

**An overview of Mobile Telecom Industry of Bangladesh: -
An important partner of Government from many aspects,
case study on Grameenphone the largest telecom service
provider in Bangladesh**

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Executive Summary:

This report mainly focuses on the contribution of Grameenphone, how much they contributed for the development of the country, their latest technologies that made our life easy and convenient. Now we can stay in touch with our near and dear ones as well as we can be in touch with the latest news and information through internet and features provided by the telecom providers. Most important contribution is the financial contribution from the companies as tax, vat and fees for different licensing and agreements. The sum of money paid to government exchequer is huge and it plays a major role in fiscal year's budget amount. The services that changed our lifestyle includes voice conversation, Text messaging, internet, news, event alert, health care, krishi bazaar, mobile remittance, results of exams, etc. Before introduction of this services people had to go through hectic work and loss due to lack of market information and not getting directions in emergencies. It was difficult to communicate with others with mobile telephone. Conveying urgent information was a difficult task. With the introduction of mobile telecom all time consuming tasks became easy. Multitasking was an easy task for people. Managing multiple operations became a regular matter. One of the multitasking done by most of the people is to instruct household activities through mobile and working in office at the same time.

These companies are playing a vital role in employment generation and about 10 lacks of people are directly or indirectly dependent on these company. Rural women are providing mobile service and earning their livelihood. Recharge outlets in every block of the streets are selling mobile SIM card and credits to earn their livelihood. Distributers' retailers and other people are dependent in the companies for their survival.

It is difficult for government to take care of all the sides and beautification of the country. Grameenphone in the name of CSR worked together to help desester affected people to save them from sufferings. They also work for education, urgent news distribution, awareness, beautification of the country, desester management, health care, etc.

There are some flaws in their CSR activities that caused them to be short-lived. Though the initiatives are outstanding and needs of the people. But as there are no backup plan to sustain this initiatives they are short-lived. There has to be plans to make all the CSR activities sustainable and to make sure the real people eligible for that are getting the benefits.

3G network is a dream of Bangladeshi people. Recently government has announced for the initial bidding for 3G licensing. To make the infrastructure 3G compatible Grameenphone has to get many approvals for opening L/C and bringing the machineries from abroad.

The process of approving any application usually takes a time period of 30-45 days. It becomes very hectic for Grameenphone as it needs many approval fast to meet up urgent needs. To boost up this process there is suggestion of introducing automation process. It will strictly maintain time a file will stay with each personal and both parties will know the current location of the file.

Date: 05th June, 2013.

Mahtab Faruqui
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Department of Business Administration
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Subject: Submission of Internship Report on Grameenphone CSR and 3G licensing.

Dear Madam,

I am very pleased to submit you my internship report on “E Grameenphone CSR and 3G licensing” It has been a great pleasure for me to have the opportunity to apply my academic knowledge in practical field. The theoretical knowledge is of no worth if it is not applied in reality. The report is prepared on the basis of the theoretical and practical learning from the 3-month internship program in Grameenphone.

I tried my level best to put careful effort for the preparation of this report. As an intern it is usual that inadequacy or error may arise and it may lack professionalism in some cases. For any unintentional inadequacy in the report, your sympathetic consideration would be highly appreciated. In addition, I will enthusiastically welcome any clarification and suggestion about any view and conception disseminated in the report. I truly appreciate your patience and support.

I sincerely expect that you would be kind enough to accept my report for evaluation and oblige thereby.

Sincerely,

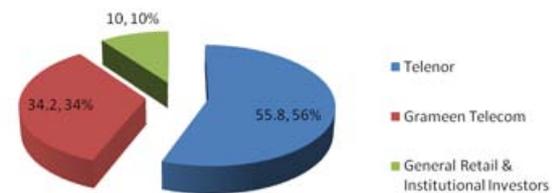
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Introduction:

Grameenphone, widely known as GP, is the leading telecommunications service provider in Bangladesh. With more than 41.1 million subscribers (as of February 2013), Grameenphone is the largest cellular operator in the country. It is a joint venture enterprise between Telenor and Grameen Telecom Corporation, a non-profit sister concern of the internationally acclaimed microfinance organization and community development bank Grameen Bank. Telenor, the largest telecommunications company in Norway, owns 55.8% shares of Grameenphone; Grameen Telecom owns 34.2% and the remaining 10% is publicly held.



Grameenphone was the first company to introduce GSM technology in Bangladesh. It also established the first 24-hour Call Center to support its subscribers. With the slogan *Stay Close*, stated goal of Grameenphone is to provide affordable telephony to the entire population of Bangladesh.

The idea of providing universal mobile phone access throughout Bangladesh, including its rural areas, was originally conceived by Iqbal Quadir, who is currently the founder and director of the Legatum Center for Development and Entrepreneurship at MIT. He was inspired by the Grameen Bank microcredit model and envisioned a business model where a cell phone can serve as a source of income. After leaving his job as an investment banker in the United States, Quadir traveled back to Bangladesh, after meeting and successfully raising money from New York based investor and philanthropist Joshua Mailman, and worked for three years gaining support from various organizations including Nobel Peace Prize laureate Muhammad Yunus of Grameen Bank and the Norwegian telephone company, Telenor. He was finally successful in forming a consortium with Telenor and Grameen Bank to establish Grameenphone. Quadir remained a shareholder of Grameenphone until 2004.

Grameenphone received a license for cellular phone operation in Bangladesh from the Ministry of Posts and Telecommunications on November 28, 1996. Grameenphone started operations on March 26, 1997, the Independence Day in Bangladesh.

Grameenphone originally offered a mobile-to-mobile connectivity, which created a lot of enthusiasm among the users. It became the first operator to reach the million subscriber milestone as well as ten million subscriber milestones in Bangladesh.

Grameenphone has so far invested more than BDT 21,343 crore to build the network infrastructure. It is one of the largest taxpayers in the country, having contributed more than BDT 30,876 crore in direct and indirect taxes to the Government Exchequer over the years. There are now more than 1600 GP Service Desks across the country covering nearly all upazilas of all districts and 94 Grameenphone Centers in all the divisional cities. Grameenphone has about 5000 full and temporary employees. 300,000 people are directly dependent on Grameenphone for their livelihood, working for the Grameenphone dealers, retailers, scratch card outlets, suppliers, vendors, contractors and others.

Telenor is emerging as one of the fastest growing providers of mobile communications services worldwide with ownership interests in 12 mobile operators across Europe and Asia. Telenor is organized into three business areas; Mobile operations covering 12 countries, and Fixed-line and Broadcast services covering the Nordic region.

Telenor holds 55.8 per cent of Grameenphone, with Grameen Telecom Corporation owning the remaining 34.2 per cent. The rest of the shares belong to general retail and institutional investors. Telenor has played a pioneering role in development of cellular communications in Bangladesh.

The Telenor Group

- More than 150 million mobile subscribers worldwide
- Strong subscription growth, particularly in our Asian operations
- Listed as No.1 on Dow Jones Sustainability Index 2008
- Ranked as the world's seventh largest mobile operator
- Revenues 2007: NOK 105 billion
- Workforce 2007: 35 800 man-years
- Listed on the Oslo Stock Exchange, with headquarters in Norway

Grameen Telecom, which owns 34.20% of the shares of Grameenphone, is a not-for-profit company in Bangladesh established by Professor Muhammad Yunus, winner of the Nobel Peace Prize 2006.

GTC's mandate is to provide easy access to GSM cellular services in rural Bangladesh and create new opportunities for income generation through self-employment by providing villagers, mostly to the poor rural women with access to modern information and communication-based technologies.

