African Union | AUDA-NEPAD AFRICAN UNION DEVELOPMENT AGENCY | GOVERNO DE ANGOLA

III LUANDA FINANCING SUMMIT FOR AFRICA'S INFRASTRUCTURE DEVELOPMENT

INVESTMENT PROSPECTUS – ECCAS MEMBER STATES BROADBAND NETWORKS INTERCONNECTION

PROJECT SUMMARY	
Project Name	Interconnexion des réseaux Large Bande des États membres (CEEAC/ECCAS)
Location	ECCAS Region Angola, Burundi, Cameroon, Central African Republic, Chad, Democratic Republic of Congo, Equatorial Guinea, Gabon, Republic of Congo, São Tomé & Príncipe, Rwanda | Regional digital infrastructure project covering 11 ECCAS member states requiring multilateral coordination and harmonized ICT regulatory frameworks for cross-border connectivity
Sector	ICT
Sub-Sector	Terrestrial Connectivity Infrastructure | Terrestrial broadband connectivity infrastructure establishing cross-border optical interconnections, carrier-neutral Internet Exchange Points (IXPs), and sub-regional data hosting center to anchor traffic in Central Africa
Development Stage	S1 – Project Definition | Project identification stage completed with project definition finalized, requiring progression to feasibility studies and structuring phases for investment readiness
Project Sponsor	CEEAC/ECCAS | Regional coordination through ECCAS (Economic Community of Central African States) sponsorship with member state support for national implementation and regulatory harmonization
Project Cost	USD 84.99 million | Total CAPEX of USD 84.99 million for terrestrial optical fibre infrastructure, cross-border

	interconnections, carrier-neutral Points of Presence (PoPs/IXPs), and sub-regional data hosting center
Funding Requirement	USD 85 million | Total funding requirement of USD 85 million including USD 84.99 million CAPEX and USD 0.3 million for project preparation costs (feasibility studies and ESIA)
Project Preparation total cost	USD 0.3 million | Funding gap of USD 0.3 million to advance feasibility studies and Environmental and Social Impact Assessment (ESIA)
Financing Structure	Public Sector Financing from National Budget allocation Concessional loan or grant Public-Private Partnership (PPP) | Blended financing approach including public sector financing through national budget allocations, concessional loans or grants through development finance institutions, and Public-Private Partnership (PPP) frameworks

FINANCIAL OVERVIEW	
Total Project Cost	USD 84.99M | Terrestrial broadband connectivity infrastructure investment covering optical fibre, cross-border links, carrier-neutral PoPs/IXPs, and data hosting center for regional digital hub
Capital Structure	Public Sector Financing from National Budget allocation Concessional loan or grant Public-Private Partnership (PPP) | Diversified capital structure combining public sector financing, donor support (AfDB, World Bank, EU-DIF, NEPAD-IPPF), concessional loans, and PPP frameworks with private sector participation (ISPs)
Development Timeline	2025–2026: Feasibility study, ESIA, engineering design. 2026: Financial structuring & commitments. 2027–2029: Phased rollout of cross-border interconnections & regional PoPs | Phased development approach with feasibility studies and ESIA in 2025-2026, financial structuring and commitments in 2026, and phased rollout of cross-border interconnections and regional PoPs in 2027-2029
Market Demand	Broadband penetration across ECCAS <30% — among the lowest globally. High costs of international capacity and poor redundancy are major bottlenecks. ISPs, MNOs, governments, and financial institutions require cheaper, more reliable capacity for services. Market drivers: education, health, fintech, e-government | Strong market drivers including broadband penetration below 30% in ECCAS region (among lowest globally), high costs of international capacity and poor redundancy as major bottlenecks, growing demand from ISPs, mobile network operators, governments

	and financial institutions for cheaper more reliable capacity, sectoral drivers (education, health, fintech, e-government)
Financial Metrics	IRR: 12–18%, Payback Period: 7–10 years, DSCR: > 1.3 expected, Expected Equity Return: | Projected financial performance indicators demonstrating commercial viability with internal rate of return of 12-18%, payback period of 7-10 years, debt service coverage ratio exceeding 1.3
Revenue Model	Long term lease agreements with Mobile Network Operators, Internet Service Providers, Governments and Data Center Operators. Long-term Indefeasible Right of Use (IRUs) for international transit Government anchor tenancy Colocation at PoPs/IXPs. | Revenue generation through long-term lease agreements with mobile network operators, internet service providers, governments and data center operators, Indefeasible Rights of Use (IRUs) for international transit, public sector anchor tenancy for government networks, and colocation at PoPs/IXPs

