition for the standardization of public administration workstations (USD 9.4 million) was signed during the semester.

A broad set of activities moved into implementation, including the Cybersecurity Maturity Assessment; the Digital Governance and Artificial Intelligence framework consultancy; the implementation of the interoperability platform and related training; the design and specification of the Public Key Infrastructure (PKI); the cloud solution for the SIMPLIFICA portal MVP; the consultancy for the APD Organic Law; the digital skills feasibility study; and the ENAPP e-learning transition.

Bids in progress under Component 2 concentrate the largest share of value. Procurement is under way for the digital services / interoperability platform (Enterprise Service Bus / X-ROAD, approx.

USD 13.0 million), the SIMPLIFICA technology platform — CMS, BPM and application firewall (USD 3.8 million), the national AI platform infrastructure (USD 4.0 million), the Security Operations Centre and incident response (USD 3.0 million), the public-sector digital skills program (USD 3.0 million), the firm for the APD compliance monitoring system (USD 2.0 million), and the digital identity policy support and authentication activities.

Component 3 — Productive Digital Usage for Economic Opportunities

Under Component 3, the Digital Entrepreneurship Ecosystem Assessment is signed, and the consultancy is expected to inform the Digital Entrepreneurship Support Manual that will guide grants and business development support to digital startups and entrepreneurs. The consultancy for the universities and innovation centres partnership program is under implementation, together with the digital skills and entrepreneurship specialists. Procurement is under way for the youth digital skills needs assessment and national strategy, and for the associated training courses.

Meetings and Coordination

During the semester the Project convened its governance and coordination bodies and engaged with the World Bank through implementation support. The Project Steering Committee (PSC) and its Technical Committee met to address institutional coordination — particularly on Component 1 — and to guide the scope of activities, and the PIU advanced an updated Procurement Strategy for the coming 18 months. [Specific dates and outcomes of the PSC meeting and the World Bank implementation support mission to be inserted.]

Main Challenges

With most disbursement conditions now concluded, the principal remaining challenges are operational: strengthening the institutional coordination on Component 1 with the Ministry of ICT, and completing the recruitment of the remaining technical and Monitoring and Evaluation specialists, so that the PIU can absorb the significantly expanded pipeline of activities.

Outlook — Key Actions for the Second Semester of 2026

For the second half of 2026, the focus will be on converting the current tendering pipeline into signed contracts and on delivering visible results across the components:

- **Conclude the DPI procurements now under tender:** award and mobilize the interoperability / Enterprise Service Bus (X-ROAD) platform, the SIMPLIFICA technology platform, and the national AI platform infrastructure, moving Component 2 from design to build.
- **Advance the digital identity workstream:** with the disbursement conditions for digital identity concluded, proceed with the digital ID policy and strategy, the authentication platform, and the development and rollout of the digital identity management system.
- **Strengthen cybersecurity and data protection:** award the Security Operations Centre / incident response, the critical information infrastructure protection, and the firm for the APD compliance monitoring system, and progress the APD Organic Law.

- **Expand broadband connectivity and inclusion:** subject to Government direction on Component 1 institutional arrangements, complete the Broadband Gap Assessment and the design of the Digital Inclusion Program, and launch the Local Agents training program.
- **Promote productive digital usage:** through INAPEM, prepare the activities supporting incubators and business development service providers for digital firms and the attraction of accelerators into Angola, and launch the youth digital skills programs.
- **Strengthen project management and governance:** finalize the hiring of the remaining PIU specialists (notably Monitoring and Evaluation and component technical specialists), and maintain an active Project Steering Committee to sustain inter-institutional coordination and keep the project on track.

3.4 Zambia

The World Bank approved USD 100 million in financing for the Digital Zambia Acceleration Project (DZAP) on 11 September 2025 to support digital inclusion for women, girls, students, persons with disabilities and underserved populations, while strengthening digital skills to enhance youth employment. Project governance and implementation structures continue to strengthen, with the Project Steering Committee (PSC) set up in May 2025, having held five quarterly meetings and the sixth scheduled for July 2026. The Project Implementation Unit (PIU), led by the Project Coordinator, is now fully staffed, including core and technical specialists. Three additional individual consultants have been recruited to support the Government Service Bus (GSB) transition process.

To support implementation, the Government of Zambia, through the Ministry of Home Affairs and Internal Security (MOHAIS) and Smart Zambia Institute (SZI), signed a Memorandum of Understanding (MoU) with Ethiopia's National Identification Programme on 29 September 2025 to promote technical cooperation, capacity building and knowledge exchange on Digital Identification (Digital ID). SZI has also signed MoUs with key implementing partners including the Zambia Research and Education Network (ZAMREN), Zambia Environmental Management Agency (ZEMA), Ministry of Home Affairs and Internal Security (MOHAIS), Ministry of Finance and National Planning (MOFNP), Data Protection Commission (DPC), Ministry of Education (MoE), Ministry of Commerce, Trade and Industry (MCTI) and the Zambia Revenue Authority (ZRA) to strengthen coordination and delivery of project activities. In addition, the Project Implementation Manual (PIM) has been finalised and cleared by the World Bank.

