

Ooredoo sells cheap SIM cards in Myanmar

YANGON, QATAR: Qatari telecommunications firm Ooredoo began selling low-cost SIM cards in Myanmar, opening up access to mobile services in one of the world's virtually untapped phone markets.



Ooredoo's Ross Cormack says the company expects to sell millions of SIM cards in Myanmar for \$1.50 each as the country's government lifted the ban on cheap SIM cards. Image: [DVB](#)

Less than 10% of the population is thought to have access to a telephone in Myanmar where the exorbitant cost of a SIM under former junta rule made mobile phones a luxury.

But last year the reformist government led by President Thein Sein awarded telecommunication licences to Ooredoo as well as Norway's Telenor, part of a wider move to open up markets previously monopolised by state firms.

"This is history that we made here," said Ooredoo Myanmar Chief Executive Ross Cormack at a press conference in Yangon, adding the firm was bringing the very latest technologies to the long-isolated nation.

The SIM card was being sold in the major cities of Yangon, Mandalay and Naypyidaw at a price of 1,500 kyat (\$1.5), a fraction of the cost of ordinary cards in Myanmar which retail at about \$200. Under junta rule a SIM could go for more than \$1,500.

Ooredoo billboards advertising traditionally-garbed women holding a parasol in one hand and a mobile in the other have plastered downtown Yangon streets for weeks, helping to build a buzz around the launch.

Millions of cards likely to be sold

Several million SIM cards will be on sale from 6,500 dealers, according to Cormack, ahead of a wider rollout to cover 68 towns and cities Myanmar by mid-August.

But some shops were reported to have started selling advance stock as early as last week with cases of vendors demanding above the retail price and even selling out.

"I bought two SIM cards for 5,000 kyat each. The price is still very cheap when you compare it with what was previously available," Khaing Moe, a university student, told AFP.

Rival Telenor, which also plans to sell its SIM cards for 1,500 kyat, said it would launch in Myanmar in September.

"Healthy mobile competition in the mobile sector will benefit consumers in Myanmar and we are confident that Telenor will become the most affordable offering in the market," firm spokesman Hanne Knudsen told AFP.

Myanmar has generated huge international investor interest since wide-ranging reforms introduced under the current quasi-civilian government saw most Western sanctions lifted.

Actual investment has been tempered by nervousness over the regulatory framework.

But the telecommunications tender process eventually won by Telenor and Ooredoo last June saw about 90 firms compete for the 15-year licences, the first to be awarded by Myanmar.



Telenor's Hanne Knudsen says she is confident the company will provide the most affordable mobile offering for Myanmar's citizens. Image: [Optimisten](#)

The two foreign firms will soon compete against each other and existing state-owned company Myanmar Post and Telecommunication for a potentially lucrative pool of customers among the country's estimated 60m people.

The national company also started selling low-cost SIMs last year, but through a lottery system which is relatively small in scale, leaving many people to still rely on manned roadside stalls where they can use conventional telephones to keep in touch.

Alongside the opportunities of entering one of the world's few remaining frontier mobile markets are the many challenges of reaching scattered rural communities in Myanmar.

Patchy power, poor road connections and regulatory issues such as land rights are among the problems companies face in building a mobile network.

The growing Buddhist nationalist movement in Myanmar has also posed a threat. In June radical monks urged a boycott of Ooredoo because it hails from Muslim-majority Qatar.

Source: AFP via I-Net Bridge

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