Grameen Telecom, with its field network, administers the Village Phone Program, through which Grameenphone provides its services to the fast growing rural customers, Grameen Telecom trains the operators and handles all service-related issues.

GTC has been acclaimed for the innovative Village Phone Program. GTC & its Chairman Nobel Peace prize laureate Professor Muhammad Yunus have received several awards which include; First ITU World information Society Award in 2005; Petersburg Prize for Use of the IT to improve Poor People's Lives" in 2004; GSM Association Award for "GSM in Community Service" in 2000.

Network and licenses

Grameenphone holds a mobile cellular license with both GSM 900 MHz and GSM 1800 MHz spectrum which expired in November 2011, along with three other mobile operators' licenses.

The renewal process of Grameenphone's existing 2G licenses and associated spectrum was taken to the High Court given certain ambiguities around the payment mechanism, particularly as to the treatment of VAT on payments. In addition, the Bangladesh Telecommunication Regulatory Commission (BTRC), the principal telecom regulator of Bangladesh, applied a "Market Competition Factor" (MCF) additional charge to the spectrum purchased in 2008.

In its judgment dated 13 February 2012, the High Court declared that the MCF claimed for 2008 spectrum was illegal, and resolved the ambiguity as to the payment of VAT by ordering that Grameenphone will have to pay 100% of applicable fees due to the BTRC, pay an additional 15% as VAT to the National Board of Revenue and then claim a rebate/return of such VAT, thereby restricting Grameenphone's total cost to 100% of applicable fees due to the BTRC. Grameenphone has sought clarification on the VAT rebate/return mechanism before the Judge-in-Chamber of the Appellate Division, which is in the process of hearing the case before the full bench.

In addition, by the order of the High Court, the BTRC issued a letter to Grameenphone on 11 November 2011 permitting Grameenphone to continue its operations until finalization of the renewal of Grameenphone's existing 2G license and associated spectrum. Grameenphone and three other operators deposited the first installment of license and spectrum renewal fees with the BTRC on 31 October 2011.

In respect of 3G services, the BTRC has sent draft 3G licensing guidelines to the Ministry of Post and Telecommunications (MoPT) with recommendations for an open auction in September 2012 for five licenses for 3G and beyond, but limited to the new frequency in 2.1 GHz.

The present Grameenphone network is EDGE/GPRS enabled and covers over 99% of the population and 90% of the geographic location. In the year 2011, Grameenphone completed swapping of its entire network with Huawei equipment that entailed the network to be future-ready and significantly cost efficient.

Competition

As at January 2013, Grameenphone had a market share of 41%. In addition to Grameenphone, there are five other mobile operators in Bangladesh. These operators and their market shares as at January 2013 are: Banglalink (26%), Robi (22%), Airtel Bangladesh (7%), Citycell (2.0%) and Teletalk (2.0%). Competition among operators is intense and tariff levels are among the lowest in the world.

Regulatory matters

BTRC was established under the Bangladesh Telecommunication Act 2001 as an independent regulator. However, as per amendments to the Telecommunication Act 2001 in 2010, certain powers to regulate the telecommunication sector have been transferred to the Ministry of Post and Telecommunications.

Under previous licensing arrangements, all mobile operators were required to pay an annual license fee of BDT 50 million, quarterly spectrum charges and 5.5% of revenues. However, under the new licensing framework, operators will have to pay 6.5% of revenue (inclusive of 1% on account of a social obligation fund) and revised spectrum charge rates. On 9 June

2011, the applicable SIM tax was reduced from BDT 800 to BDT 605. SIM tax has to be paid for the purchase of a SIM, and furthermore handsets have 12% duty applied at the import stage. Corporate income tax is 45% for mobile service providers, which reduces to 35% if a company maintains a 10% listing on the country's exchanges.

Domestic interconnection calls are operated through Interconnection Exchange Licensees (ICX), while international interconnection calls are operated through International Gateway Licensees (IGW). For each outgoing call, operators will have to pay BDT 0.22 per minute (of which BDT 0.18 is payable to other operators and BDT 0.04 to ICXs), and will receive BDT 0.18 per minute for each incoming call, irrespective of peak and off-peak hours. Voice tariff levels are defined by a tariff circuit set by BTRC along with specific directives on promotions.

Passive network infrastructure sharing is obligatory. As at 31 March 2012, Grameenphone has signed infrastructure sharing agreements with Banglalink, Robi, Airtel Bangladesh, Augere (a WIMAX operator) and BIEL (a local ISP) in line with the guidelines.

Recently Grameenphone is getting ready for 3G licensing. For this they have to go for initial bidding of the license and have to establish their infrastructure necessary for 3G licensing. Bringing and establishing the necessary infrastructure is the greatest challenge. For every step of the process Grameenphone has to get permission from BTRC. They have send letters to BTRC seeking permission for opening L/C, establishing new towers, bringing 3G compatible equipments and establishing them in existing towers.

Objectives of the Study:

The broad objective of the paper is to make an extensive study on the telecommunication sectors of Bangladesh and also bring this sector near and familiar to the common people. The specific objectives are:

- To identify the problems, challenges and prospects of the sectors
- To find out the determinants that affects the expansion (growth) of the sector.
- To appraise the performance of our telecom sector and its contribution the development of the whole economy.

Rationale of the Study:

Telecommunication is an important sector of any country which can play vital role in the nation's economy. But we the people of our country don't know enough about the problems, roles, prospects, and challenges of this sector. It is not possible to know by individual study because there is not enough comprehensive and well organized study exist on it; this report is a small attempt to make the sector familiar to the common people and also the related persons of this sector.

Research Methodology: Sources of Data/ Data use:

The present study is descriptive as well as suggestive in nature. This study basically covers a period of 16 years starting from 1997 to 2012. An attempt has also been made to include the latest information whenever available.

Both primary and secondary data have been used. However, the major reliance is on secondary data at national and international levels. Primary data were collected through interview and discussions with some officials and experts of different telecom service providers. Moreover annual reports of different telecom, articles published in newspapers, conference papers and seminars proceedings have been carefully studied to procure the needed information. The report only presents simple frequency and quantitative tables. The findings of the study should be viewed more in a qualitative focus than in absolute quantitative terms whenever necessary, various statistical tools and techniques have been applied for the analysis and interpretation of data.

Limitations of the Study:

Major limitation of the study is lack of available information and previous workings on the topic. I don't find enough supportive articles to make an extensive literature review. Moreover, most of the secondary data I used were scattered.

Telecommunication Sector of Bangladesh: At a Glance

There is many ups and down in the mobile phone industry in Bangladesh. At present there are six mobile operators in our country. According to the number of subscribers and profitability Grameenphone Ltd is in the top position among six operators. Except teletalk though their local names are Grameenphone, Banglalink, Robi, Airtel, Citycell but their main companies are the world's famous and big organization. They have invested a lot and also they have more plans for investment. There is no doubt that their key objective is to earn profit.

Government should create an environment and principles for profit. Besides these government should preserve consumer's right.

Market Share Analysis of Telecom in Bangladesh:

At present the total number of Mobile Phone Active Subscribers has reached 97.389 million at the end of January 2013. Among the operators at the end of March 2011, Grameenphone grab the highest subscriber with 40.336.

Banglalink is in the second positions with the total subscriber base of 25.610million and then Robi with 21.136million subscribers stands as the third largest mobile phone operator in Bangladesh .Airtel, Citycell, and Teletalk possess 4th, 5th and 6th position respectively. (Airtel Bangladesh had 7.148million subscribers, Citycell's total mobile subscriber base is 1.509million, TeleTalk is the 6th largest mobile phone operator in Bangladesh with 1.650million subscribers.

