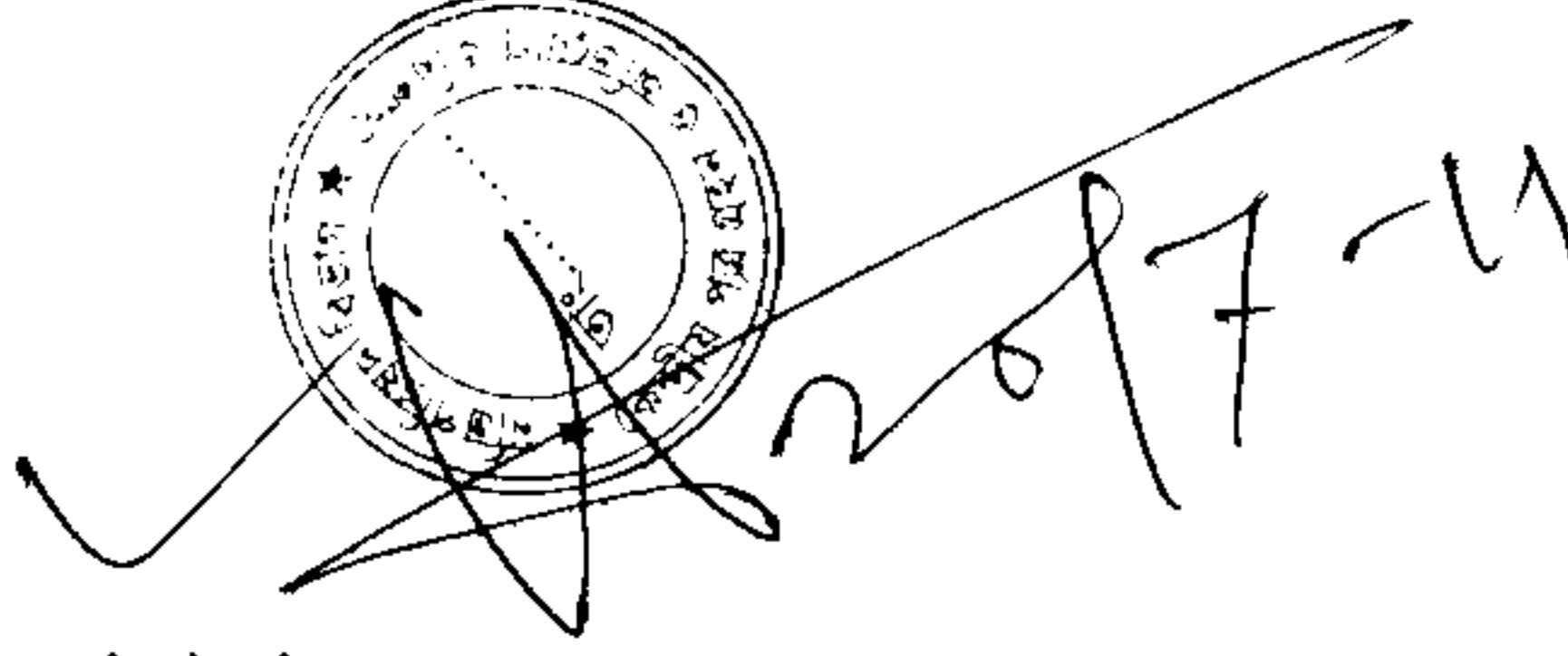


July 20, 2011

The Secretary
Ministry of Posts & Telecommunications
Government of the People's Republic of Bangladesh
Bangladesh Secretariat
Nawab Abdul Gani Road
Dhaka-1000, Bangladesh



Our Ref.: 26862.072011.01

Subject: Prayer to suspend the Amended Guidelines for Infrastructure Sharing

Dear Sir,

Citing to your reference (14.005.018.00.00.001.2011-297, dated: 23-06-2011); the BTRC has issued an 'Amended Guidelines for Infrastructure Sharing' ("the Amended Guideline") vide letter number BTRC/LL/infrastructure sharing (304)/2008-448, dated: 07-07-2011. It prohibits the mobile industry from sharing surplus transmission capacity with anyone except the NTTN operators.

