

Historically the Government policy has been to suppress demands in all sectors, including the one under review owing to resource constraints. The absorptive capacity of the telecommunication sector, as the real demand potentials suggest, is quite high. Real demand potential of this sector consists of three distinct components as follows:

- a. Natural growth in demand in keeping with the overall economic growth;
- b. suppressed demand, and
- c. replacement of older technology by comparatively newer technologies (many of the existing technologies of this sector became obsolete in the past decade and it is becoming increasingly difficult to ensure spares or services for the older technologies).

Demand potentials indicate that there is a significant market for various telecommunication equipment and services in Bangladesh. Until recently, the entire supply was a monopoly by the German suppliers and also partly by the U.S. suppliers (especially for catering the needs of the defense services). Recently others, notably suppliers from Japan, have taken initiatives to break this monopoly. Their aggressive marketing techniques proved to be effective and a time could come when these Japanese suppliers might monopolize this market.

Canadian companies, in spite of their vast experience, expertise and capability, are yet to make any significant effort to break the monopoly. It may be mentioned that Canadians had installed the Satellite Earth Station at Betbunia, first of its kind in the country. There is no evidence of any initiative to exploit even that advantage. An aggressive marketing strategy coupled with genuine interest to get themselves involved in this sector could help Canadian companies procure significant business in future.

This Report consists of 11 Chapters including the present one.

Chapter 2 provides an overview of the telecommunication sector of Bangladesh, including various services being provided now.

Chapter 3 describes organization of various Government agencies involved in the telecommunication sector.

Chapter 4 briefly discusses the present status of infrastructure and facilities in the sector.

Chapter 5 describes the development strategy of the sector , its demand potentials and trend of financing for projects.

Chapter 6 identifies future projects in the sector.

Chapter 7 provides information on planning and implementation of projects and the procedure for selection of suppliers and contractors.

Chapter 8 provides a description of past participation of foreign companies in various projects of the sector, including case studies of successes and failures in procuring business.

Chapter 9 gives a brief description of Government rules and regulation as applicable to this sector.