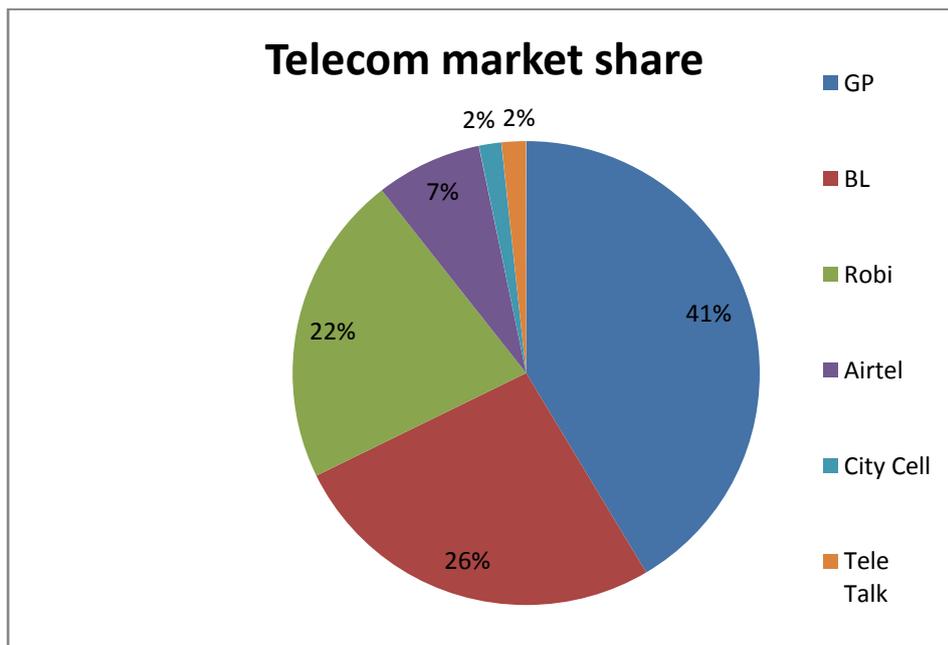
The total number of Mobile Phone Active Subscribers has reached 97.389 million at the end of January 2013. The Mobile Phone subscribers are shown below:

Operators Name	Active Subscribers (January 2013)	Active Subscribers (December 2012)	Active Subscribers (December 2011)	Active Subscribers (December 2010)	Active Subscribers (December 2009)
Grameen Phone Ltd. (GP)	40.336	36.493	31.982	29.970	23.26
Orascom Telecom Bangladesh Limited (Banglalink)	25.610	23.753	20.126	19.327	13.87
Robi Axiata Limited (Robi)	21.136	16.139	13.259	12.368	9.29
Airtel Bangladesh Limited (Airtel)	7.148	6.026	4.607	3.956	2.99
Pacific Bangladesh Telecom Limited (Citycell)	1.509	1.824	1.787	1.811	1.95
Teletalk Bangladesh Ltd. (Teletalk)	1.650	1.218	1.198	1.211	1.07
Total	97.389	85.455	72.959	68.643	52.43

Source: <http://www.btrc.gov.bd>

The number of active subscribers as on January 2013 can be seen at a glance in the following table and graph:

Name of Operators	Active Subscribers (2013, January), Million	Market Share (%)
GP	40.336	41.41740854
BL	25.61	26.29660434
Robi	21.136	21.70265636
Airtel	7.148	7.339637947
City Cell	1.509	1.549456304
Tele Talk	1.65	1.694236515
Total	97.389	100



Forecasted Straight-line trend of Subscriber (Using Least square Time Series Analysis):

The following calculation present the total number of actual and forecasted subscribers of different mobile phone company of Bangladesh for last five years:

Year	Subscriber In million (y)	(x)	xy	X ²	Ye = a + bx
2009	52.43	-2	-104.86	4	54.0292
2010	68.643	-1	-68.643	1	64.7022
2011	72.959	0	0	0	75.3752
2012	85.455	1	85.455	1	86.0482
2013	97.389	2	194.778	4	96.7212
N=5	Σy=376.876	Σx=0	Σxy=106.73	Σx ² =10	Σye=376.876

$$a = \frac{\Sigma y}{N} = \frac{376.876}{5} = 75.3752$$

$$b = \frac{\Sigma xy}{\Sigma x^2} = \frac{106.73}{10} = 10.673$$

SL	Year	Expected Subscriber(in millions): ye = a + bx
1	2009	75.3752+10.673x(-2)=54.0292
2	2012	75.3752+10.673x(-1)=86.0482
3	2015	75.3752+10.673x4=118.0672
4	2018	75.3752+10.673x7=150.0862
5	2021	75.3752+10.673x10=182.1052

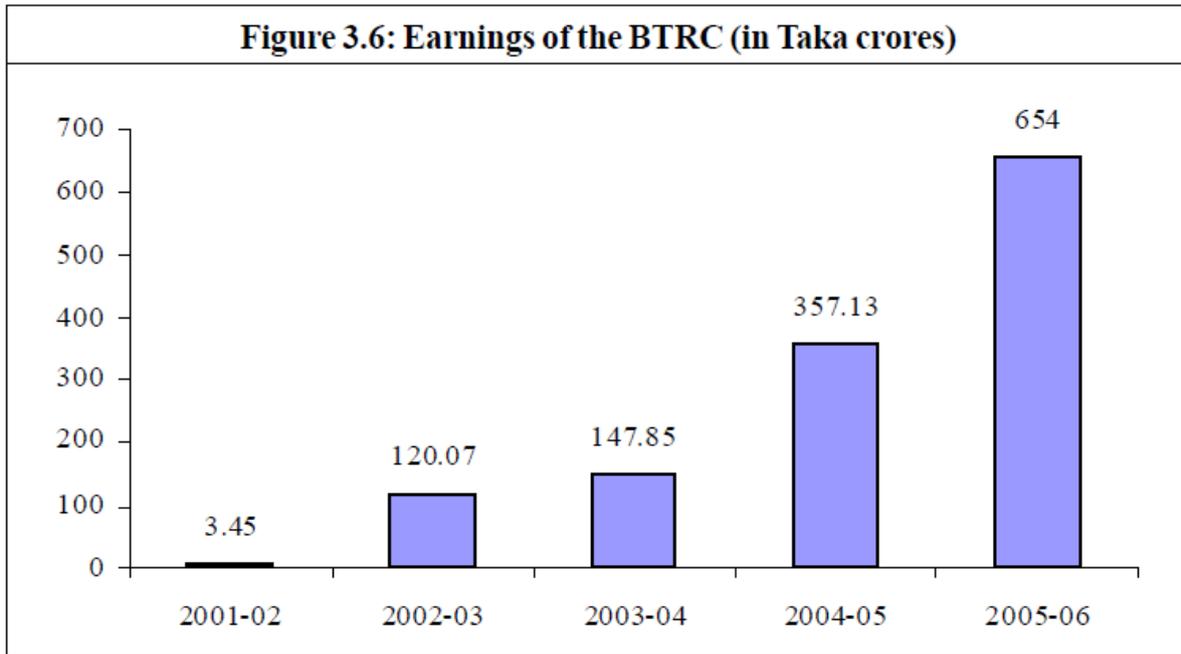
Here,
a = 75.3752
b = 10.673
x = -2,-
1,4,7,10

Contribution to the Government Exchequer

The cell phone sector has become an increasingly larger contributor to the government exchequer. In 2012, the Grameenphone's contribution to the government treasury was Taka 64 billion (US\$950.5mn), which was much higher compared to its inception year.