Further progress includes completion by the Zambia Information and Communications Technology Authority (ZICTA) of the 2025 Baseline Statistical Survey on Information and Communication Technology (ICT) Access and Usage across all ten provinces, with findings scheduled for dissemination in July 2026.

In preparation of large-scale digital infrastructure investments, the Project conducted its second Early Market Engagement (EME) on 22 April 2026, focusing on private sector participation in deployment of 300 cell towers, 2,000 km of fibre, connectivity for 500 public institutions, bulk internet capacity procurement and alternative power solutions.

Financial Systems Strengthening and Process Improvements

Efforts to strengthen financial and procurement management processes under the Project continue. Accounts and Procurement Units now process payments through the Integrated Financial Management Information System (IFMIS) Project Module, with established authorisation and approval workflows to enhance efficiency and accountability. Additionally, electronic payments to vendors and customers via internet banking are improving financial controls and streamlining operations.

Procurement Progress Update

The Project continues to advance implementation activities, with several procurements reaching advanced stages across different components. Current efforts focus on accelerating implementation readiness, advancing strategic digital infrastructure investments, strengthening digital public infrastructure, and building institutional and human capacity. Procurement progress under each component is as follows:

Component 1: Affordable Broadband

Sub-component 1.1: Extending the Backbone and Regional Networks: Procurement for consultancy services to undertake Environmental and Social Impact Assessments (ESIA) for the 2,000 km fibre deployment are in the procurement stage, with field work expected to commence in Q3 2026. Environmental and Social Impact Assessment (ESIA) consultancy services are currently under evaluation. The Commercial Transaction Manual (CTM) procurement remains under evaluation after re-issuing bidding documents. Preparations are underway to engage a supervision consultant for infrastructure implementation and monitoring.

Sub-component 1.2: Supplying Last Mile Connectivity: Technical evaluation is underway for the Climate-Smart Optimisation and Greening of Digital Infrastructure study and the Demand Assessment for Government Connectivity. ESIA studies for 300 cell tower sites is ongoing while the procurement of a consulting firm to conduct ESIA for 500 government institutions and 2000Km of Fiber has advanced. Bidding for Bulk Internet Capacity for Government Wide Area Network (GWAN) has equally advanced and will enhance the E -services.. Long-term 35GBps internet bandwidth services through UbuntuNet for the Zambia Research and Education Network (ZAMREN) are now implemented and paid for.

Sub-component 1.3: Strengthening the Enabling Environment: Implementation activities supporting policy and regulatory strengthening activities continue. The Zambia Environmental Management Agency (ZEMA) has finalised E-Waste regulations, pending Government approval. The Project will support the development of aligned E-Waste guidelines in consultation with various with SZI and other stakeholders in to guide the management of E-waste in the Project. The consultancy for the Data Protection Commission (DPC) Implementation Strategy awaits procurement committee approval after completing evaluations and negotiations. Baseline ICT statistical surveys and Government Security Operations Centre (SOC) strengthening are in technical preparation stages.

Component 2: Interoperable and Secure Digital Platforms

Progress has focused on advancing digital public infrastructure and strengthening government digital services.

Sub-component 2.1: Developing Digital ID Services: Re-evaluation of the Deployment, Customisation and Integration of Foundational Digital ID and Civil Registration and Vital Statistics (CRVS) modules is complete, awaiting World Bank review. A Digital ID and E-Signature Specialist has been recruited to support implementation.

Sub-component 2.2: Enhancing Digital Government and Services: Evaluation of the Government Service Bus (GSB) redesign and re-engineering procurement is complete and under World Bank review. Three consultants have been engaged to assess GSB operations, governance, technical capacity, and infrastructure for sustainable in-house management. Re-evaluation of E-Services procurement is complete and awaits World Bank feedback. Procurement for the Assessment of Current Digitisation Landscape and Service Catalogue has completed negotiations and is ready for contract award approval. Procurement for the Data Classification Framework and Government Cloud Strategy is progressing.

Sub-component 2.3: Fostering Regional Trade Facilitation: Progress on modernising border operations and digital trade facilitation along the Lobito Corridor continues. Preparatory activities for the Non-Stop Borders initiative are ongoing, including consultant engagement, literature reviews, and stakeholder consultations to inform feasibility work.

