Early Warning System

MIGA-14784

Orange Telecom Project in Liberia

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Quick Facts

Countries	Liberia
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Active
Bank Risk Rating	B
Voting Date	2023-08-01
Borrower	Orange Cote d'Ivoire Participations, Orange Liberia
Sectors	Communications, Energy
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 81.00 million

Project Description

As stated on the project disclosure page, on September 8, 2023 the Multilateral Investment Guarantee Agency, a member of the World Bank Group issued a guarantee totaling US$81 million to Orange Cote d'Ivoire Participations to cover its equity investment (including future retained earnings) for the telecom operations and expansion of such operations by Orange Liberia, Inc, including the construction of telecom towers, installation of fiber optic cable, and provision of telecom services and mobile finance services. The MIGA guarantee will cover the risks of Expropriation and War and Civil Disturbance for a period of up to 8 years.

Orange Liberia (formerly known as Cellcom Inc) is the Project Enterprise (PE) responsible for the provision of telecom services and investment for expansion of Orange telecom operations, which includes: (i) Operations of existing 388 telecom towers (approx. 68 telecom towers that had been constructed in 2021) ii) Construction of additional 444 telecom towers (from 2022-2025), (iii) Construction and installation of 850 km fiber optic cable (aerial and buried fiber optic cable installations) from 2022-2025 (earlier a total of 421 km had already been constructed as of end 2021) (iv) Information Technology and digital transformation (App, Web, Customer Relationship Management technology, Digital Inside, Micro-services Layer, Identity and Access Management, Content management software, workflow management, data, analysis, Orange Money Platform & Application Programming Interface management etc.) in Liberia.

The PE will be responsible for tower construction (including civil works, radio signal transmitters, transmission deployment tower, and transmission maintenance). Huawei and Nano technology are the EPC contractors responsible for the fiber optic cable construction. Sagemcom will be the EPC and Operations and Management (O&M) contractor responsible for the power supply to Orange towers, power maintenance and provision of security during construction and operations. Sagemcom is also an EPC & O&M contractor of an existing MIGA supported project in Liberia managing power deployment for Orange telecom towers.

The Project modernization program involves replacement of old power equipment with new, more efficient, and reliable equipment. The EPC and O&M contractor will deploy hybrid equipment such as solar photovoltaics, batteries, generator sets, and related electrical equipment for new and operational telecom sites owned by Orange in Liberia. In order to supply power to the towers, the EPC and O&M contractor will install solar photovoltaics powered batteries, generator sets with the aim of reducing diesel consumption by upgrading and replacing exiting batteries and gensets to energy efficient options and other electrical equipment on approximately 882 telecom sites.

Note that there is some discrepancy in the information provided by the MIGA. In the project brief, the guarantee is up to 8 years, while in the Environmental and Social Review Summary it is 9 years. The project approval dates also differ.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Private Actors Description

As stated on the company's website, the Orange Côte d'Ivoire Group is a regional operator whose subsidiaries Orange Côte d'Ivoire, Burkina Faso and Liberia are leaders in each of these markets. With more than 29 million customers with a turnover of CFAF 965 billion in 2022, the Orange Côte d'Ivoire Group boosts innovation in the telecoms sector in the three countries it covers.

As stated by Bloomberg, Huawei Technologies Co., Ltd. provides networking products and telecommunication solutions. The Company researches and develops internet access, transmission networks, servers, storage, security, and other networking products. Huawei Technologies also offers business consulting, network integration, assurance, managed, learning, global delivery, and other services.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Huawei Technologies Co. Ltd.	Contractor	Communications
Groupe Orange Côte d'Ivoire	Client	Communications	invests in	Orange Liberia	Subsidiary	Communications
Orange S.A.	Parent Company	Communications	owns	Groupe Orange Côte d'Ivoire	Client	Communications

Contact Information

Subsidiary and Investee - Orange Liberia:

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://www.miga.org/contact/access_to_information

You can also request general information about MIGA and for information on guarantees by emailing: migainquiry@worldbank.org

ACCOUNTABILITY MECHANISM OF IFC/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 Action Plan (ESAP) [Original Source]
- Environmental and Social Review Summary

Government Documents

- LIBERIA INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) POLICY (2019-2024)