



**Response to the Post and Telecommunications Department
of the Ministry of Transport and Communication
on the call for comments on its
draft Universal Service Strategy for Myanmar (2018-2022)**

Submitted by
A4AI-Myanmar Working Group on Universal Access and Service
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The Alliance for Affordable Internet wishes to thank the Post and Telecommunications Department (PTD) of the Ministry of Transport and Communication for holding several public consultations involving the various stakeholders of the sector and also for inviting written submissions as feedback to the draft Universal Service Strategy paper released for public viewing in January 2018.

The internet has become a lifeline for many communities — particularly those who live in poverty — and it is important for governments to work to guarantee equitable access to the internet for all citizens. Through access to timely information, citizens can make informed choices, and save costs they incur by running from pillar to post for the same. Many times, the actionable information obtained through the internet saves lives, improves living conditions and enhances life quality. With this fundamental understanding, the Alliance for Affordable Internet (A4AI) works with governments, including the Myanmar government, to ensure that cost is not a barrier to the people of Myanmar to access and take advantage of the internet. This draft Universal Service Strategy paper is in that direction and the A4AI coalition appreciates the efforts undertaken by the government together with the other stakeholders determined to provide each and every person in Myanmar with affordable access.

It is heartening to see that the Universal Service Strategy is not just embedded in the telecom reform process and as a progressive step on both the telecommunications master plan and eGovernance master plan, but is also seen to be part and parcel of Myanmar's economic policy. Universal access and services are fundamental to revive Myanmar's agricultural economy, enhance the quality of primary, secondary and tertiary education, provide opportunities for learning new job-related skills, and improve governmental efforts to deliver public services effectively; it is also fundamental to Myanmar's peace and reconciliation process. Availability of adequate broadband provides an opportunity to create jobs in rural and remote locations,



and to create opportunities for saving costs that would otherwise be incurred by communities in search of improved livelihoods. ICT skills and the ability to use the internet in meaningful ways by all people are fundamental to poverty alleviation.

A4AI also takes note of the detailed field visits, analysis and data collection undertaken by Intelcon Inc, the consulting group engaged by the government to assist them prepare this paper.

1. Maintain the 2% levy for now

A4AI appreciates that the idea of Universal Service is termed as a policy goal and that the government recognises its responsibility to guarantee a minimum set of telecom services, including both voice and broadband internet, which all people are able to use regardless of their economic status, religious background, ethnicity, location, sex and physical ability. It is of paramount importance that the government ensures access to the internet for all. To help fund this effort, the Ministry has introduced a 2% contribution to be paid by National Telecommunications License (NTL) holders on an annual basis, beginning in 2018. This is a commendable step and A4AI strongly believes that this levy should not be reduced or delayed unless there is sufficient empirical evidence to justify such actions. However, every effort should be undertaken to make the Universal Service Strategy and Fund work to contribute to the expansion and growth of the sector. A4AI recommends that in addition to the governmental commitment, the regulator should strive to obtain equal commitment and enthusiasm among the NTL holders for their contribution is in support of the collective effort by the sector to secure universal access and to meet the government's policy goals.

2. Propose clear, time-bound targets for ICT access, use, and contributions to social and economic development

While the Telecommunications Master Plan includes some fundamental targets to accomplish with regards to internet coverage, connectivity, speed, and affordability, these targets would do well to be even more ambitious, and to consider how these targets might impact wider socio-economic development. Such targets were discussed at a three-day workshop hosted by A4AI and the GSMA on [Mobile for Socio and Economic Development](#), which brought together officials from various line ministries, private sector entities, and civil society. It is therefore important for the PTD to articulate, together with key people from other line ministries, a set of clear targets, especially focusing on how the communications sector will contribute to meeting each of the 17 Sustainable Development Goals (SDGs). ICT-enabled development targets are key to ensuring that the telecom sector is not seen as purely a revenue generating sector for the government, but as one that can contribute to national economic growth and development. A suggested first target would be for Myanmar to adopt A4AI's ['1 for 2' affordability target](#), which calls for 1GB of mobile broadband data to be made available to citizens for 2% or less of GNI per



capita. This target was recently adopted by the [UN Broadband Commission](#), and has previously been endorsed by the Economic Community of West African States, as well as by the governments of Nigeria and Ghana.