Similarly, the Aktel now contributes around Taka 3677 million (US\$54.5mn) to the treasury (see Figure 3.7). The earnings of the BTRC have substantially increased because of the rapid growth of the cell phone sector (see Figure 3.6). In 2001-02, the BTRC earned Taka 34.5 million (US\$0.51mn) as revenue which in 2005-06 stood at Taka 6.5 billion (US\$97mn).

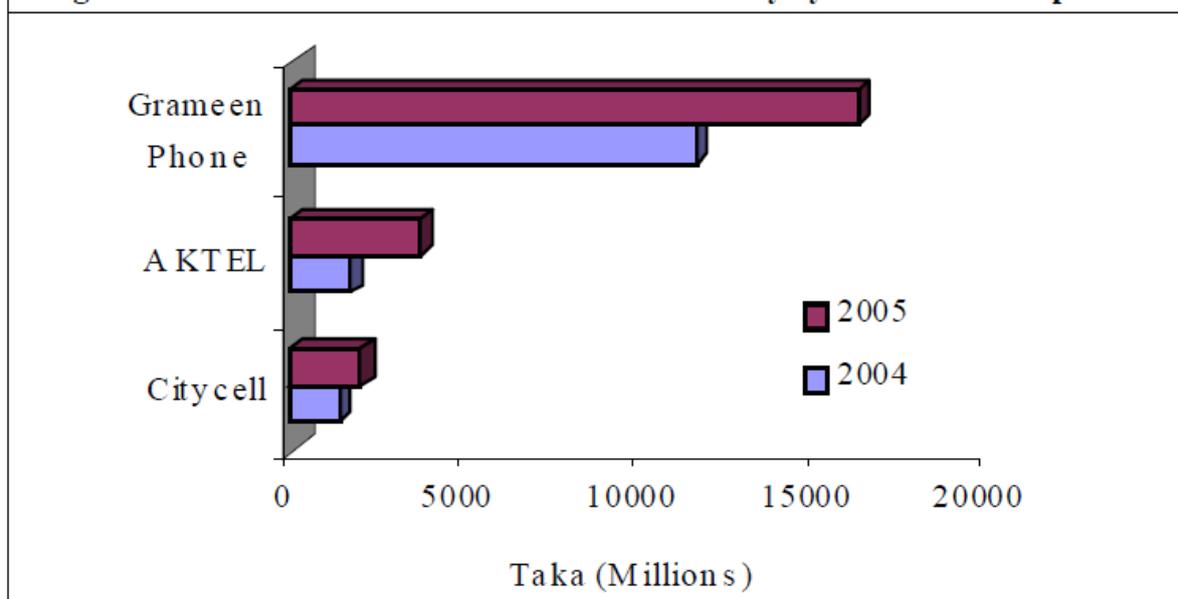
Given the slower growth of PSTN subscribers, the lion's share of this increase is attributed to the highly growing cell phone sector. The revenue that comes in the form of annual license fees has a fixed as well as a variable component. The fixed amount varies depending on the maturity of the license as it is US\$400,000 for the first five years, US\$800,000 for the second five years and US\$1,600,000 for the third five years. The variable portion of the annual fee is calculated as one percent of the collected rent and call charges. Moreover, the government also receives an application and entry fee. For example, the Warid Telecom, the last of the six



operators to receive a license, paid Taka 20 million (US\$296,939) as application fee whereas it paid US\$50mn as entry fee.

The cell phone sector has become an increasingly larger contributor to the government exchequer. For example, the Grameenphone has become one of the largest contributors to the government exchequer. Since its inception, in the first eight years of operation the company has contributed around Taka 30.46 billion (US\$252.2mn) to the treasury on account of various taxes, levies, license fees and interconnection charges. Figure 3.7 shows the Grameenphone's contribution to the government's exchequer. Similarly, the Aktel was contributing Taka 92 million (US\$1.4mn) in 1998 and now it contributes around Taka 3.6 billion (US\$54.6mn) to the treasury. Also, from 2004 to 2005, the Citycell's contribution to the treasury has risen from Taka 1.3 billion (US\$19.7mn) to Taka 2 billion (US\$29.6mn). The contribution of the sector is expected to grow with the expansion and growth of the organizations.

Figure 3.7: Contribution to the Government Treasury by Individual Companies



Recent Licensing Fees provided by Telecom Companies.

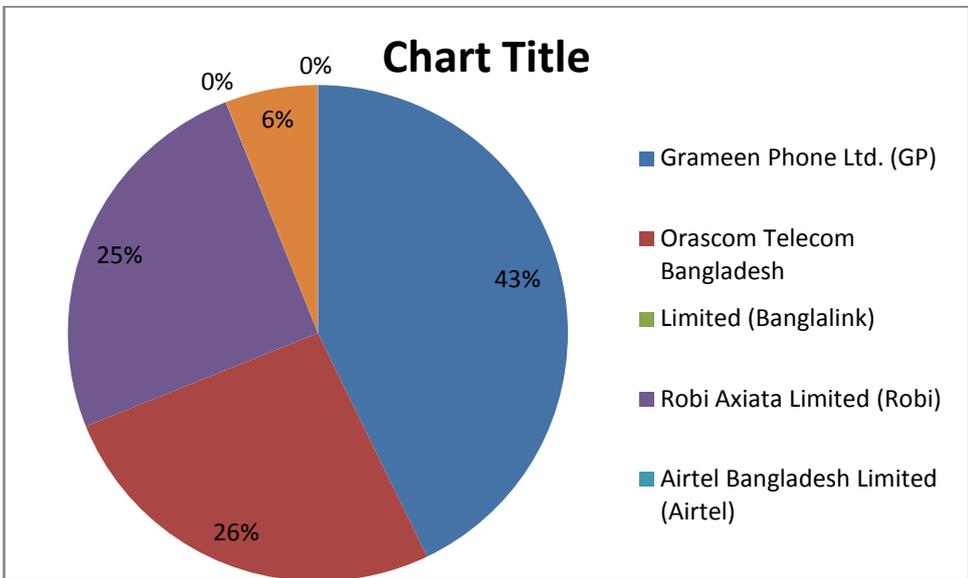
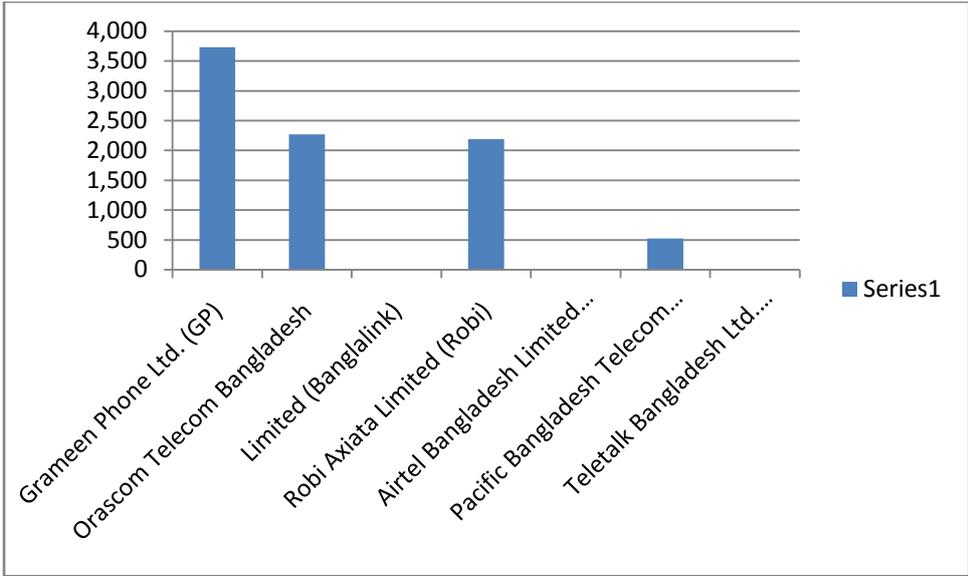
Operators Name	License fees 2G	Vat For Licensing fee	Annual License Renewal fee	Total FEES paid
	(Crore)	(Crore)	(Crore)	(Crore)
Grameenphone Ltd. (GP)	3,241	486.15	5	3,732
Orascom Telecom Bangladesh Limited (Banglalink)	1,971	295.65	5	2,272
Robi Axiata Limited (Robi)	1,900	285	5	2,190
Pacific Bangladesh Telecom Limited (Citycell)	450	67.5	5	522.5
Total	7,562	1,134.45	20	8,716

Tax Paid by the companies: In Billion Taka.

