



PRESS RELEASE

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US\$40 Million European Backing for Uganda Rural Telecom Expansion

- ***TowerCo of Africa Uganda to install 506 new telecom towers to transform access to telecom services in rural Uganda.***
- ***European Investment Bank, Development Bank of Austria and Belgian Investment Company for Developing Countries (BIO) confirm US\$ 40 million support for new initiative.***
- ***Improved telecom infrastructure to transform access to 5G data, mobile money services and financial inclusion.***

TowerCo of Africa Uganda has secured US\$40 million long-term financing from European development finance partners, including the European Investment Bank, the Development Bank of Austria (OeEB) and Belgian Investment Company for Developing countries, to support new investment aimed at significantly improving mobile phone network coverage in rural areas of Uganda, unlocking digital empowerment and economic advancement.

The 10-year financing will support installation of 506 new telecom towers, strategically positioned in rural areas that currently lack mobile network access or where existing mobile networks are saturated. The new telecom towers will be mainly powered by renewable energy and enable rural communities to access 4G and 5G data services, mobile money solutions, and foster financial inclusion.

At present only 65% of Uganda has mobile network coverage. The new investment reinforces the imperative to address coverage challenges and will play a significant role in advancing the country's 95% coverage goal.

The European backed network investment by TowerCo of Africa Uganda will overcome a key barrier holding back telecom access in rural Africa. The 506 new towers will be shared by multiple mobile network operators, addressing challenges that have historically hindered telecom expansion in rural areas, ensuring commercial viability for network expansion and providing more comprehensive and inclusive network access for rural communities.

A significant portion of the new towers will be powered by solar energy, reducing the risk of fuel and generator theft, and aligning with TowerCo of Africa Uganda dedication to responsible infrastructure development and climate action.

Geoffrey Donnels Oketayot, CEO of TowerCo of Africa Uganda, said "This new financing backing from European development finance partners is a testament to our shared vision of connecting communities and fostering economic growth here in the heart of Africa. The deployment of hundreds of new telecom towers across Uganda will make a significant leap towards ensuring that no one is left behind in the digital age."

Thomas Östros, European Investment Bank Vice President said, "The European Investment Bank is committed to tackling the digital divide in Africa and is happy to support TowerCo of Africa Uganda's engagement to transform rural connectivity across Uganda. Bridging the digital divide is a key focus of the EU Global Gateway initiative and crucial for inclusive development, and this partnership where the Bank is involved with both project and

development finance partners exemplifies our shared commitment to making a positive impact on the lives of rural populations."

Nada Shall, Liaison Officer East-Africa for BIO added, "Belgium is delighted to contribute to expanding mobile coverage in Uganda. This project aligns with our goal of empowering communities through sustainable development, and we anticipate the transformative effects it will bring to rural areas."

Sabine Gaber, Member of the Executive Board of OeEB, said, "We believe that providing rural areas with access to modern telecommunication services is essential for economic and social progress. This collaboration exemplifies our commitment to creating positive change in communities through innovative solutions."

Ambassador Jan Sadek, Head of the European Union Delegation to Uganda said: "Increasing access to digital infrastructure is a key focus of Global Gateway. This visionary new telecom investment by TowerCo of Africa Uganda, backed by European development finance partners, overcomes barriers holding back mobile network investment and will unlock digitalisation and telecommunications opportunities for rural communities across the country."

The new telecom towers will be installed over the next two years and the rural telecom expansion initiative is expected to create 2,000 skilled and unskilled jobs for local communities during construction.

The European Investment Bank, supported by the ACP Trust Fund, has agreed to provide US\$ 16 million and the Development Bank of Austria and Belgium US\$ 12 million each for the new investment by TowerCo of Africa Uganda.

This partnership signals a significant step forward in narrowing the digital divide, unlocking new opportunities for rural communities, and fostering sustainable development in Uganda. TowerCo of Africa Uganda looks forward to the positive impact of this collaboration and the shared journey towards a connected and inclusive future.

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Background information

About TOA

TowerCo of Africa is a fully owned subsidiary of pan-African telecommunications service provider Axian Telecom and is one of Africa's fastest-growing tower infrastructure companies, with operations in Madagascar, Uganda, the Democratic Republic of Congo and Tanzania. Over the course of the last decade TowerCo of Africa has steadily expanded its African operations order to meet the growing demand for a better-connected Africa.

About the European Investment Bank

The European Investment Bank (EIB) is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals.

[EIB Global](#) is the EIB Group's specialised arm dedicated to increasing the impact of international partnerships and development finance. EIB Global is designed to foster strong, focused partnership within [Team Europe](#), alongside fellow development finance institutions, and civil society. EIB Global brings the Group closer to local people, companies and institutions through our [offices across the world](#).

About BIO

The mission of the Belgian Investment Company for Developing countries (BIO) is to support a strong private sector in developing and emerging countries, to enable them to gain access to growth and sustainable development within the framework of the Sustainable Development Goals. For more information, visit <https://www.bio-invest.be/>

About OeEB

OeEB was founded in March 2008 as the development bank of the Republic of Austria. With a public mandate we work for better living conditions in developing countries. <https://www.oe-eb.at/>

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