3. Defining the Universal Service Strategy for Myanmar

As shown in the draft document, Universal Service contains several elements, and defining these for the Myanmar context would be highly appreciated. It would be beneficial for the final document to contain a statement laying out what the Universal Service Strategy would mean to Myanmar, including specific and measurable indicators, and time-bound targets. Aligning these concrete, time-bound targets to Myanmar's next five-year strategy would bring additional meaning and effect to national efforts. A4AI recommends a target of enabling access for the entire population — regardless of geography — at an affordable cost of 2% or less of per capita income, with guarantees included for speed and quality of service. The four components laid out in the Strategy (Availability, Accessibility, Affordability and Ability) offer a good framework, but an all-encompassing definition may be even more effective. A4AI's [2015-16 Affordability Report](#) categorically calls for redefining affordability with income and gender inequalities in mind. Further, the intent of creating the Fund would be for its disbursement rather than accumulation, which is the reason why similar funds in other countries have not been termed successful.

4. Using Public Access to help achieve Universal Access and Service

It is assumed perhaps that universal access is possible through public access points while universal service is possible through mobile internet for individual customers. Going by the [various models of public access](#), such as the Common Service Centres of India¹, Community eCentres of the Philippines², Nenasalas of Sri Lanka,³ and telecentres in Thailand,⁴ it is possible for the Myanmar government to consider its plan to scale up the two pilot initiatives of Ooredoo and Telenor to each and every village in Myanmar, as well as across informal urban settlements. These public access centres are capable of providing access to broadband Internet to local residents, can be used for digital skills training activities, and provide a point of access for citizens to access government eServices. Including public libraries in this network of public service points would offer further opportunity for skills building and for the government to realise its eGovernance Plan and Telecommunications Master Plan goals. Developing and utilising an effective Universal Service Fund (USF) — funds from which could be used to expand these public access services — offers not just an opportunity to reach the 5% of the population that remains unconnected, but also to provide underserved communities with meaningful access and services.

¹ <https://www.csc.gov.in/>

² <http://www.dict.gov.ph/philippine-community-ecenter-cec-program/>

³ <http://www.nenasala.lk/>

⁴ <http://www.thaitelecentre.org/>



5. Focus on the 5% of unconnected is not enough

The strategy document describes in detail the plans of Myanmar's four mobile operators to cover almost 95% of the geography by the year 2019; therefore, the Universal Service Strategy may be likely to focus only on the unconnected 5% of the Myanmar population. This approach actually reduces the Universal Service Strategy to merely a universal access strategy. What is needed in Myanmar is a holistic strategy to reach out to *both* the country's unconnected population, as well as its underserved population. Myanmar's USF offers a clear opportunity to bridge the digital divide, indifferent to location or the geography of individuals who cannot afford to pay or otherwise connect on their own. While A4AI welcomes the idea of targeted intervention in those townships and regions where the private sector has not been quite successful in deploying resources, the USF is also a strategic tool to provide uninterrupted and affordable services to people, including the urban poor, women and other marginalized populations. As a result, the programming style of USF should focus on the underserved and unserved areas in the population.

6. The discourse should move beyond access targets

The first two components of the Universal Service Strategy point to coverage, download speeds and the choice of technology available at the hands of operators to provide certain levels of download speed in rural and urban locales. A4AI would like to see the discourse move beyond certain access targets and indicators to the purpose of this Universal Strategy to serve the people, i.e., it should include targets associated with the use of the internet to benefit from public services such as health, education, employment opportunities, among others. The USF can legitimately offer an opportunity to strengthen the universal service ecosystem in each and every community, and can prove much more powerful beyond the current focus on highways, roads, etc.

