



Project Summary Information

Date of Document: October 27, 2021	
Project Name	Oman Broadband Company – Tranche 2
Project Number	P000476
AIIB member	Sultanate of Oman
Sector/Subsector	Telecommunications / Fibre broadband – Fixed Wireless
Status of Financing	Terminated
Project Description	<p>The Project is an extension facility provided in connection to an existing AIIB project (<i>Oman Broadband Infrastructure, 2017</i>¹), where AIIB has previously provided financing to OBC for the initial high-speed broadband network rollout focusing mainly on urban areas in Muscat (Phase 1). For Phase 1 deployments, AIIB mobilized a total of USD239.2 million.</p> <p>Following the completion of Phase 1, AIIB is financing the next phase of the network roll out (Phase 2), which is expected to complete by 2025² with the expected total funding of approximately USD151 million (the Project). The amount of a senior debt available for Phase 2 is sized at approximately USD46 million. The financing structure would blend the existing with additional debt.</p> <p>Phase 2 has the same business proposition to Phase 1 through Basic End-User Service (BEUC) and mobile backhaul services. It will cover part of the remaining part of Muscat and urban areas outside Muscat which were not included in Phase 1, using a mix of fibre-to-the-home (FTTH) and the new 5G fixed-wireless-access (FWA) technologies.</p> <p>The total home passed target under Phase 2 deployment until 2025 amounts to 226,000 where 77% of the home passed is outside Muscat area and the majority (83%) of the home passed roll-out targeting the high dense population across urban areas. For the backhaul, the total coverage target of tower/mobile is 1,550km up to 2030.</p>
Objective	To continue the nationwide rolling out of Oman Broadband Company existing high-speed broadband network.
Expected Results	The expected results include number of homes passed, number of incremental home connections made, and take-up ratios in Muscat and other urban areas in Oman.

¹ <https://www.aiib.org/en/projects/details/2017/approved/Oman-Oman-Broadband-Infrastructure.html>

² The next phase network rollout was part of the original business plan.

Environmental and Social Category	Category B
Environmental and Social Information	<p>This Project has been prepared in accordance with the Environmental and Social Policy (ESP) of the Bank. Under the Bank's ESP, the Project has been classified as Category B.</p> <p>As required for a Category B project, as part of Phase 1 (https://www.aiib.org/en/projects/details/2017/approved/Oman-Oman-Broadband-Infrastructure.html), an Environmental and Social Management Plan (ESMP) had been developed. As part of this Phase 2, an Addendum to the ESMP has been developed covering various aspects that are new. The scope of the Addendum had been determined with respect to OBC's activities and their context to cover impacts and define required management and monitoring measures in line with AIIB's Environmental and Social Framework and Omani laws.</p> <p>Both the ESMP and Addendum have been disclosed in English and Arabic on OBC's website (https://www.omanbroadband.om/Environmental+&+Social+Management+Plan.html) and were presented to key stakeholders at a public consultation meeting in Muscat in August 2021. Following this consultation, Oman Broadband had requested feedback on the documents for a 30 days' period prior to its finalization and further disclosure.</p> <p>The Project will utilize the current infrastructure, such as existing telecom line conduits or pipe chases, to the fullest extent possible for installing the new services. Construction, if required, involves the installation of radio equipment on tower or roof-top locations in the relevant areas, and no land acquisition or displacement of population is envisaged under the Project. Environmental and social impacts during the time of construction are temporary and reversible in nature.</p> <p>A project-level Grievance Redress Mechanism (GRM) has been developed (https://www.omanbroadband.om/Environmental+&+Social+Management+Plan.html), which includes multiple channels for stakeholders to raise grievances.</p>
Cost and Financing Plan	Total Project Cost is approximately USD151 million, of which AIIB loan is approximately USD46 million and the rest is to be funded by OBC.
Borrower	Oman Broadband Company (OBC)
Sponsor	Oman ICT Group (OICT)

Estimated date of last disbursement	June 30, 2024		
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Date of Concept / Appraisal Decision	September 1, 2021		
Estimated Date of Financing Approval	October 2021		

Independent Accountability Mechanism	<p>The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, please visit https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html</p>
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