

Telecom Industry and Regulatory Environment

The Bangladesh telecom industry continues to be geared towards growth due to the increasing demand for digitalisation. At the end of 2021, there were 180 million mobile subscriptions (representing 91 million unique subscribers and a connection penetration of more than 106%), of which 126 million were mobile internet connections. The data market has seen a steady growth of around 13% and there is still strong potential for further growth. It is evident that digitalisation is set to be a major enabler for the Bangladesh economy in the years ahead; for a conducive Business environment Grameenphone has been closely working with the Regulators and the Industry to address prevailing industry challenges and it is committed to continue the collaborative and consultative approach going forward.

Telecom Regulatory Environment

The Telecom regulatory environment in Bangladesh has been challenging, however, the Bangladesh Telecommunication & Regulatory Commission (BTRC) had initiated consultation in various areas throughout the year but the time-window for the consultation were not sufficient to address the issues properly. There has been limited rationalisation of the tax structure requested Mobile Network Operators (MNO) even though mobile internet has served as a lifeline for many economic and essential services through the Covid-19 pandemic. It was believed that both the industry and the subscribers might have benefited from withdrawal of the supplementary duty on mobile usage and withdrawal of supplementary duty and surcharge from mobile wallet usage.

To cater increased data usage, all the MNOs acquired additional spectrum from the 1800 and 2100 MHz band in 2021 to expand the 4G network across the country; Grameenphone acquired the maximum allowable spectrum at that time. Another spectrum auction is going to take place in late March 2022 in the 2300 & 2600 MHz band which will contribute to further enhancing 4G experience and eventually facilitate 5G readiness. Government initiated discussion with all MNOs regarding a 5G test launch in 2021, however, only the state-run MNO, Teletalk, was allowed to do it in few selected locations.

There had been complaints regarding Quality of Service (QoS) of MNOs for which the High Court issued a show-cause to both BTRC and MNOs, leading the BTRC to impose certain directives, including one compelling MNOs to increase minimum 4G DL speed from 7 Mbps to 15 Mbps. In turn the industry pursued the BTRC for consultation on the new minimum 4G speed while keeping BTRC informed of the initiatives being taken to improve network QoS. In the same tune to ensure QoS, the BTRC has taken conservative approach on the release of new numbers from 013 series as well as tightening the release of recycled numbers to Grameenphone. Grameenphone is closely working with BTRC and Telecom Ministry to resolve this matter while strengthening network leadership and resolving challenges.

In 2021 BTRC initiated consultation on many other regulatory issues. It kicked off consultations for SMP regulations in the Tower Co market, however, it is yet to be concluded. Despite efforts from the MNOs and several rounds of discussion with the BTRC, NTTN operators and the Ministry, issues related to NTTN regime (QoS for NTTN, pricing, and modality etc.) remain unresolved. As a result, the NTTN regime continues to pose a network QoS challenge for MNOs. The BTRC on its part issued a directive in mid-November 2021 that limits the numbers of data products/offers to 85 from 16th March 2022, in the hopes of bringing market discipline and improving QoS. BTRC has also initiated consultations on the amendments in the telecom licenses and potential capping on local financing and long-term investment in foreign currency - The Industry has provided a joint response in both these regards under the AMTOB banner to invite collaborative dialogue and ensure the mutual interest of both MNOs and the Government.

The industry has provided joint inputs on Bangladesh Telecom Regulatory Act (BTRA) amendment for rationalizing the act itself and the framework which remains unpredictable, however, there has not been any movement in this regard.