Unilaterally amending such a vital issue has disrupted the planning and operations of the entire sector especially when new entrants are making inroads and many incumbent mobile licenses are being renewed. The industry is also shattered in terms of planning for futuristic telecoms services like third generation (3G) mobile and beyond.

The Amended Guideline will inevitably compromise the military communications, hamper the disbursement of inward remittance, impact the online banking operations and disrupt nationwide internet services. In other words, it halts the rising momentum of 'Digital Bangladesh' scheme.

We are further disappointed to have learned that this Amended Guideline contrasts the assurance you gave us in a meeting at MOPT on June 2, 2011. We raised grave concern at the proposed embargo on selling surplus nationwide transmission capacity by the mobile phone operators. You had kindly said that justice would be done to us.

The Amended Guidelines for Infrastructure Sharing, which you have approved, however, demonstrates otherwise. Please allow us to outline the disastrous consequences of this unilaterally Amended Guideline, as stated bellow:

1. We note with grave concerns that Amended Guideline untie the government's commitment to provide measures for the promotion and protection of foreign private investment in Bangladesh, as enshrined by legislation¹.

Association of Mobile Telecom Operators of Bangladesh
Landview (12th Floor), 28 Gulshan Avenue, Dhaka 1212, Bangladesh

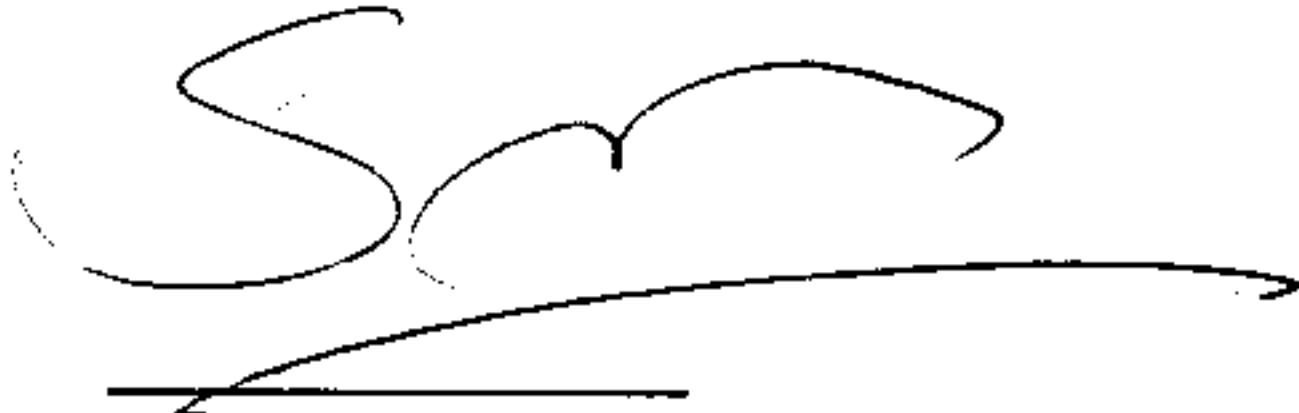
2. We are further alarmed to note that paragraph 4.7 of the Amended Guideline grants monopoly to the NTTN operators. It explicitly contradicts the Telecommunications Lawⁱⁱ and directly contradicts the Competition Bill that is being scrutinized in the Parliament.
3. The mobile phone industry has, by far, invested more than US\$ 400 million in building nationwide transmission networks since the government has revolutionized this sector through granting three mobile licenses in November 1996. Such huge investment has been made under compulsion and with due regulatory approvals, as the state-owned telecoms transmission backbone was rudimentarily composed of outdated analog microwave and UHF links.ⁱⁱⁱ Evidently, optical fiber transmission was nonexistent when the mobile operators entered in Bangladesh. But the foreign investors braved that challenge by deploying world-class transmission systems nationwide. Optical fiber and digital microwave systems were ingeniously blended in their groundbreaking engineering initiatives. It has eventually resulted with a brilliant 100% population and territorial coverage by the mobile sector.
4. Besides meeting internal demand, the mobile industry shares its nationwide transmission resources with the vital stakeholders, notably with the armed forces. Internet Service Providers (ISPs) and commercial banks became the largest private sector beneficiaries of the mobile operators' transmission resources in taking respective services at the villagers' doorstep. These are being done with the government's consent and strictly complying with the law. It has intensified competition across the ISPs and banking sectors. The non-government organizations (NGOs) have been vertically integrated in this process and they have been fast delivering the inward remittance to the rural beneficiaries. Therefore, the abrupt suspension of selling transmission capacity – according to the Amended Guidelines for Infrastructure Sharing – will disrupt the macroeconomic development of Bangladesh.
5. We have found that ground reality of the telecoms industry has been ignored in the Amended Guideline, as its paragraph 3.1 conflicts with paragraph 4.8(b). The former forbids sharing of transmission resources while the latter mandates sharing of the same exclusively with NTTN licensees. Moreover, neither of the NTTN operator has succeeded to deploy their networks beyond the metropolis of Dhaka. Fiber@Home is, in fact, totally riding on the transmission network of Pacific Bangladesh Telecom Ltd.^{iv} Summit Communications has neither made any effort nor has it outlined any plan to stretch the network beyond Dhaka.^v Evidently, the NTTN operators are far from matching – let alone exceeding – the capacity, quality, coverage and resilience of the mobile transmission networks.
6. BTRC has issued the Amended Guideline on July 7, 2011. Paragraph 4.5 of this document mandates that all the existing transmission sharing agreements “have to be revised in accordance with these Amended Guidelines within 60 (sixty) days of publication of these Amended Guidelines.” Therefore, the military establishments, banks, ISPs and other entities are to have new contracts within September 7, 2011 with the NTTN operators, who have no infrastructure in the first place.