Exhibit 17: Revenue contribution under different scenario (SIM Tax/No SIM Tax)

Figures in BDT Bn

	2010			2011			2012			2013			2014			2015		
	Current Scenario	No SIM tax	SIM tax @ 300	Current Scenario	No SIM tax	SIM tax @ 300	Current Scenario	No SIM tax	SIM tax @ 300	Current Scenario	No SIM tax	SIM tax @ 300	Current Scenario	No SIM tax	SIM tax @ 300	Current Scenario	No SIM tax	SIM tax @ 300
SIM Tax	8.3	-	4.4	8.1	-	4.3	7.9	-	4.1	7.9	-	4.0	7.8	-	4.0	7.9	-	3.8
BTRC	8.9	9.5	9.2	9.4	11.0	10.3	9.8	12.2	11.1	10.1	13.2	11.8	10.4	14.0	12.2	10.7	14.5	12.6
Handset Tax	3.1	5.5	4.4	3.0	5.4	4.3	3.0	5.2	4.1	3.0	5.2	4.0	2.9	5.1	4.0	3.0	5.0	3.8
Duties	3.5	8.9	6.5	3.0	7.8	5.6	2.6	6.7	4.7	2.5	6.0	4.1	2.2	5.3	3.6	2.2	4.6	3.1
VAT & Corporate tax	25.3	27.4	26.3	27.0	32.3	29.9	28.4	36.4	32.8	29.6	39.9	35.0	30.5	42.6	36.7	31.3	44.6	37.9
Total	49.1	51.3	50.8	50.6	56.4	54.3	51.6	60.5	56.9	3.1	64.2	59.0	53.8	67.0	60.5	55.1	68.7	61.3



Contribution to Government Exchequer.

Operators Name	Tax (FY 2012) Billion	Tax (FY 2011) Billion	Tax (FY 2010) Billion	Total Billion
Grameen Phone Ltd. (GP)	64	10.08	37.15	111
Orascom Telecom Bangladesh Limited (Banglalink)	-	13.721	12.211	25.932

Direct and indirect employment generation.

Employment Generation

The rapid growth of the cell phone sector has an important impact in terms of employment generation – both direct and indirect. The expansion of this sector during the last decade has created a discernible demand for skilled labor which has also its bearing on the academic as well as professional degrees sought by the young generation. These increased working opportunities have also other positive externalities.

Direct employment in the Grameenphone during the first two years of its operation was a mere 591 persons, which reached 5000 in 2013. Among them 3150 (63 percent) are semiskilled laborers, while the rest 1850 (37 percent) are skilled laborers. In addition, 84 percent of the employees are male while 16 percent are female and 99.5 percent (4975) of the employees are local people while foreign nationals are only 0.5 percent (25) of total employees. 300,000 people are directly dependent on Grameenphone for their livelihood, working for the Grameenphone dealers, retailers, scratch card outlets, suppliers, vendors, contractors and others. Banglalink being the second in competition have one fourth of the total employees of Grameenphone, direct and indirect. They have 2400 direct employees and more than 180,000 people are indirectly dependent in this institution. The Citycell started with 80 skilled workers and now 700 skilled employees (as of 2013) are working for the company. Within the first two years of its operation, the Aktel employed 112 workers (only four of them were foreign nationals) and now (as of 2013) 1800 people are working (25 of them are foreigners). This statistics is for skilled labor only. 86 percent of the employees of Aktel are male and the rest (14 percent) are female.

Altogether about 1,000,000 people are directly or indirectly dependent in this sector including their family members and dependent peoples.

Around this sector, a huge network of dealers, sub-dealers, agents, distributors, suppliers and contractors has been formed. A large number of people are engaged in those activities. Many people are involved in the retail business of SIM and scratch card sales and telephone services. The demand for stationary, printing and technical services has increased substantially. The cell phone companies are spending a significant amount of money for advertising. This has led to the inception as well as the expansion of many advertising firms. Also, a number of legal and professional bodies have benefited from the expansion of this sector.

Building the necessary Infrastructure of Bangladesh

Grameenphone

According to Grameenphone, it has so far invested more than BDT 107 billion (USD 1.6 billion) to build the network infrastructure since 1997. It has invested over BDT 31 billion (USD 450 million) during the first three quarters of 2007 while BDT 2,100 crore (USD 310 million) was invested in 2006 alone.

Grameenphone has built the largest cellular network in the country with over 10,000 base stations in more than 5700 locations. Presently, nearly 98 percent of the country's population is within the coverage area of the Grameenphone network.

The entire Grameenphone network is also EDGE/GPRS enabled, allowing access to dial-up quality speed Internet and data services from anywhere within the coverage area. There are currently nearly 3 million EDGE/GPRS users in the Grameenphone network.

Good Governance by Grameenphone

Governance by Grameenphone:

In the fast-paced world of telecommunications, vibrant and dynamic Corporate Governance practices are an essential ingredient to success. Grameenphone believes in the continued improvement of corporate governance. This in turn has led the Company to commit considerable resources and implement internationally accepted Corporate Standards in its day-to-day operations.

Being a public limited company, the Board of Directors of Grameenphone have a pivotal role to play in meeting all stakeholders' interests. The Board of Directors and the Management Team of Grameenphone are committed to maintaining effective Corporate Governance through a culture of accountability, transparency, well-understood policies and procedures. The Board of Directors and the Management Team also persevere to maintain compliance of all laws of Bangladesh and all internally documented regulations, policies and procedures. Grameenphone is a truly transparent company that operates at the highest levels of integrity and accountability on a global standard.

CSR by the Grameenphone

Involve and evolve in many areas as a socially responsible Organization for countries' development.

Corporate and Social Responsibility

The cellular phone companies are supporting various socio-cultural activities. They have various Corporate and Social Responsibility (CSR) programs as they consider CSR as an integral part of their overall operation. Ranging from sponsoring games and sports to donation for tsunami-affected children of Sri Lanka and Maldives, a wide variety of programs have been undertaken by the companies. However, not all the programs are beyond the mere profit-making motive since many of the CSR programs are carried out only to build or enhance a positive market image.

CSR by Grameenphone

At Grameenphone, they live by the statement "Development is a journey, not a destination." Their work is not just about ensuring connectivity; it is about connecting with people and building relationships, based on trust, with their subscribers, business partners, employees, shareholders, as well as the wider community. They have always believed that good development is good business. While they maintain their business focus, taking the nation forward remains their top priority. Thus their relationship with Bangladesh is built on a partnership which strives to achieve common economic and social goals.

Corporate social responsibility, as we see it, is a 'complementary' combination of ethical and responsible corporate behavior, as well as a commitment towards generating greater good for the society by addressing the development needs of the country.

