Early Warning System

MIGA-12425

KDDI Summit Global Myanmar Co. Ltd.

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Quick Facts

Countries	Myanmar
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Bank Risk Rating	B
Voting Date	2016-04-07
Borrower	Sumitomo Corporation
Sectors	Communications
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 406.20 million

Project Description

The project consists of the operation and upgrade, reactivation and expansion of Myanmar Post and Telecommunication's (MPT) network in Myanmar. MPT is the government run network operator and provider of telecommunication services in Myanmar, and operates both fixed line and wireless networks. KDDI Summit Global Myanmar Co. Ltd, (KSGM), a joint venture between Sumitomo Corporation (SC) and KDDI Corporation has entered into a 'Joint Operation Agreement' (JOA) with MPT to implement, upgrade and expand the national telecommunications service (including mobile, fixed, internet, etc.). Sumitomo Corporation (SC) has requested that MIGA provide a guarantee for its equity and shareholder loan investment into KSGM. Together, KSGM and MPT are referred to as the 'Joint Operation' (JO). The JO has approximately 2,000 operational telecommunications towers as of June 2015, some of which will be upgraded or decommissioned and replaced, and plans to construct a further approximately 5,000 towers to meet a target of providing coverage to 70% of the geographical area of Myanmar by the end of March 2016

As land will be acquired through negotiated lease agreements, PS 5 does not technically apply. However, as the roll-out moves into rural areas, tower sites may be officially owned by the government or another private land owner, but traditionally used by local people, and therefore PS has been applied to this project. The project 'Site Acquisition Procedures,' were reviewed and found to be consistent with the requirements of PS 5.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Contact Information

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ACCOUNTABILITY MECHANISM OF MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/

Bank Documents

- Environmental and Social Review Summary [Original Source]