



Open World

Project Brief

National Project “Open World”

“Open World” is a project designed to develop a broadband internet access network covering all of Ukraine using new information and communication technologies. It will be initially developed to provide open access for all participants in the educational process including students, teachers, parents and education administrators in up to 20 thousand schools across Ukraine.

The project will unify methods of teaching and provide opportunities for the adjustment of curricula by methodologists and teachers through extensive use of the internet creating a national exchange and accumulation of teaching and learning experience and expertise. It will create conditions that will encourage students to learn and will ensure equal access to quality education for every child and student in Ukraine regardless of their residence or location. It will also enable students to work with fellow students in other countries and to learn from their collective experience.

Project summary

The project will create a single national educational network based on 4G high speed telecommunications technology that will be nationally accessible from almost any location thereby ensuring a level playing field in education, a common national curriculum taught to a uniform standard and the ability for students to benefit from the experience and expertise of others.

Project Background

The education services market in Ukraine is developing rapidly with new methodologies and training methods continually evolving. Ukrainian teachers and students are taking more and more advantage of new technologies, but there is no system that currently unites all participants in the educational process into a single environment and would allow the free exchange of knowledge and experience. This will be essential in the world of tomorrow and in the building of a future Ukrainian state.

“Open World” aims to resolve this problem and provides a national information and communication network based on 4G technology, which will be used primarily for the purpose of schooling. Today only a small area of Europe has the use of this technology. The system proposed in the “Open World” project will also enable electronic certification, voting, single cadastral registration systems, electronic tax administration, traffic coordination and 911-style rescue systems. Deployment of such a project will revolutionize many of the out-of-date systems of Ukraine and have far reaching social and economic benefits.

Major opportunities for market entry

Internet penetration in Ukraine currently stands at just over 60% in the major cities however research indicates that an additional 10 million citizens, who currently do not have access, want to become Internet users in the near future. 35% of families who have children under 16 years of age also want to get connected. Between 2009 and 2011 Internet advertising grew significantly and this growth is projected to continue well into the future. Last year the number of Ukrainian users of Facebook alone grew by 400%.

4G (LTE) broadband services are projected to have a potential audience in Ukraine of up to 20 million subscribers. The market for computers and ancillary equipment is projected at around 5 million consumers. The market for the educational portal is also projected at around 7 million consumers.



Investment parameters

State support

- The State will:
- Commission and fund all necessary feasibility studies.
- Ensure that all educational establishments are equipped with interactive computer equipment and are provided with adequate training.
- Provide all the required frequency resources for the development and roll out the broadband 4G network.
- Assist in obtaining all the necessary permits and licenses.
- Create a beneficial regulatory environment.
- Own and operate a Centre for Data processing and the distribution server network.
- Provide a choice of investment vehicles through authorized capital or other financial schemes..

Investment level

The development of a 4G (LTE) broadband network will require an investment of up to US\$ 350 million. The creation of an educational portal will require an investment of up to US\$ 20 million. The implementation of computer technology will require an investment of up to US\$ 80 million. All of these figures will be subject to the findings of the feasibility study.

Payback period

Net present value (NPV) is estimated at US\$ 200 million in 10 years with payback period of approximately 7 years. The Internal rate of return on the project (IRR) will be 12%.

Investment mechanism

The State share of the project can range from 5 to 10% or 25% plus 1 share up to 50% plus one share.

Location

The project is to be rolled out all over Ukraine.

Project Timing

It is estimated that the project can be operational within 5 years.

The Project is managed by:

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