



Eastern Africa Regional Digital Integration Project (EARDIP)



COMPONENT 1: CONNECTIVITY MARKET DEVELOPMENT & INTEGRATION

Overview

The Eastern Africa Regional Digital Integration Project (EARDIP) is a World Bank financed **series of projects** aimed at advancing **digital market integration** in Eastern Africa by enhancing cross-border broadband connectivity, data flows and digital trade.

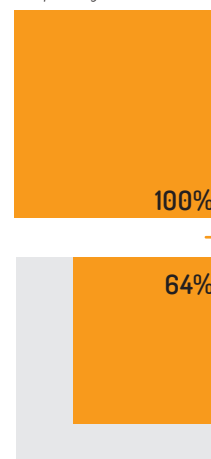
The EAC initiative valued at **USD 15 million**, consists of 4 components, including **Component 1: Connectivity Market Development and Integration**. Within this, the EAC leads Sub-component 1.3, focusing on modernising policies, harmonising cross-border telecom infrastructure, strengthening institutions and fostering competition to attract private investment.

Ultimately, these activities contribute to the **creation of a unified, competitive telecom sector**, driving regional integration and economic growth across the Community.

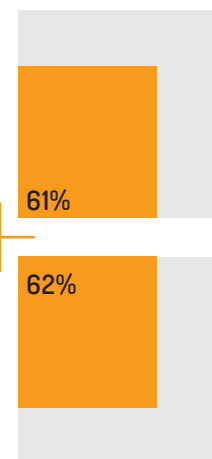
Current Status

The EAC region has made notable strides in digital connectivity, fueled by investments in telecommunications infrastructure. The massive roll-out of national optical fiber networks has boosted internet speeds as undersea cables like **SEACOM**, **EASSy** and **TEAMS** enhance international bandwidth by linking the region to global networks.

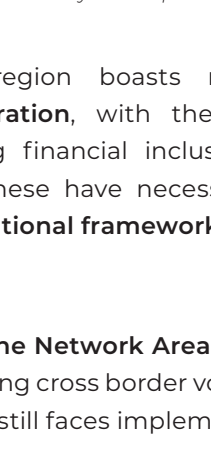
Mobile Telephony Penetration



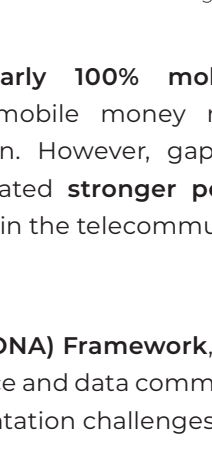
Mobile Internet Subscriptions



Mobile Money Subscriptions



4G Network Coverage



The region boasts **nearly 100% mobile SIM penetration**, with the mobile money revolution driving financial inclusion. However, gaps remain and these have necessitated **stronger policy and institutional frameworks** in the telecommunications sector.

The **One Network Area (ONA) Framework**, aimed at reducing cross border voice and data communication costs, still faces implementation challenges.

Public-Private Partnerships (PPPs) are critical to bridge the estimated **USD 100 billion** investment gap for universal broadband by 2030 in Sub Saharan Africa, particularly in the rural and borderland areas.

However, inconsistent policies and market fragmentation deter private sector participation, necessitating a **harmonised regional PPP framework**.

Cross-border connectivity is hindered by inconsistent policies regarding infrastructure ownership, operation and management. These highlight the need for standardised guidelines including those for greening the infrastructure and promoting resource sharing in line with the climate change agenda.

Further, deployment of **Next Generation Networks** requires a coordinated **Spectrum Strategy** to address allocation issues, eliminate cross border interference and align policies with global standards to enhance competitiveness of the national networks.

Weak statistical capacity due to fragmented data collection impedes policymaking and investment planning. Establishing a **Unified Regional Digital Economy Statistical Framework** is critical for generating accurate metrics and harmonised indicators of measure.

These interconnected activities under EARDIP are key to creating a resilient digital ecosystem, advancing regional connectivity, accelerating economic integration and fostering inclusive growth across the Community.

Challenges

Despite notable progress, some challenges persist and continue to hinder regional integration. Key ones include:

- **Incomplete ONA Implementation:** gaps in eliminating surcharges and standardising tariffs hinder affordable intra-regional voice and data services.
- **Fragmented Cross-Border Connectivity:** inconsistencies in policies regarding infrastructure ownership, operation and management hinder seamless inter-country digital integration.
- **Inconsistent PPP Frameworks:** regulatory fragmentation and investment risks deter private sector participation in cross border telecom projects, rural and borderland areas.
- **Uncoordinated Spectrum Allocation:** policy misalignment causes cross border interference, complicating the deployment of Next Generation Networks.

- **Lack of a Unified Digital Economy Statistical Framework:** fragmented data collection weakens evidence based policy planning for the digital economy.

Component Objectives



ONA Framework

To achieve **full implementation of ONA** for affordable intra-regional voice and data communication.



Regional PPP Framework

To **establish a unified PPP framework** to de-risk cross border telecom investments



Cross-Border Connectivity

To **harmonise cross-border infrastructure standards** for seamless network integration



Spectrum Allocation

To **align spectrum policies** to eliminate cross border interference and optimize national networks.



Unified Statistical Framework

To **establish a unified statistical framework** to support informed policymaking for digital economy.

Expected Outcomes

- **Lower intra-regional communication costs** through full implementation of ONA, increasing cross-border business through affordable voice and data traffic.
- **Stronger private sector investment in the digital infrastructure** via clear PPP frameworks and de-risking mechanisms particularly in rural and borderland areas.
- **Seamless regional digital connectivity** through harmonised telecom policies, boosting economic integration and trade.
- **Sustainable and efficient digital infrastructure** through optimized spectrum management and green technology.
- **Data driven policymaking and investment planning** through a clear and unified statistical framework for the digital economy.

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