SUSTAINABILITY AND IMPACT	
Social Impact	Hundreds of direct and indirect jobs will be created during the construction and operation of the project. Internet accessibility to over millions of the population Enhanced rural connectivity Increased inclusivity to reduce the digital divide | Comprehensive social impact including creation of hundreds of direct and indirect jobs, internet accessibility for millions of people, enhanced rural connectivity, increased inclusivity to reduce digital divide, stimulation of local ICT ecosystems (startups, ISPs, SMEs), opportunities for women in STEM roles and ICT skills training
Environmental Impact	Fibre along transport corridors; ESIA required at feasibility | Environmental and Social Impact Assessment (ESIA) required during feasibility phase with fibre deployment along transport corridors, potential for green design and energy efficiency elements supporting sustainable digital infrastructure development
Strategic Importance	Aligned with African Union's Agenda 2063 Aspirations Supports AU Digital Transformation Strategy (2020-2030) Aligns with SDG 9, 8, and 17. Aligns with PIDA PAP II objectives and strengthens cross-border digital trade and e-government services Aligns with Tanzania's National Development Vision 2025 and Five-Year Development Plan 2016/17–2020/21 Aligns and supports DRC's national broadband expansion priorities It will strengthen regional digital connectivity between EAC, ECCAS and SADC region. It will strengthen regional data flows, cloud services, fintech, e-government and digital innovation. | Critical strategic

	importance for ECCAS regional integration through enhanced digital connectivity, reduced dependence on international infrastructure, improved digital service delivery, strengthened regional ICT resilience, support for cross-border digital trade and e-government services, strengthened regional digital connectivity between EAC, ECCAS and SADC regions
SDG and Agenda 2063 Alignment	Aligned with African Union Agenda 2063 Aspirations 2, 10 Aligns with SDG 9, 8, and 17. Supports AU Digital Transformation Strategy (2020-2030) | Strong alignment with African Union Agenda 2063 Aspirations for integration, world-class infrastructure, and transformed economies; SDG targets for decent work, industry and infrastructure, and partnerships; AU Digital Transformation Strategy 2020-2030, PIDA PAP II digital objectives, and ECCAS Vision 2035

TECHNICAL DETAILS	
Project Description	The project will interconnect the national broadband backbones of ECCAS member states by extending optical fibre to borders, linking countries "two by two." Technology: Optical fibre backbone, cross-border links, carrier-neutral PoPs and IXPs. Objectives: Create a sub-regional data hosting centre to anchor traffic in Central Africa. Improve redundancy, reduce wholesale bandwidth cost, and support digital single market. Enable reliable regional traffic exchange, lower latency, and reduced reliance on South African routes. | Regional digital infrastructure interconnecting national broadband backbones of ECCAS member states by extending optical fibre to borders, linking countries "two by two," establishing carrier-neutral Points of Presence (PoPs/IXPs) and sub-regional data hosting center to anchor traffic in Central Africa, improve redundancy, reduce wholesale bandwidth costs, and support digital single market
Technology & Design	Terrestrial optical fibre, cross-border interconnects, neutral PoPs. | Advanced technical specifications including terrestrial optical fibre backbone, cross-border links, carrier-neutral Points of Presence (PoPs) and Internet Exchange Points (IXPs), modular and scalable architecture, compliance with physical security and cybersecurity standards supporting interconnection, cloud, and data hosting services
Capacity/Size	TBD (feasibility will confirm km of fibre and PoP/IXP count). | Modular infrastructure design with kilometres of fibre and number of PoPs/IXPs to be confirmed during feasibility studies, scalable capacity to meet regional growth in digital services demand

