

Myanmar aims to bring mobile and Internet to masses

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Myanmar MPs sit behind microphones during a session of parliament's lower house in Yangon on Tuesday. Myanmar has fired the starting gun in the process of liberalising its communications networks in a move that could finally bring mobile and Internet access to the masses and drive international investment.

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"(We) have started working on a reform plan to provide telecommunication services to the people at an international standard and at a cheap price," Thein Tun, [Myanmar](#) Post and Telecommunication Minister, told parliament.

Officials this week issued a call for consultants to help organise a

planned telecoms bidding process that would open the nascent market to foreign businesses eager to tap the fast-reforming country's huge growth potential.

Communications are seen as a key obstacle to development in Myanmar, one of the poorest countries in the world where few can afford mobile phones costing hundreds of dollars and the Internet is mainly the preserve of the urban elite.

But the situation is seen as a major opportunity for international firms to provide mobile phones those without them -- an estimated 96 percent of the country's near 60 million population.

Thein Tun said the state-owned telephone operator Myanma Posts and Telecommunications, and Internet provider Yatanarpon Teleport, plan to form joint ventures after a tender process involving "local and overseas companies that have experience in international telecommunication services".

"After negotiations between consultancy groups and officials, we will continue our (reform of the) telecommunication service by calling an international tender," he said, adding that the ministry was also planning a new communications law.

Companies are hungrily eyeing Myanmar after a number of international sanctions were eased this year, while parliament is currently considering a new foreign investment law as it seeks to invigorate an economy ravaged by decades of military rule and [mismanagement](#).

Last month President Thein Sein said a new "privatisation commission" would be set up in an attempt to increase the role of the private sector in industries such as telecommunications, energy, forestry, education and health.

In a report in March, analyst firm Nomura Research said Myanmar was "one of the last untapped telco markets in the region", with government plans to increase mobile penetration by 50 percent by 2015.

Prices -- ranging from \$45 to \$600 for a handset, plus \$150 to \$200 for sim card registration fees -- would have to be lowered with clearer policies outlined, it said, warning the market would "remain challenging".

But it compared the country's potential to its much more affluent neighbour Thailand, where the market capitalisation of the top three firms was \$23 billion.

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