



ICT Sector Support in Somalia Phase II (P152358)

AFRICA | Somalia | Transport & ICT Global Practice |
Recipient Executed Activities | Investment Project Financing | FY 2015 | Seq No: 4 | ARCHIVED on 03-Nov-2017 | ISR29980 |

Implementing Agencies: Ministry of Posts, Telecoms and Technology, Ministry of Finance, Ministry of Posts, Telecommunications and Technology, Federal Government of Somalia

Key Dates

Key Project Dates

Bank Approval Date:08-Jun-2015

Effectiveness Date:15-Jun-2015

Planned Mid Term Review Date:15-Mar-2017

Actual Mid-Term Review Date:24-Feb-2017

Original Closing Date:31-Mar-2018

Revised Closing Date:30-Sep-2019

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

<p>The overarching Project Development Objective (PDO) for this series of projects is “to support the ICT Sector in Somalia by contributing to establishing an enabling environment and by encouraging efficiency and equity in access to connectivity”.</p>

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

No

Components

Name

1. Enabling environment:(Cost \$4.50 M)

2. Efficiency and equity in access to connectivity:(Cost \$7.80 M)

3. Support the Project Implementation Unit:(Cost \$1.70 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Moderately Satisfactory	● Moderately Satisfactory
Overall Risk Rating	● High	● High



Implementation Status and Key Decisions

As noted in earlier ISRs, the sector is faced with the challenge of transitioning from an unregulated market to a well-regulated market with a legal and regulatory framework inspired by global and regional best practices. In this context, the passage of the Communications Act, which was signed by the President of Somalia on 2 October 2017, represents a major step forward, and the culmination of several years of effort to assist the Ministry of Posts, Telecoms and Technology in reaching this step. The new Law sets a 90-day deadline for establishing the new regulatory agency, the National Communications Agency (NCA) and this will be the major focus for the remaining period of the grant.

Good progress has also been made with component 2. In particular, procurement for the majority of Communications Rooms has been completed, and implementation is underway. Additional communications rooms in Hirshabelle will be added once the additional grant money becomes available. The provision of bandwidth to the SomaliREN, via the EU AfricaConnect2 program, is also underway, though some delays have been incurred because of delays in signing the agreement with SomCast. This will need to be expanded with the provision of bandwidth to other regions of the country. The handover of the Government Broadband Network, on 16 August 2017, from the contractor (Dalkom) to the Government (MPTT) was also a big step forward, but the network is currently overloaded, causing some frustration among user departments.

The project is working closely with the Central Bank of Somalia and the MPTT to strengthen mobile-money ecosystem with an operational pilot helping delivering bulk payment systems using existing channels and there is a need to move forward on this working closely with the MTOs and Government and building on the successful results of the Mobile-money household survey.

Risks

Systematic Operations Risk-rating Tool

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

Results

Project Development Objective Indicators

► Establishing an ICT licensing and taxation framework (Yes/No, Custom)

Baseline

Actual (Previous)

Actual (Current)

End Target



Value	N	Y	Y	Y
Date	31-Dec-2014	31-Jan-2017	16-Oct-2017	31-Dec-2018
<p>Comments Communications Act signed on 2 October 2017.</p>				

► Increased contribution of ICT Sector to public treasury (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	3,200,000.00	12,000,000.00	14,000,000.00	12,000,000.00
Date	31-Dec-2014	31-Jan-2017	16-Oct-2017	31-Dec-2018
<p>Comments The indicator measures cumulative contribution rather than simply the annual level of contribution.</p>				

► International internet bandwidth per inhabitant (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	85.00	1,000.00	2,845.00	850.00
Date	31-Dec-2014	31-Jan-2017	16-Oct-2017	31-Dec-2018
<p>Comments Estimated international bandwidth at mid 2017 was 36 Gbit/s. Estimated population is around 12.3 million.</p>				

Overall Comments
All major indicators now met or exceeded.

Intermediate Results Indicators



► Establishment of independent federal ICT regulatory agency (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	31-Dec-2014	31-Jan-2017	16-Oct-2017	31-Dec-2018

Comments

New Communications act establishes a 90-day deadline to establish the Communications Act.

► Mobile licenses issued (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	1.00	4.00
Date	31-Dec-2014	--	16-Oct-2017	31-Dec-2018

Comments

Retrospective issue of mobile operating licenses will be a major target for the new Act.

► Number of ISPs authorized (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	1.00	10.00
Date	31-Dec-2014	--	16-Oct-2017	31-Dec-2018

Comments

Retrospective issue of authorizations for ISPs will be a major activity under the Communications Act implementation



► International Internet Bandwidth (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	2 Gbit/s	--	35 Gbit/s	10 Gbit/s
Date	31-Dec-2014	--	16-Oct-2017	29-Dec-2018

Comments

Source of estimate for international bandwidth is Dalkom

► Number of communications rooms established by project (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	3.00	6.00	15.00
Date	31-Dec-2014	31-Jan-2017	16-Oct-2017	31-Dec-2018

Comments

Construction underway

► Universities provided with improved bandwidth (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	1.00	15.00
Date	31-Dec-2014	31-Jan-2017	16-Oct-2017	31-Dec-2018

Comments

Launch of AfricaConnect2 contract, to be provided by SomCast, is expected soon.