CR vision:

To be recognized as the most socially responsible mobile operator in Bangladesh and in the corporate sector.

CR goals

- Create shared value for Grameenphone and society through their mobile technology Integrate responsible business practices in all operations
- Integrate responsible business practices in all operations

Their Corporate responsibility initiatives focus on creating shared value through:

- Maximize the enabling effect of mobile telecommunications
- Promote safer products and services
- Minimize their carbon footprint

Their CR initiatives are based on 3 main focus areas:

- Health
- Education
- Environment

Health

NID Awareness Campaign

Bangladesh was declared polio free in August 2000. However, 18 new cases were identified between March 2007 to November 2008. And ever since then, no new cases of polio have been reported in Bangladesh. Thus, there is strong reason to believe that the disease can be completely eradicated from the country if all children in Bangladesh can be brought under the immunization program even though a sizeable amount of cross-border transmission happening with India and Myanmar keep us in little hope of eliminating the deadly disease completely.

Objective

The main objective of this unique campaign, along with the Government, WHO & UNICEF, is to raise awareness on immunization and help the Government of Bangladesh eradicate polio from the country.



Project Duration

March 2007 – till date

Project detail

In an effort to eradicate the re-emergence of polio, Bangladesh has been observing National Immunization Days (NIDs). Grameenphone is a proud partner of this mass awareness campaign during the NIDs. As a part of the campaign, radio and newspaper announcements urge parents to bring their children to vaccination centers across the country. Free SMS alert are sent to all Grameenphone subscribers, and mobile vaccination centers run throughout the Dhaka City Corporation.

Mobiles for health (M4H) Initiative

Reducing maternal and childhood mortality are key priorities for Bangladesh to reach the Millennium Development Goals. While Bangladesh has made significant progress in both maternal and infant deaths in recent years, neonatal mortality still makes up 57 per cent of under-5 deaths in Bangladesh and the maternal mortality rate is still among the highest in Asia. According to research, a critical factor for progress in health outcomes is to increase awareness of health behaviors – such as hygiene awareness, awareness of signs of infant illness and seeking care.

Therefore, Grameenphone has joined in an innovative new coalition which has been announced by Secretary of State Hillary Rodham Clinton, the Mobile Alliance for Maternal Action (MAMA) that harnesses the power of mobile technology to deliver vital health information to new and expectant mothers.

Objective

The objectives are to achieve sustained improvements in health knowledge, behaviors, and outcomes. The service aims to reach 500,000 pregnant women and new mothers within three years.

Project Duration

May 2011- till date

Project Description

Grameenphone has signed an agreement with D.Net to join the partnership “Mobiles for Health” (M4H) to support mother and infant health. D.Net is the coalition coordinator of M4H, a public-private partnership driven by the US Agency for International Development under the stewardship of the Bangladeshi government. The M4H initiative uses mobile phones to deliver life-saving health information to expectant and new mothers in Bangladesh via voice and SMS. Mobile health messages are able to quickly and easily disseminate information that will inform women of ways to care for themselves during pregnancy, dispel myths and misconceptions, highlight warning signs, connect women with local health services, reinforce breast feeding practices, explain the benefits of family planning, and make new mothers aware of how best to care for their babies.

Project Achievement

The M4H initiative is currently in its design and test phase to build a platform to provide both audio and text messages with vital information on antenatal, neonatal, and infant health. The messages will be linked to the women's delivery dates, giving them critical information at the right stage in their pregnancy and early motherhood.

Education

Online School

At first when we heard the term school we can visualize the traditional school, where the teacher is standing in front of the student and they can interact with each other. But day by day our education system is falling behind due to lack of schools and experienced teachers.

Being a socially responsible company with Education one of the centers of attention areas of Corporate Responsibility, they would like to find out a way to get involved through which quality education can be ensured. With this objective in mind we are launching 'Online School' (pilot).

Online school means a remote school is connected with a sub-urban school in Dhaka where the teacher conduct the class using video conferencing technology where the teacher and students both the party can interact with each other. The students will also get necessary books and stuff in the online school.

On 4 October, 2011 Grameenphone signed an agreement with Jaago Foundation to launch a CR initiative named 'Online School'. At present, the Jaago Foundation has three schools for the children who are living at the slums. Two of them are at Rayer Bazaar and Banani. The third school is at (Boro Bari, Gacha para) Tongi. The pilot is taking place between the schools at Rayer Bazaar and Tongi. Under this project 80 students participate in the class in two shifts – day shift and morning shift.

This initiative provides a quality education simultaneously both rural and sub-urban area. As well as the moderator who helps to operate the class, they also get the on the job training through this online school.

Though we also are facing some sort of obstacles to adapt this technology, but the CR team working on it to resolve the problem. In the long run if the initiative is proved successful we are planning to implement this idea for at four Alookdeep (non-formal primary school come cyclone shelters) across the coastal areas of Bangladesh. And Asian institute of technology has shown interest on the concept and we are looking forward to have a technical collaboration about the initiative.



Scholarship

Today's children are the future of tomorrow. And it is education that opens up unlimited possibilities for them to build the foundation for a bright future. However in Bangladesh, 65% of our people live in the darkness of illiteracy, 40% of our children have never gone to school, and 93% of primary school-going students will never progress beyond primary education. Poverty is the main cause behind all this.

Therefore, Grameenphone is a part of the Grameen Shikkha Scholarship Management Program that makes it possible for the bright but underprivileged students to realize their educational endeavors.

Objective

This program inspires underprivileged students and gives them the opportunity to study hard and grow as real leaders so that on completion of their studies they may take the challenge to become future leaders of Bangladesh.

Project Duration

December 2003- till date

Project Description

Grameenphone, in collaboration with Grameen Shikkha, an organization of Grameen Bank Family, provides financial assistance to 100 bright but underprivileged students through a scholarship fund at different academic levels annually. The fund is being managed directly by Grameen Shikkha. Currently 100 scholarships are being managed through Grameenphone's fund.

Project Achievement

11 students participated in Higher Secondary Certificate (HSC) examination last year (2010) and all of them have passed with flying colors. Four of them have achieved GPA 5.00 (A+) including one Golden A+. The rest have scored an 'A' grade. 5 students achieved a GPA 5 in Secondary School Certificate (SSC).

With a strong determination and an aim to become a doctor, Eyerin Al Naser was raised in the remote village of Kishoregonj along with three other siblings. She is the eldest daughter of a small poultry farmer who supports his business through micro-financing by Grameen Bank. She has accomplished brilliant results both in HSC (Golden A+) and SSC (A+). Eyerin is now preparing to get admission into Medical School. Each day is a hardship for the family. For this reason her mother makes contributions to the educational expenses of the other three children by providing private tuitions and sewing dresses for neighboring children.

Aspiring to be an Engineer, Nazmul Islam is the only son of M. A. Mannan and Jhorna Begum. They are day laborers who do not possess any land of their own to grow food and crops. Nazmul has scored GPA 5.00 (A+) in both SSC and HSC exams. He also got scholarships in Class V and Class VIII in talent pool. He has been acquiring partial financial support from his maternal uncle who works as a 'Line Chief' in a garment factory. Nazmul is now preparing himself to get admitted in an Engineering University.

Wishing to be a 'Clinician', Afzal Hosen is the son of a day laborer along with three other siblings. He was raised in a small house made of mud and straw. His family was unable to afford higher education, but Afzal continued to work hard and earned GPA 5.00 (A+). He also works as a private tutor to earn money for his family in his spare time. Now Afzal is preparing himself to be admitted into a Medical School.

