

CHAPTER 2

OVERVIEW OF TELECOMMUNICATION SECTOR IN BANGLADESH

This Chapter gives an overview of telecommunication sector of Bangladesh. A brief historical account of development of the sector is provided. This Chapter also provides a description of relation among the local, regional and international organizations involved in the sector. Different types of control and regulatory services provided by the sector are also briefly discussed.

2.1. PRESENT STATUS

Almost the entire range of activities in the field of telecommunication in Bangladesh is carried out by the public sector. Private sector plays a marginal role and until recently its involvement was largely restricted as end users. The Governmental organization responsible for this sector, the Bangladesh Telegraph and Telephone Board (BTTB), regulates import and use of almost all types of telecommunication facilities in the country. Even certain equipment, imported by the end-users, are considered as properties of BTTB on lease to the particular user. BTTB is often criticized for its non satisfactory services. This is partly explained by the monopoly it enjoys and partly by resource constraints which is forcing it to over utilize its existing exchange capabilities.

There is a growing private sector involvement. A private entrepreneur has recently been permitted to operate a Cellular communication network, initially in the capital city. The Government contemplated involving the private sector in different telecommunication activities. There is still a possibility that certain types of activities will ultimately be passed on to the private sector in phases. Another private entrepreneur has also recently been permitted to assemble certain types of digital PABX equipment and other facilities, like telex machines, telefax and modem in collaboration with a Canadian manufacturer (MITEL).

The phenomenal changes in telecommunication technology worldwide has partially influenced development of this sector in Bangladesh. In many cases age-old technologies continue to co-exist with the latest state-of-art. However, some of the obsolete technologies are forced out simply because of maintenance problems and non-availability of spares. Thus the combination of potential demand and replacement of older equipment indicates ample opportunities for fast growth of this sector.

2.2. HISTORY OF GROWTH OF TELECOMMUNICATION

Telecommunication activities in this sub-continent started with the introduction of telegraph services in 1853 in British India by the Telegraph Branch of Indian Post & Telegraph Department (IP&TD). With the enactment of Indian Telegraph Act, 1885, erection, provision, operation and maintenance of telegraph service inter alia telecom services were vested unto the Indian Post & Telegraph Department. The first Telephone Exchange, a small magneto exchange,