Component 3: Digital Skills and Capabilities

Sub-component 3.1: Enhancing Basic Digital Literacy: Procurement for the Skills Supply and Demand Gap Assessment has completed technical and financial evaluations and is ready for contract award approval. The assessment aims to assess demand for industry skills and identify gaps and challenges in the development of advanced digital skills, determine the industry requirements for digital skills, including emerging technologies such as AI, data analytics, and cybersecurity. It will provide recommendations for developing a skilled workforce that meets the needs of the industry and assess the digital skills and capabilities of public sector employees.

Sub-component 3.2: Nurturing Employment-Ready Digital Skills: Procurement activities continue for the search of a consultant firm to pilot the Digital Ambassadors Programme (DAP), development of curriculum frameworks that cater for all sectors of society including women, youth and people living with disabilities. The consultant will also be tasked to assist with the delivery models for Digital Transformation Centres. Procurement for this subcomponent is at the Expression of Interest (EOI) stage.

During this quarter, the project supported four (4) government officials for a study visit to learn from implementation experiences at Rwanda's Irembo centre. Major learnings were taken on the DTC model as well as the model of government-trained agents who receive commissions to improve uptake of government digital services by the public. Further, in this quarter, a team of ten (10) technical staff from Smart Zambia was supported for a Cybersecurity Security Operations

Centre training in India. Details will be availed in the next quarter as the training was ongoing at the time of report compilation.

Component 4: Programme Management

Implementation support activities are progressing. The Project Implementation Unit (PIU) is fully staffed, with strengthened capacity across digital infrastructure, digital government, procurement, financial management, monitoring and evaluation, and digital skills. Progress has been made in operationalising legal covenants, strengthening institutional coordination, and supporting implementation planning, including updates to work plans and training programmes.

Challenges

The Project is facing the following challenges and has initiated mechanisms aimed at addressing the challenges that are currently considered minimal but pose a risk to effective project implementation.

- Unforeseen longer timelines for reviews, approvals and clearances continue to affect procurement and implementation.
- Proposed Mitigation Measure-Quarterly approvals and pre-clearances for all gatherings of approved activities in the Annual Work Plan and Budget (AWPB).
- Fund flow delays persist, particularly in moving funds from Control 99 to the Mirror Account.
- Proposed Mitigation Measure- Prioritisation of Project fund transfers.
- Implementation of some activities remain dependent on completion of assessments, studies and safeguard processes.

Proposed Mitigation Measure-Prioritisation and Timely commencements of preparatory works in partnership with implementing partner institutions.

Planned Activities for the second half of 2026

- i) Enhance communication and publicity to ensure that the Project's goals, benefits and opportunities are widely understood and embraced by stakeholders and citizens.
- ii) Artificial intelligence basic training for 40 Zambia government officials in conjunction with Worl Bank Academy.
- iii) Accelerate priority procurements, i.e. E-services and Digital ID.
- iv) Undertake various studies/assessments that will inform project implementation.
- v) Implement activities in the Annual Work Plan and the Training Plan.

3.5 Eswatini

The Digital Eswatini Project (P508948) is a USD 65 million national initiative designed to expand affordable broadband connectivity, strengthen digital public infrastructure, and accelerate the delivery of inclusive e-government services across the Kingdom of Eswatini. The project is

implemented by the Ministry of Information, Communications and Technology (MICT) with support from the World Bank (IBRD loan and IDA credit), and forms the foundation of Eswatini's strategy to build a competitive, inclusive digital economy aligned with the COMESA IDEA Programme's objectives.

The project is structured around three components:

Component 1 — Affordable Broadband (US\$36 million) supports the stabilization and reform of EPTC (Eswatini Posts and Telecommunications Corporation), expansion of the national broadband backbone to connect schools, health centers and Tinkhundla centers, and strengthening of the legal, regulatory and institutional ICT environment.

Component 2 — Government in Your Hand (US\$25 million) builds on improved connectivity to develop digital public infrastructure — including a national digital ID system, cybersecurity capabilities, data governance frameworks and a whole-of-government e-payment gateway — and to digitalize over 50 priority government services in health, education, home affairs and commerce, whilst building digital skills among 200,000 citizens with a focus on women and youth.

Component 3 — Programme Management and Capacity Building (US\$4 million) finances the Project Implementation Unit, fiduciary management, environmental and social safeguards, and monitoring and evaluation.

Eswatini is currently utilizing a USD 2 million World Bank Project Preparation Grant (GFPP TF0C8802, closing December 2026) to establish the institutional, technical, and fiduciary foundations required for loan effectiveness. The first half of 2026 culminated in a landmark milestone: the successful conclusion of World Bank Grant Negotiations on 18 May 2026 and World Bank loan approval in June 2026, which formally clears the path to finalising the USD 65 million financing agreements.