▶ SIM card registration (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	100,000.00
Date	31-Dec-2014	--	16-Oct-2017	31-Dec-2018

Comments

Separate project for National Digital ID is underway. SIM card registration will also be an important part of the Mobile Money Operational Pilot.

▶ Number of people trained via the project (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	--	161.00	80.00
Date	31-Dec-2014	--	18-Oct-2017	31-Dec-2018

Comments

Spectrum management training provided by WRAP Int'l held 16-18 October in Mogadishu. Training for staff of Ministries on use of Government Broadband Network also provided by Dalkom.

Overall Comments

The passage of the Communications Act should unblock the path for achieving most of the intermediate outcomes and meeting results indicators targets before the conclusion of the program. For instance, the roadmap and action plan set by the Government to establish an ICT Federal regulatory agency (intermediate indicator 1) has been set to 3 months. Project is already providing technical support in this area as well as on licenses for MTO and authorized ISPs (intermediate indicators 2 and 3) and SIM card registration (now mandatory under the Communications Act - intermediate indicator 7).

Improved Bandwidth for universities (intermediate indicator 6) is expected to go live in November (Contract signed) through the support of the project's Higher Education Component (2.3) linking with AfricaConnect (and UbuntuNet).

Complex procurement has been completed (contracts signed) for the Communications Rooms program (intermediate indicator 5) expected to be built rooms in all Federal Member States and team expects target will be exceeded.

Data on Financial Performance

Disbursements (by loan)

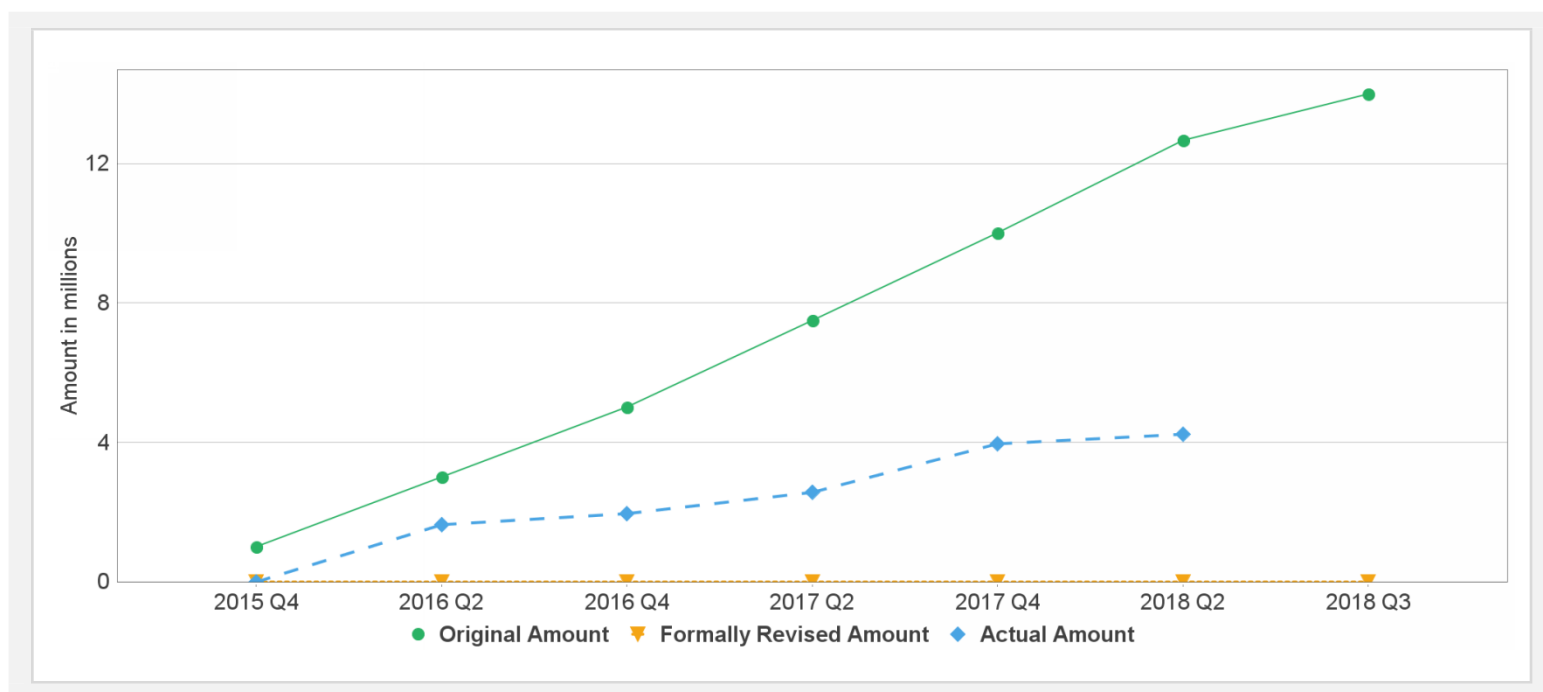


Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P152358	TF-A0175	Effective	USD	7.00	7.00	0.00	4.23	2.77	60%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P152358	TF-A0175	Effective	15-Jun-2015	15-Jun-2015	15-Jun-2015	31-Mar-2018	30-Sep-2019

Cumulative Disbursements



Restructuring History

Level 2 Approved on 19-Oct-2016 ,Level 2 Approved on 13-Jun-2017

Related Project(s)

P164441-Additional Financing: ICT Sector Support in Somalia (Phase 2) ,P164720-AF ICT SUPPORT II