7. Affordability targets are missing from the Strategy

The strategy paper assumes that as a nation Myanmar has already surpassed the '1 for 2' target recommended by A4AI; thus, it does not discuss or show any intent to address the affordability issue. The conundrum is not in reducing costs, but in developing a good service ecosystem, as stated above. As a result of missing World Bank data, A4AI's mobile broadband pricing database does not include the latest details on Myanmar. However, the last available data points to a huge [5.9% of cost incurred by Myanmar citizens](#), as compared to many of their counterparts in other Asian nations, where average costs were around 3.5% in 2015 and 2.5% in 2016. The affordability of access in Myanmar could be further improved, and a policy intent



should specify what constitutes affordability in Myanmar — particularly considering the lowest 20% of income earners in the country. Such a defined pronouncement shall give an opportunity to measure affordability data meaningfully. In this regard, the [A4AI-Myanmar Coalition](#)'s identification of Open Data indicators is noteworthy and a reference point; the government should attempt to publish telecom sector data as open data on its website, so that interested stakeholders and citizens can analyse and play their part in strengthening the service ecosystem.

8. Gender-specific targets are required in the three major programs and the proposed sub-programs of intervention.

Developing countries that do not have gender-specific targets are likely to perpetuate the gap on access to services among men and women. A4AI and Web Foundation research shows that over 2 billion women worldwide are offline, and women in poor and urban poor communities are [50% less likely to use the internet](#) compared to their male counterparts. Data from the ITU also confirms that there is a 12% access gap between men and women, and when it comes to their ability to exploit services, the percentage gap increases. [Data](#) from A4AI partner LIRNEasia also exposes the same problems.

The Web Foundation has developed a framework - the [REACT](#) framework (which focuses on Rights, Education, Access, Content, and Targets) - to help address the gender gap in a meaningful manner. We therefore urge the PTD to ensure that the Universal Service strategy include gender-specific targets in each of the three program interventions, as well as in the monitoring and evaluation plan suggested in the paper. Even in sub-program interventions, such as broadband internet connectivity and training in schools, one will need to consciously undertake efforts to bridge the gender digital gap. At present, the strategy document does not specify its intent to collect and analyse gender-disaggregated data. As a good practice, the government should encourage data collection, dissemination, and analysis that is disaggregated by gender and/or developed from a gender perspective. It should indeed aim to develop policies and programs in line with the REACT framework.

Failing to connect women means we will fail to achieve universal access. With no target set to bridge the gender digital gap, the strategy would miss a great opportunity to develop the programs needed to ensure equal opportunities for women to access and use the internet effectively. [A4AI's 2015-16 Affordability Report](#) addresses the issue of gender inequality and outlines concrete steps to address the policy gaps.

9. Governance of the Fund should be independent and supported by a multi-stakeholder group



Successful USFs are those that have a significant level of autonomy and can therefore demonstrate that decisions on investments are driven solely by evidenced-based needs in underserved and unserved areas. The government's proposal of a creating a Trust to manage the Fund, which in turn will be "held" by the Ministry can potentially fit this need for independence. However, we argue that additional considerations be made. The institutional relationship between the Ministry, Trust, and ultimately the management of the Fund should be assessed on a periodic basis to ensure that there is no undue influence by the government, telecommunications companies, etc. in the management and operations of the Fund. In addition, we suggest that Board or overall body in charge of fiduciary and strategic guidance of the Fund include multi-stakeholder representatives from government, industry, civil society, media, and academia, and that this body is gender balanced. A4AI believes in multi-stakeholder involvement to achieving broadband for all, especially among the poorest of the poor. All strategies are drawn together by stakeholders from the public, private and civil society sectors, working as one group. In the same spirit, A4AI would like to suggest that the Government of Myanmar's plan to reach the unreached through the Universal Service Fund also incorporate a multi-stakeholder approach. It is noteworthy to cite the [GSMA survey of USFs](#), which points to poorly conceived legal frameworks with excessive bureaucratic involvement and insufficient oversight as reasons that have made the administration of the Fund ineffective in many counties. Finally, the Fund must publish (at least on an annual basis) details on all sources of revenues and all disbursements and project activities.

10. Have a short-term strategy to address Universal Service in Myanmar in the next five years

It is also appreciated that the current Universal Service Strategy is being developed to address the universal access and service challenges that prevail in Myanmar over the next five years. At the end of the five-year phase (i.e., in 2022), it may be possible for the government to review and re-assess the need for the Fund and its administration. With the advent of 5G technologies, IoT and other blockchain-based technologies, the world might witness a sea change in the way telecom services are offered and managed. Taking note of this, A4AI appreciates the short-term focus of this strategy.