In view of these inconsistencies and contradictions, we hope and pray that you would be kind enough to suspend the "Amended Guidelines for Infrastructure Sharing" for the sake of inherent legality, embedded technicality and commercial complexity.

Also please consider to grant us your audience for further clarifications, should you feel required.

Thanking you.

Sincerely yours,



Abu Saeed Khan
Secretary General

Copy to:

1. The Chairman, Parliamentary Standing Committee on MOPT.
2. The Executive Chairman, Board of Investment.
3. The Governor, Bangladesh Bank.
4. PS-1 to the Hon'ble Prime Minister and National Project Director of A2I Project.
5. The Chairman, Bangladesh Telecommunication Regulatory Commission.
6. The President, Federation of Bangladesh Chambers of Commerce and Industries (FBCCI).
7. The Chairman, Bangladesh Association of Banks.
8. The President, Metropolitan Chamber of Commerce & Industry (MCCI).
9. The President, Dhaka Chamber of Commerce and Industry (DCCI).
10. The President, Foreign Investor's Chamber of Commerce and Industry (FICCI).
11. The President, Internet Service Providers Association of Bangladesh (ISPAB).
12. The President, Wireless Broadband Association.
13. The President, Telecom Infrastructure Operators of Bangladesh (TIOB).
14. The CEO, Augere Wireless Broadband Bangladesh Limited.
15. The Chairman, Banglalion Communications Limited.

ⁱ The Foreign Private Investment (Promotion and Protection) Act, 1980

ⁱⁱ Section 29(d) of the Bangladesh Telecommunications Regulating Act, 2001

ⁱⁱⁱ Fig. 1, page 26, BTTB Annual Report 1996-97

^{iv} <http://www.fiberathome.net/?q=content/network> and <http://www.citycell.com/index.php?pageid=82>

^v <http://summitcommunications.net/>