# A4AI | ALLIANCE FOR AFFORDABLE INTERNET

Myanmar

Affordability Report Highlights 2018

Myanmar has a long way to go to ensure affordable internet access for its citizens. Though the government and regulator have introduced much needed reforms, further efforts to reduce the price of broadband for all – especially for the significant number of citizens living under the poverty line – are needed.
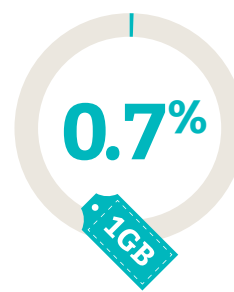
31%
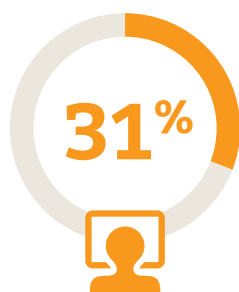
ONLINE POPULATION
(ITU, 2017)

38%

MOBILE BROADBAND PENETRATION
(A4AI/GSMA, 2018)

0.7%
1GB

COST OF 1GB OF MOBILE PREPAID INTERNET
(AS % OF GNI/CAPITA)
(A4AI, 2018)

39% MOBILE INTERNET GENDER GAP
(GSMA, 2019)

Myanmar's Performance on the 2018 Affordability Drivers Index

Myanmar ranks 30th (out of 61 countries surveyed) on the 2018 Affordability Drivers Index (ADI). This is four places higher compared to what Myanmar earned in the revised 2017 Affordability Drivers Index, indicating the benefits of a maturing market for internet access.

ADI RANK	COUNTRY	ACCESS	INFRASTRUCTURE	ADI SCORE (OUT OF 100)	
30	Myanmar	48.45	52.48	53.46	

Asia

A global coalition working to make broadband affordable for all

www.a4ai.org

WORLD WIDE WEB FOUNDATION

1 Regulatory Environment
Score: 4.38 / 10

Myanmar has developed a service neutral and flexible licensing framework. Even though there are two categories of licenses, it is possible to apply for one license that covers all network facility services, network services or application services. Licensing procedures are transparent. For example, 90 and 12 bidders participated in the first and second round respectively in the process to award the two national mobile licenses to international operators. Currently, the regulator is not independent, but this will change with the introduction of Myanmar Communications Regulatory Commission Law. The law sets out to create a new, independent, and impartial regulatory body.

2 Broadband Strategy
Score: 7 / 10

Myanmar does not yet have a broadband strategy, but it has been consulting on key elements regarding universal service. The latter sets key targets for reducing broadband costs and increasing penetration. There is now a USF with clear plans to reduce costs and increase access. For example, programme 1 of the Universal Service Strategy (2018-2022) covers infrastructure projects to bring population coverage for basic voice and broadband services up to 99% of the population over the next five years. However, it has only started collecting funds, and the full implications of public digital infrastructure funding await publication of Myanmar's Plans for Digital Development and implementation of eGovernment.

3 Universal & Public Access
Score: 3.33 / 10

Myanmar has a new USF as of June 2018. The USF will be funded by a 2% levy on service providers' annual revenue and aims to fund the four programs included in its strategy. The institutional relationship between the Ministry, the Trust, and ultimately the management of the Fund will need to be assessed on a periodic basis to ensure that there is no undue influence in the Fund's management. The strategy will also support alternative digital learning centres, providing ICT access to a wider audience. However, more time is required to assess the Fund's impact.

MYANMAR AVERAGE ( )
V. ASIA AVERAGE ( )
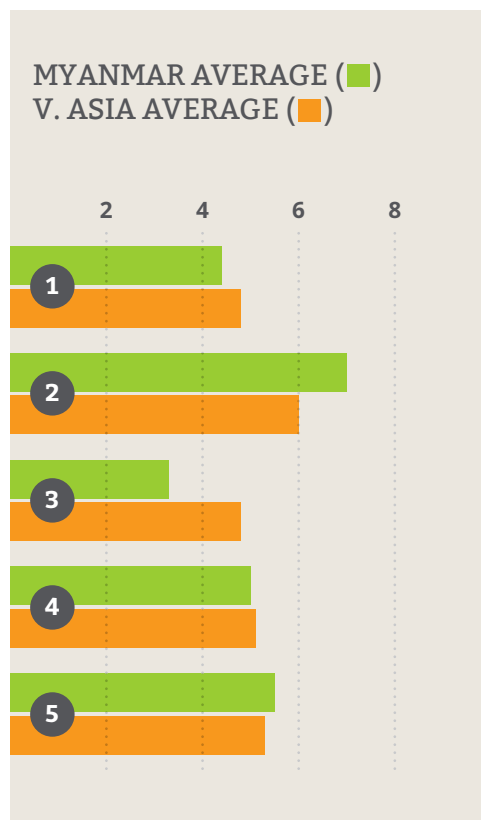
4 Infrastructure Sharing
Score: 5 / 10

Procedures for rights of way and tower zoning permissions exist, but they lack clarity and consistency in application. Tower operators find the process cumbersome and are often ignored. The regulator has the power to direct licensees to negotiate interconnection or to share facilities that cannot be efficiently replicated. On paper, Myanmar has an interconnection regime in line with international best practice and in many ways superior to its regional neighbours, but the impact on implementation remains to be seen.

5 Spectrum Management
Score: 5.5 / 10

The Government recently published spectrum rules and a roadmap that addresses the challenges of making sufficient spectrum available. However, spectrum allocation procedures lack transparency as the regulators combine auctioning portions of the spectrum alongside allocating bands outright to particular service providers. For example, the 1800 MHz spectrum was awarded to Telenor and Ooredoo in 2017 without going through a process of auction or tender. There are no specific targets or details of how the government will consider licensing a wide range of spectrum availability options to meet the needs of competitive fixed and mobile services.

Recommendations for Improving Internet Affordability & Access in Myanmar

1. **Adopt regulatory frameworks that are conducive to pro-poor access.** This should include that of reviewing their spectrum roadmap, encouraging adoption of new and affordable technologies, and reviewing existing tariff regulations beneficial to consumers, especially those with the lowest average incomes.

2. **Centre policy efforts around preparing the Myanmar population to experience 'meaningful access' to affordable broadband.** There is a need for concerted efforts to grow the entire ICT ecosystem in Myanmar that should include local content development, incentives for relevant local applications and platform development, a nation-wide mass digital training and services that stimulate social and economic growth.

3. **Promote community-owned public access centres and offer free access to digital resources in public libraries and spaces** with a targeted and time-bound approach and in partnership with telecom companies and other broadband service providers. Policies should also incentivise digital access and use among women, poor, marginalised and rural populations. We recommend that the government consider evaluating the impact of the current price law that prohibits zero-rated services, which are helpful to the poor. We further suggest that the government invest in alternative subsidized solutions to meet the access needs of those who have low incomes and may have relied on such services in the past.