

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Myanmar	Project Title:	Myanmar Nationwide Telecommunications Project
Lending/Financing Modality:	General Corporate Finance	Department/ Division:	Private Sector Operations Department / Infrastructure Finance Division 2

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy

The project is consistent with the objectives of the National Development Plan (NDP) focusing on inclusive growth and balanced growth among regions and states. The assistance is aligned with the Interim CPS for Myanmar (2012-2014) as the project addresses the critical shortage of connectivity, promotes access to markets and basic social services, improves rural infrastructure to boost productivity and incomes, lowers transaction costs, enhances opportunities for domestic and cross-border trade and investment, and improves access to reliable and sustainable utility services. The project is also aligned with ADB's long-term strategic framework 2008-2020 (Strategy 2020), which identifies infrastructure as one of the five core areas to improve and maximize development impact. Under Strategy 2020, ADB's infrastructure operations also emphasize private sector engagement, investment in communication connectivity, and inclusive growth especially for rural areas.

B. Targeting Classification

General Intervention Individual or Household (TI-H) Geographic (TI-G) Non-Income MDGs (TI-M1, M2, etc.)

The project will address the countrywide shortage in telecommunications connectivity services and infrastructure by providing quality and affordable telecommunications network benefiting Myanmar population as a whole. Better connectivity will provide access particularly to those who are in remote areas including women as well as access to health, education and business opportunities. It will also contribute to employment generation during project construction and operation.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

Telecommunications and internet access are very limited in Myanmar, estimated at 11% in September 2013 in terms of mobile subscriber penetration. Majority of people face high costs, poor service or a complete lack of access affecting poor people and remote communities the most. A dependable and affordable nationwide mobile network can significantly improve access of people in remote areas to market information and other opportunities. It is estimated that a 10% increase in mobile penetration raises gross domestic products by 1.2%. The project aims to achieve over 90% population reach by 2020 making telecom services available to the public in both rural and urban areas. The project (roll-out 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 telecommunication services throughout the country which will lead to greater sustainable socioeconomic growth and poverty reduction. Introduction of a 3G enable mobile services and improved access to internet content and applications will reduce information isolation for populations living in rural areas and enrich their lives by improved access to health, education, security, and business opportunities. The project will also help address the telecom gender gap in Myanmar through education, promotion, and employment to increase greater access to mobile and internet services for women, especially those in rural areas.

2. Impact channels and expected systemic changes.

In addition to the socio-economic benefits resulting from a quality and affordable 3G (voice and internet data) telecommunication services across the country, the project will contribute to employment generation both direct (during construction and operation stages) and help improve incomes of people in surrounding areas.

3. Focus of (and resources allocated in) the PPTA or due diligence. During due diligence, the ADB Team will closely work with the client and discuss how activities can be integrated to ensure that the rural communities and women can benefit from the project.

4. Specific analysis for policy-based lending. Not applicable.

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?

The low awareness of the mobile Internet and a lack of local content are issues that affect the entirety of the Myanmar population. However, research by Ooredoo in June 2014 has shown that these barriers may

disproportionately affect the female population. Focus group studies with men and women living in both urban and rural areas highlighted a gender gap in ownership and usage of mobile. One of the key gender-related issues in Myanmar relevant to the project is the high maternal mortality ratio and insufficient access to reproductive and basic health services and low participation of women in public decision making and the labor market. Research commissioned by Ooredoo showed that women in both urban and rural areas are dissatisfied with the quality and amount of health information available to them. Similar constraints exist in other sectors of agriculture, and banking, which significantly impact resource-poor women, especially in the rural areas.

2. Does the proposed project or program have the potential to make a contribution to the promotion of gender equity and/or empowerment of women by providing women's access to and use of opportunities, services, resources, assets, and participation in decision making?

Yes No Please explain. A Gender Action Plan will be prepared to identify activities to help enhance access of women to project activities and benefits.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

Yes No Please explain

4. Indicate the intended gender mainstreaming category:

GEN (gender equity theme) EGM (effective gender mainstreaming)
 SGE (some gender elements) NGE (no gender elements)

III. PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people?

Major stakeholders of the project include the Myanmar population who will benefit from the improved telecommunications infrastructure, the concerned government agencies and the potential telecom service providers.

2. How can the project contribute (in a systemic way) to engaging and empowering stakeholders and beneficiaries, particularly, the poor, vulnerable and excluded groups? What issues in the project design require participation of the poor and excluded?

The project will require the borrower to establish procedures for engagement of stakeholders and affected communities, and require all its service providers to comply with the procedures, to ensure consent of the landowners whose lands are utilized for siting the project facilities as well as the surrounding communities. The stakeholder engagement procedure proposed to be established will ensure that all stakeholders are informed, their views are considered and consent has been secured in instances where land will be acquired for construction of project facilities.

3. What are the key, active, and relevant civil society organizations in the project area? What is the level of civil society organization participation in the project design?

L Information generation and sharing L Consultation Collaboration Partnership

4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how shall they be addressed? Yes No

IV. SOCIAL SAFEGUARDS

A. Involuntary Resettlement Category A B C FI

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? Yes No

The project will involve construction of telecom towers and other telecom facilities. These, however, will be located either on leased private lands or within government lands that are leased to the borrower on a commercial basis, through negotiations. No involuntary resettlement impacts are expected.

2. What action plan is required to address involuntary resettlement as part of the PPTA or due diligence process?

Resettlement plan Resettlement framework Social impact matrix
 Environmental and social management system arrangement None

B. Indigenous Peoples Category A B C FI

1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? Yes No

2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? Yes No

The project is classified as Category C for Indigenous Peoples (IP). All telecom facilities to be developed for the proposed project will be on leased lands, and will not involve acquisition of land owned or occupied by Indigenous Peoples (IPs). No impacts on Indigenous Peoples are envisaged.

3. Will the project require broad community support of affected indigenous communities? Yes No

4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process?

- Indigenous peoples plan Indigenous peoples planning framework Social Impact matrix
 Environmental and social management system arrangement None

V. OTHER SOCIAL ISSUES AND RISKS

1. What other social issues and risks should be considered in the project design?

- Creating decent jobs and employment L Adhering to core labor standards Labor retrenchment
 Spread of communicable diseases, including HIV/AIDS Increase in human trafficking Affordability
 Increase in unplanned migration Increase in vulnerability to natural disasters Creating political instability
 Creating internal social conflicts Others, please specify _____

2. How are these additional social issues and risks going to be addressed in the project design?

ADB will require Ooredoo and its contractors to comply with the ADB Social Protection Strategy 2001 covering the relevant internationally recognized core labor standards and national labor laws.

VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference for the PPTA (or other due diligence) contain key information needed to be gathered during PPTA or due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (vi) other social risks. Are the relevant specialists identified?

- Yes No

3. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social and/or gender analysis and participation plan during the PPTA or due diligence?

The ADB Team will conduct due diligence and meetings with clients that will cover social safeguards, gender, labor and other social aspects of the project. In line with the ADB SPS requirements for general corporate finance transactions, a social compliance audit consultant will be hired to assess the corporate policies and procedures for social safeguards, gender, labor and stakeholder engagement in Ooredoo operations.