Daughter of a construction worker, Parul Akhter was raised in a remote village of Feni district. Frustrated on getting an 'A' in the SSC exam in 2008, she promised herself to do better in HSC exam. Her conviction combined with her hard work and dedication earned her a GPA 5.00 (A+). Parul is now preparing to get admitted into a university to do her BBA.

Alokdeep: Non-Formal Primary School cum Cyclone Shelters

Introduction

Cyclone SIDR, a category 4 storm, struck Bangladesh in November 2007. It first hit the offshore islands and then swept across the southern coast east to west. This caused extensive damages. More than 3.1 million people in the 28 southern districts were reported to have been directly affected by the cyclone. It has been estimated that more than 3,500 people died, with extensive damages of roads and public buildings, including the destruction and partial destruction of 4,306 educational institutions. The most affected areas include Bagerhat, Barguna, Barisal, Bhola, Gopalganj, Khalkathi, Khulna, Madaripur, Patuakhali, Pirojpur, Shatkhira and Shariatpur districts.

Objective

Alokdeep aims to provide shelter when natural calamities strike. It otherwise will act as a place to provide non-formal primary education to the poor population of the community.

Project Duration

October 2009 to till date

Project Description

Grameenphone, as part of its rehabilitation plans in the SIDR affected areas, committed to provide financial assistance to build four non-formal primary school-cum-cyclone shelters named as 'Alokdeep' in the southern belt of the country. RDF and Shushilan, the two local NGOs that operate in the selected areas are responsible for the overall management of the project which includes the construction and operation of the schools. Each of the Alokdeep consists with a two-storied building along with adjacent playground.

Locations

Pathorghata, Borguna
Nishanbaria, Borguna
Southkhali, Shoronkhola, Bagerhat
Ryanda, Shoronkhola, Bagerhat

Project Achievement

According to the plan, constructions of all four Alokdeeps have been completed and are open for use whenever it is necessary. Two of the Alokdeeps have already started their operation as non-formal primary school and it is expected that the other Alokdeeps will start similar operation in the near future.

Environment

Click Green

Introduction

Climate change is widely recognized as the greatest global sustainability challenge. Its implications are far-reaching for the environment, for the people, and for the global economy. Bangladesh, though being the lowest contributor to environmental degradation, is considered to be among the worst-hit countries to the effects of climate change. In view of this, as a responsible corporate citizen Grameenphone launched its environmental and climate change campaign Stay Green, Stay Close. Click Green is an internal initiative of this particular campaign.

Objective

The purpose of Click Green is to create climate and environment awareness among the employees of Grameenphone and encourage them to become active agents of sustainable and equitable development. At the same time, the program has been developed to encourage employees to think, reflect and act towards the goal of being environment friendly - promote an understanding that communities are pivotal to changing attitudes towards environmental issues. Above all, this initiative has been initiated to display the beauty and diversity of our country and to create awareness about what we will be missing if we do not act now to protect the planet.

Project Duration

2009 June – August 2011 respectively

Project Description

A Photography Competition is being arranged for all GP Employees to create climate and environmental awareness among the valued employees of Grameenphone and to inspire 'Green Lifestyle'. The best pictures will be selected by a judge's panel out of the photo pool and the top 3 photos will then be displayed in an exhibition in GP House, head office of Grameenphone.

Project Achievement

Companywide environmental awareness and more environmentally responsible business behavior.

Community power project-Asocial business approach

Introduction

90 million out of 140million population in Bangladesh do not have direct access to electricity and remaining 50 million people have access but reliable and quality power is still beyond their reach. A large number of these households are situated in remote rural regions that are unlikely to get connected to the national electricity grid. This limits socio-economic development and has direct consequences at the individual level.

In the exact same off-grid regions, network operators are to an increasing extent installing renewable energy equipment, such as wind turbines and solar panels, to power their base stations. The opportunity now exists for mobile network operators to provide excess electricity beyond the base station and into local communities through partnering.

Objective

The Community power project plans to develop a robust and cost effective decentralized mini-grid infrastructure based on renewable energy for rural development in Bangladesh. This project aspires testing smart mini-grid to provide energy to single village or cluster of villages. The operation is to be carried out as a social business where an NGO/VEC will be responsible for management, operation and maintenance so that this part becomes sustainable and require no financial involvement from Grameenphone. This will help the local people's livelihood to grow and also will contribute to the Government commitment's to digital Bangladesh.

Project Duration

2011- till date

Project Description

Grameenphone and University of Oslo will initiate a 'community power project where a solar power plant will be established and provide power to the Grameenphone base station as well as households and local businesses. Grameenphone will be the key driver of this model having a consistent power requirement for the base station. University of Oslo will provide the initial capital cost of capacity extension and development of the mini grid. Grameenphone will provide a stable anchor demand for powering the base station which will contribute to the sustainability of this model.

Project Achievement:

Delivering power supply on regular basis to 140 households from 5pm to 12 am and to 1 Grameenphone community information center in day time.

Grameenphone Climate Change Program

Grameenphone being a socially responsible company adopted systematic processes to ensure that, wherever possible, we manage and mitigate the probable negative impact of our business activities on the environment.

Grameenphone's Climate Change Program was initiated in early 2008 with a vision for reducing carbon emission, being environment friendly and creating a momentum with the community and people.

The ambition of Grameenphone's Climate Change Program is:

- To become the leading corporate company in climate initiatives in Bangladesh within 2015'
- Reduce 15% carbon emission by 2012 & 40% by 2015 Ton CO2 as compared to 2008 level
- Corporate Transformation: 'Green Company'
- Aware-Engage-Advocacy GP employees
- Create momentum With community & People

Some of our Key CR initiatives:

- Safe Motherhood & Infant Care Project
 - More than 1.7 million free primary healthcare services to underprivileged pregnant mothers & their infants
- Free eye care support for around 28,780 people
 - 3,458 eye sights restored so far
- Awareness building on varied national issues- AIDS, National Immunization Day
- Information boats with digitized livelihood contents and internet access for remote revering communities
- Economic freedom for more than 400,000 Village Phone Operators
- More than 500 Community Information Centers- connecting life and learning
- Proud sponsor of Bangladesh Special Olympics team
- Employment opportunity to acid survivors
- Scholarship for underprivileged meritorious students
- Blood donation camps for underprivileged Thalassaemia patients
- Establishment of Blood Bank at Bogra for underprivileged patients
- Emergency relief effort in natural calamities

Guidelines for 3G Licensing

The 3G (third generation) is also known as UMTS (Universal Mobile Telecommunications System) and this is predicted to be the next generation in the mobile market. This is one of the valuable innovations in mobile technological devices. The 3G capability of an electronic device enables you to have access to information and data at anytime you want and at any place you are. With the 3G technology, mobile phones began to offer high speed internet access along with data, video and CD-quality music. The cellular phones enable a user to surf the web, view the image of the person he is talking to, watch movies and listen to music – just with the handset. When on a 3G phone and the person on the other line also uses a 3G enabled mobile phone, the conversationalists can see each other from the display of the telephone. This is amazing but this is just for now. Changes will continue to enhance whatever features there are today.

Applications of GPRS 3G

- The service supports basic features such as voice, e-mail, text, notifications and SMS.
- With this technology, there is enhancement in audio streaming. This will support the marketing strategy of the technology. This will involve provision of downloadable channels using the UMTS (3G) services. The quality of music will be definitely good. However, this service will not tolerate delay so causes for it will be safeguarded.
- Video streaming is another application of the GPRS 3D services. This is just similar to the audio streaming. UMTS or 3G will offer a standard desktop streaming speed.
- The file transfer is another service which has been designed for general information search. This application is delay tolerant.