Progress — January to June 2026

Component 1: Affordable Broadband

Preparatory work under Component 1 has been driven by the EPTC Commercial, Legal and Financial Due Diligence assessment — which will determine the pathway for EPTC's financial stabilization, pension fund transition, and reform ahead of the project start. The expected procurement process for the assignment is targeted completion in July 2026. The EPTC Infrastructure Assessment, which maps the current state of the national backbone network and informs investment and implementation sequencing for broadband expansion under Sub-components 1.1 and 1.2, has begun and will be finalized during Q3 - ready for submission to the Ministry of ICT. Project procurement strategy (PPSD) and Environment and social commitment plan initial drafts have been prepared. On the governance side, EPTC Board engagements have been conducted as part of the broader stakeholder engagement process, laying the groundwork for the stabilization reform activities planned under Component 1

Component 2: Government in Your Hand

Under Component 2, preparatory work is advancing on two fronts. The Digital Transformation Roadmap consulting assignment designed to classify over 50 priority government services for digitalization, define the phased implementation plan and platform architecture, and provide detailed costing for digital public infrastructure investments has completed its technical evaluation and is moving toward contract award, with procurement expected to conclude in July 2026. In parallel, the RSTP Data Centre and IT Service Delivery Model Assessment, which will directly inform institutional capacity investments under Sub-component 2.2, is underway and also scheduled for completion in July 2026.

On the stakeholder side, a landmark engagement with Parliament's Portfolio Committee in May 2026 marked the project's initial legislative introduction. The Committee expressed strong interest in digital economy outcomes such as financial inclusion and e-payments, while also emphasizing the importance of cybersecurity and digital protection for children and elderly citizens issues directly relevant to Sub-components 2.1 and 2.2. Institutional readiness assessments have commenced with the Ministries of Health, Education, Home Affairs, the Tinkhundla Administration and Development, and MICT, with nominated Change Agents from each ministry formally onboarded in June 2026.

Component 3: Programme Management and Capacity Building

Under Component 3, a fully operational six-specialist Project Implementation Unit was established within MICT and became operational on 1 January 2026, comprising a Project Manager, Financial Management Specialist, Procurement Specialist, Environmental and Social Safeguards Specialist, Digital Infrastructure and e-Government Specialist, and Change Management Specialist. The Annual Work Plan and Procurement Plan for the preparation grant were approved, providing a structured roadmap for all grant-financed activities.

The team has made significant progress on project set-up and compliance, including formal establishment terms of references for the Project Steering Committee, completion of project registration and tax compliance requirements, and preparation of key safeguard instruments. The Stakeholder Engagement Plan incorporating a four-track Grievance Redress Mechanism aligned with the project's multi-dimensional risk profile has been finalized, as has the Environmental and Social Commitment Plan. Drafting of the Project Operations Manual and Implementation Manual is underway. A monthly change management dashboard has been established as a transparency and accountability tool for the Ministry and the World Bank, to monitor and inform future interventions and strategies on change management and digital services adoption.

Challenges

The following challenges were encountered during the period under review:

- i) Government Financial System Compatibility The Government's Integrated Financial Management System (IFMS) remains in a restricted pilot phase and may not be fully

available for World Bank–compliant project financial reporting in the near term. As a contingency, the PIU is assessing alternative financial management systems that meet compliance requirements.

- ii) **PIU Capacity** The high volume of concurrent activities during the preparation phase has highlighted the need to strengthen PIU operational capacity ahead of full project implementation. A formal request for additional team members will be submitted to the Principal Secretary, Ministry of ICT, to ensure adequate resourcing for procurement and project management as the project transitions from preparation to implementation.
- iii) **Preparation Grant Closing Deadline** The preparation grant is scheduled to close on 31 December 2026. With two consulting contracts still pending award and loan effectiveness yet to be achieved, the second half of 2026 presents a concentrated delivery workload. The Project Manager is maintaining direct oversight of a detailed critical path to ensure all preparation milestones are completed within the grant period.

The Way Forward — Second Half of 2026

The priority for the remainder of 2026 is to complete the preparation phase and secure loan effectiveness, positioning Eswatini for full-scale project implementation in 2027. The Ministry of Finance will finalize the loan bill and present it to Cabinet, marking the transition from preparation to completion. In parallel, the Project Implementation Plan /Manuals and PPSD will be completed and submitted to the World Bank, establishing the accountability framework for full project rollout.

On the environmental and social front, the Stakeholder Engagement Plan (Version 002) will be formally disclosed in line with World Bank ESF requirements. The initial group of Change Agents has been onboarded across the seven priority institutions, and the monthly change management dashboard has been operationalized as a standing reporting mechanism, with further insights to be drawn from its outputs.

The Digital Eswatini team will also advance its participation in the IDEA Forum, leveraging technical study results from the preparation grant to contribute to regional connectivity planning, cross-border e-government service design, and digital economy policy dialogue among COMESA member states.