

IFC and RMB in R900m deal with Liquid to expand affordable broadband

The International Finance Corporation (IFC) and Rand Merchant Bank (RMB) are investing R900m (R450m each) in Cassava's Liquid Intelligent Technologies to expand affordable broadband access in the Eastern Cape Fibre Project. Beyond the immediate project, the investment will strengthen the integration of the digital ecosystem in South Africa, facilitating e-government services and connecting underserved areas.



Investment signing ceremony. Source: Supplied.

"The support and investment we have received from IFC and RMB underscores our collective commitment to advancing South Africa's broadband connectivity and uplifting the communities in which we do business," says Hardy Pemhiwa, group CEO of Liquid Intelligent Technologies.

"Not only will this investment from RMB and IFC help fund the expansion of our fibre backbone network in the Eastern Cape, but also help us upskill more South Africans and create employment. We believe this collaboration sets a new benchmark for the financing and development of digital infrastructure in South Africa."



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Lindsey Schutters 16 Nov 2023



Since its inception the Eastern Cape Fibre Project has been a transformative initiative. It has played a significant role in reiterating that Liquid is aligned with the government in meeting its 2030 NDP objective of 100% broadband coverage.

Liquid has invested heavily in EC since then across a raft of initiatives aimed at fostering innovation and empowering citizens with digital skills, even in the farthest part of the province. It has invested over R400m into extending its operations in the region, connecting more than 1,300 government buildings, and creating over 600 permanent and temporary jobs.

Least connected region

"Digital connectivity that is inclusive and accessible is a fundamental driver of economic growth and an informed society,"

says Sarvesh Suri, IFC's regional industry director for infrastructure and natural resources, Africa.

"Through our partnership with Liquid South Africa, we are committed to narrowing the digital divide in the Eastern Cape and expanding internet access to underserved areas."

The Eastern Cape is one of the least connected regions in South Africa. Only 65% of households have internet access, and only 5% have access from home. This is twice as low as the average for South Africa, where 10% of the total population has internet access from home.

"RMB is proud to have been the co-arranger and funder for the Eastern Cape Fibre Project to help enable access to information communication technology for communities in the province. All people should have access to the power of the digital world to better their lives," says head of corporate client group Nana Phiri.

"We believe in partnering with our clients who are vested in digital inclusion to narrow the digital divide and counteract the negative social consequences of digital exclusion. We look forward to working on similar transactions across the continent,"

Stimulate economic growth

The project will significantly increase access to high-quality digital connectivity for businesses and other organisations. As high-speed Internet infrastructure expands, it will create jobs and stimulate economic growth.

This investment is a major milestone in realising a digitally connected Africa that is empowered through connectivity, in which no one is left behind.

The investment from the IFC, a member of the World Bank Group, is the latest contribution to the collaboration it entered with Liquid, which is aimed at increasing digital connectivity and inclusion in Africa and supporting the region's growing digital ecosystem.

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