Construction/Preparation Timeline	2025–2026: Feasibility study, ESIA, engineering design. 2026: Financial structuring & commitments. 2027–2029: Phased rollout of cross-border interconnections & regional PoPs | Systematic development progression with feasibility studies and ESIA in 2025-2026, financial structuring and commitments in 2026, and phased rollout of cross-border interconnections and regional PoPs in 2027-2029 following phased development approach
Offtake Agreements	Expected with ISPs, MNOs, government networks | Comprehensive offtake structure including long-term purchase agreements with internet service providers, mobile network operators, government networks, financial institutions, and private sector customers supporting sustainable revenue generation

RISK MANAGEMENT	
Risk Assessment	Financial: Multi-country CAPEX needs large blended finance. Mitigation: phased rollout, DFI anchors. Operational: O&M responsibilities across countries. Mitigation: regional governance framework, possible neutral operator | Comprehensive risk management including political risk mitigation through regional support from ECCAS Secretariat, financial risk mitigation through structured DFI engagement and blended finance instruments with phased rollout and DFI anchors, operational risk mitigation through regional governance framework and possible neutral operator for cross-border operation and maintenance responsibilities
Regulatory Risks	Regulatory: Divergent national frameworks. Mitigation: ECCAS-level harmonization. | Regulatory harmonization challenges addressed through ECCAS Vision 2035 frameworks and PIDA digital policy coordination, with divergent ICT frameworks and data protection managed through regulatory review during feasibility phase and alignment with ECCAS-level regional harmonization initiatives
Environmental and Social Safeguards	ESIA to be completed prior to construction | Environmental and Social Impact Assessment (ESIA) to be conducted prior to construction phase addressing compliance with regional and international safeguards frameworks, community engagement requirements, and sustainable digital infrastructure development standards

KEY STAKEHOLDERS

Sponsors	ECCAS | Regional sponsorship through ECCAS (Economic Community of Central African States) with member state support for host country designation and national ICT ministries/regulators implementation support
Investors	AfDB World Bank EU-DIF NEPAD-IPPF Private ISPs | Diversified investor base including multilateral development banks (World Bank, AfDB), specialized digital infrastructure funds (EU-DIF, NEPAD-IPPF), private internet service providers, telecommunications operators, bilateral development finance institutions, and private sector digital infrastructure investors
Contractors & Operators	To be selected via international tender. | Technical and operational partners to be identified through international tendering process following completion of feasibility studies with expected involvement of local communities in operation and maintenance supported by training programs
Legal and Financial Advisors	To be appointed when after during financial structuring | Professional advisory services to be engaged during financial structuring phase to support contractual structuring, regulatory compliance, financing negotiations, and transaction advisory for this complex multi-country digital infrastructure project

WAY FORWARD	
Investment Ask	USD 0.3M for feasibility & ESIA USD 85M for Full CAPEX investment | Total investment requirement of USD 85 million including USD 0.3 million for feasibility studies and ESIA and USD 84.99 million CAPEX for regional terrestrial broadband connectivity infrastructure development
Next Steps	Confirm ECCAS governance framework. Launch feasibility & ESIA. Mobilize DFIs & private partners. Design procurement and phased rollout | Strategic implementation pathway including confirmation of ECCAS governance framework, launch of feasibility studies and ESIA, mobilization of DFIs and private partners, design of procurement and phased rollout, stakeholder consultations and investor roundtables, legal and financial structuring for S1 stage progression
Implementation Timeline	2026-2028 phased development | Systematic implementation timeline with feasibility studies and structuring in 2025-2026, financial structuring in 2026, and phased rollout in 2027-2029 following established project development methodology for regional digital infrastructure

Contact Information	AUDA-NEPAD (Digitalisation Unit) bernardc@auda-nepad.org / christelleo@auda-nepad.org