

22 bidders join Myanmar mobile telephone battle

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Foreign giants are lining up in the hope of doing business in the former army-ruled country, where less than 10 percent of the population has access to a telephone—a figure the government hopes to boost to 80 percent by 2016.

"Our telecom sector has been so outdated," said Set Aung, deputy minister of national planning and economic development.

"We can't rely on small companies so we decided to work with internationally known and experienced companies," he told AFP on Friday.

Twenty-two companies or consortiums submitted pre-qualification applications ahead of Thursday's deadline and will be vetted for inclusion in the tender process, Set Aung said.

Vodafone and [China Mobile](#) announced they were teaming up to bid for one of two licences on offer to build, own and operate a nationwide [mobile network](#) for an initial term of 15 years.

Myanmar's communications sector is poised for a "rapid" expansion as the government doubles the number of mobile operators and encourages the development of a nationwide mobile network, they said in a joint statement.

Quantum Strategic Partners, whose principal [investment adviser](#) is Soros Fund Management, has joined forces with [telecom provider](#) Digicel Group Limited and YSH Finance, a newly established holding company, to enter the fray.

"It's quite a big opportunity," Digicel spokeswoman Antonia Graham told AFP.

"We are looking at an initial project investment of between \$1.5 billion and \$2 billion."

Other companies that have expressed an interest include Japan's KDDI, Qatar Telecom, Orange and SingTel, according to a source close to the process.

The government is expected to announce on April 11 which firms pre-qualified. A final decision on the winning bidders is expected on June 27.

Myanmar is one of the poorest countries in the world where few can afford mobile phones and SIM card fees, which in the past cost about \$200, although the government is now trying to make prices more affordable.

State-owned giant Myanmar Post and Telecommunication announced on Thursday it would start selling SIM cards for less than \$2.

The changes are part of a raft of political and economic reforms introduced since a quasi-civilian

regime came into power two years ago after decades of iron-fisted military rule.

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