

Google has confirmed it will be investing \$1 billion over the next five years to allow for faster and more affordable internet access and support entrepreneurship in Africa.

The investment will include landing a subsea cable into the continent to enable faster internet speeds, low-interest loans for small businesses, equity investments into African startups, skills training and more.

The plans were unveiled on Wednesday at an event led by Google and Alphabet CEO Sundar Pichai — putting the most senior executive at the company at the top of the event being a mark of the priority that the company is placing on the bet it's making here.

“We’ve made huge strides together over the past decade — but there’s more work to do to make the internet accessible, affordable and useful for every African. Today I’m excited to reaffirm our commitment to the continent through an investment of \$1 billion over five years to support Africa’s digital transformation, to cover a range of initiatives from improved connectivity to investment in startups,” said Pichai

The subsea cable will cut across South Africa, Namibia, Nigeria and St Helena, connecting Africa and Europe. It will provide approximately 20 times more network capacity than the last cable built to serve Africa, said the managing director for Google in Africa, Nitin Gajria.

“This will lead to a 21% reduction in internet prices and increase internet speed in Nigeria and almost triple in South Africa,” said Gajria.

It is projected to create about 1.7 million jobs in Nigeria and South Africa by 2025 as the digital economy grows.

The American company also announced the launch of the Africa Investment Fund, where it will invest \$50 million in start-ups across the continent providing them “with access to Google’s employees, network, and technologies to help them build meaningful products for their communities.”

The company MD further underlined they will additionally disburse \$10 million in low-interest loans to small businesses in Nigeria, Ghana, Kenya and South Africa, to alleviate hardships brought about by the COVID pandemic.

This will be done in partnership with Kiva, a San-Francisco based nonprofit lending

organization. It pledged \$40 million to nonprofits improving lives in Africa.

Internet access is a problem in Africa where less than a third of the continent's 1.3 billion people are connected to broadband, according to the World Bank. But the continent, where nearly half the population is under 18, is a promising market.