

Myanmar: Nationwide Telecommunications Project

Project Name	Nationwide Telecommunications Project			
Project Number	49116-001			
Borrower/Company	OOREDOO MYANMAR LIMITED Ooredoo Myanmar Limited			
Country	Myanmar			
Location				
Approval Number	7280-01/3269, BL-0061, L3269/8921			
Type or Modality of Assistance	7280-01	Loan	USD 150.00 million	Committed
Assistance	7450	Loan	USD 0.00	Approved
	L3269	Loan	USD 1.00 million	Approved
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth			
Drivers of Change	Gender Equity and Mainstreaming Partnerships Private sector development			
Sector / Subsector	Information and communication technology - ICT industries and ICT-enabled services			
Gender Equity and Mainstreaming	Gender equity			
Responsible ADB Department	Private Sector Operations Department			
Responsible ADB Division	Portfolio Management Division, PSOD			
Responsible ADB Officer	Lockhart, Robert	Lockhart, Robert S.		
Project Sponsor(s)	OOREDOO Q.S.C.			
Description	The Project consists of a nationwide telecommunications infrastructure roll-out that will provide a full range of fixed, mobile and data services in Myanmar (i.e. universal license). The Government has awarded one of two 15+10 year operating and associated spectrum license on a build, own and operate basis through an international, transparent, and competitive bidding process to Ooredoo, the Sponsor. Myanmar suffers from the lowest coverage rates among ADB's developing member countries with less than 10% of the population having connectivity. The Project will increase the geographic coverage to over 80% within 5 years and make telecommunication services available to the public at affordable prices in both rural and urban areas.			
Objectives and Scope				
Linkage to Country/Regional Strategy	The interim CPS, 2012 2014 emphasized creation of access and connectivity as one of the three program areas that can help accelerate economic growth in Myanmar. Under Strategy 2020, ADB's infrastructure operations emphasize private sector engagement, investment in communication connectivity, and inclusive growth especially for rural areas. The project is aligned with the CPS and will help address the critical shortage of connectivity which in turn will promote access to markets and basic social services, improve rural infrastructure to boost productivity and incomes, lower transaction costs, enhance opportunities for domestic and cross-border trade and investment, and improve access to reliable and sustainable utility services in Myanmar. The project is consistent with the objectives of the National Development Plan (NDP) focusing on inclusive growth and balanced growth among regions and states.			

Safeguard Categories

Environment	В
Involuntary Resettlement	С

Indigenous Peoples C

Summary of Environmental and Social Aspects

Environmental Aspects

1. Key poverty and social issues

Myanmar remains one of the least-connected countries in the world in terms of telecommunications and technology. In 2013, mobile subscriber penetration in Myanmar was estimated at 11%, one of the lowest in the world. Better connectivity infrastructure contributes to sustainable economic growth by promoting the mobility of the population from less productive sectors and also by improving the productivity of many sectors. A nationwide mobile network will be inclusive because people in remote areas obtain access to market information and other gainful opportunities, which will remove market inefficiency and result in welfare benefits for them. It is estimated that a 10% increase in mobile penetration raises the gross domestic product by 1.2%.

Affordability of the telecom services remains a major barrier that prohibits access for the poor. The project aims to achieve coverage of over 90% of the population by 2020, and thereby make telecom services available to the public in both rural and urban areas.

2. Beneficiaries

The project (rollout of a nationwide telecommunications network by Ooredoo Myanmar Limited) will benefit the Myanmar population as a whole by increasing the availability, affordability, and quality of telecom services throughout the country, which will lead to greater sustainable socioeconomic growth and poverty reduction. Introduction of third-generation (3G) mobile services and broader access to internet content and applications will reduce the information isolation of rural populations and enrich their lives by improving access to health, education, security, and business opportunities. The project will also help bridge the digital gender gap in Myanmar through education, promotion, and employment aimed at increasing women's access to mobile and internet services, especially those in rural areas.

Impact channels

In addition to the socioeconomic benefits resulting from quality telecommunication services across the country, the project will contribute to employment generation both directly (during construction and operation) and indirectly, by helping improve the incomes of people in surrounding areas.

- 4. Other social and poverty issues (None)
- 5. Design features.

Performance targets and indicators related to poverty and social aspects of the project are integrated in the project design, and presented in the design and monitoring framework.

Resettlement
Indigenous Peoples
Stakeholder Communication, Participation, and Consultation

Involuntary

No involuntary resettlement impacts are envisaged.

No land acquisition or impacts on indigenous peoples are envisaged.

Major stakeholders of the project include the Myanmar population who will benefit from the improved telecommunications infrastructure, the concerned government agencies, the potential telecom service providers. The borrower will establish procedures for engagement of stakeholders and affected communities. The stakeholder engagement procedure will ensure that all stakeholders are informed and their views are considered.

Timetable for assistance design, processing and implementation

Concept Clearance	25 Oct 2013
Due Diligence	
Credit Committee Meeting	27 Apr 2015
Approval	30 Jun 2015
Last PDS Update	24 Jun 2015

Project Page	https://www.adb.org/projects/49116-001/main	
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