Today most technology people use the GPRS and 3G in every aspect of their task performance. However, due to technological changes, it is expected that the GPRS 3G will have its successor, technology-wise. In the meantime, the GPRS and 3G are the current trend, users will definitely grab every opportunity to enjoy the benefits from this technology.

3G License Fees and Charges:

3G license will be awarded to the companies for a period of 15 years and they have to go through the procedures and guidelines provides by BTRC. Licensing companies have to pay BDT 5 Lac as application fees or processing fees. Then they have to pay BDT 10 crore as License acquisition fees. In the auction date the Spectyrum assignment fee will be fixed through bidding. Base price for the auction has been set to 20 million USD per MHz Bandwidth. Each company will bid for 2 blocks of bandwidth in the auction. An annual license fee is set to BDT 5 Crore. Gross revenue sharing is set to 5.5% of annual audited gross revenue. Each company has to have a social obligation fund which will be 1% of annual audited gross revenue. Annual Spectrum fees/price for access frequency will be calculated according to the formula provided on Clause 31.09 provided. Annual Spectrum fees/price for Micro Wave Frequency will be calculated according to the formula provided on Clause 31.09 provided. At last they have to provide a performance bank guarantee of BDT 150 Crore.

31.09 Annual Spectrum Fees and Charges

- (a) The spectrum charges (excluding VAT & Tax) shall be calculated using the following formula:

$$\text{Spectrum charges in BDT} = \text{STU} \times \text{CF} \times \text{BW} \times \text{AF} \times \text{BF}$$

Where, (i) STU = Spectrum Tariff Unit BDT 70.00 per MHz per Sq. Km.

(ii) CF = Contribution Factor for Access Frequency has been fixed considering assignment of frequency, use of assigned frequency and subscriber.

SL.	Subscriber base related to use of frequency (lower limit inclusive & upper limit exclusive)	CF
1.	Upto 2 million	0.7
2.	2 million to 5 million	1.2
3.	5 million to 10 million	1.7
4.	10 million to 15 million	2.2
5.	15 million to 20 million	2.7
6.	20 million to 25 million	3.2
7.	25 million to 30 million	3.7
8.	30 million to 35 million	4.2
9.	35 million to 40 million	4.7
10.	40 million to 45 million	5.2
11.	45 to 50 million	5.7
12.	50 million and above	6.0

(iii) CF = Contribution Factor for Microwave Frequency = 1

(iv) BW = Bandwidth Assigned for Access Frequency in MHz

(v) BW = Bandwidth occupied for Microwave Frequency in MHz

(vi) AF = Area Factor for Access Frequency = 1,47,570 Sq. km

(vii) AF = Area Factor for Microwave Frequency Point to Point link = Link Length² x 0.273 (Minimum Distance for link length shall be considered from 10 km)

(viii) BF = Band Factor:

SL.	Band	BF
1.	VLF/LF/MF (3-3000 kHz)	1.00
2.	HF (3-30 MHz)	1.50
3.	VHF (30-300 MHz)	1.00
4.	UHF1 (300-806 MHz)	0.75
5.	UHF2 (806-2690MHz)	0.50
6.	SHF1 (2.69-16 GHz)	0.25
7.	SHF2 (16-31GHz)	0.15
8.	EHF1 (31-65 GHz)	0.10
9.	EHF2 (65-275 GHz)	0.05

Bindings and Auction process guidelines:

The timetable for submission of proposals/offers for auction is provided in the table below.

Commission reserves the right to change the overall timetable of the bidding and auction, depending on the conditions and circumstances at that time.

Indicative Timetable		
SL	Description	Date
1.	Invitation for Application	14-02-2013
2.	Submission of the queries (if any)	28-02-2013
3.	Pre-Bid Meeting	14-03-2013
4.	Submission of further queries (if any)	21-03-2013
5.	Response to queries	28-03-2013
6.	Submission of Application to the Commission	12-05-2013
7.	Publish list of qualified Applicants for the Auction	20-05-2013
8.	Submission of Bid Earnest Money	30-05-2013
9.	Letter of acceptance/rejection	05-06-2013
10.	Auction	24-06-2013
11.	Notification to winning applicants	24-06-2013

There are also penalties if the companies do not follow the guidelines and try any unfair means of fail to pay the fees and duties in time.

If the operator fails to pay the due amount in time then they have to pay the due amount in the rate 15% late fee per annum. And they are bound to pay the dues within 60 days of due date or else legal actions will be taken against them. Even licensing can be cancelled retaining the fees till date.

To make the infrastructure and bring machineries compatible for 3G Grameenphone has to source them from other countries. To bring any equipment, companies have to get permission and approval from BTRC. The application send to BTRC for any issues takes about 45 days to process and reach them back. As a result they have to suffer a lot to get things done. Most of the time when there are urgent necessities like a machine's part has to be replaced immediately they have to bring them from abroad. They have to wait about a month for getting the approval and then can open L/C to bring those items. It is a very lengthy process which usually takes 2-3 months to get the machineries in the warehouse from the day of necessity. As a result the machine stays off for 2-3 months for lack of immediate need of parts. Sometimes companies need an immediate approval for dealing with the day to day activity. It faces lots of problem for not getting the approvals in short time. Telecom sector is one of the sectors which need fast actions to compete in market. Every second counts to be number one in the market.

Normal BTRC approval process includes:

- 1) Application for a particular requirement.
- 2) Submission of application in BTRC.
- 3) Processing of the application. It requires passing of the application through 5-6 tables before getting approved.
- 4) File received by chairman.
- 5) File send to additional director by chairman.
- 6) Additional director process the file.
- 7) Additional director send the file to commissioner.
- 8) Commissioner process and sign the files.
- 9) Commissioner sends the file to additional director.
- 10) Approval collection and correction if any.

Problem analysis:

Though Grameenphone is investing huge revenue in CSR activity, why the development of the particular CSR sector has not been achieved significantly as expected?

There are various reasons behind the slow development of CSR activities done by the company; major reason that is behind this is lack of awareness in people and very little interest to maintain the trend.

If we further discuss about the lack of awareness then we have to say that Grameenphone has not deployed specialists who can analyze this market and provide valid information about requirements for availing group of people. Slum children who are brought to pilot project studies actually come to see the new technologies implemented in the beginning, after passing some days they lose interest as the teacher student communication is distant. Though the teacher can see the student's activity through video conferencing equipments, it is difficult to manage a class from a distance communication.

They do not follow-up with the CSR activities, when the activity is done they do their best to make it as lucrative as possible with banners, promotions and ads. But after the activity is done they seldom come to see how it is going. For example after establishing a computer lab they do not come to see how these computers are maintained. Are they used for the betterment of the students or being sold by some corrupted officials? It happens that the equipments are sold out and the real user never gets the chance to be benefited from these activities. Similarly when they do costal cleaning and education scholarship they gather huge crowd and have a huge promotional activity with small CSR activity. After a week when we look at the sea beach, it is same dirty filled with garbage again. It is just because they only clean but do not look for long term solution of the problem. As a result CSR activities do not sustain for long. Every year they have to do the same activity and spent a huge amount in the name of CSR. For environmental awareness issue they just kept it within their own company. If it is a mass awareness for all then everyone will know how to keep their environment clean and hygienic. In our country many people do not have the basic knowledge of hygiene. For this reason many children and elder people are suffering from diseases caused by unhygienic lifestyle.

Why telecom giant like Grameenphone is facing huge trouble in establishing 3G Infrastructure?

When developing and developed countries are using LTE and 4G technology, Bangladesh is stuck with delivering of 2G licenses. Four major telecom providers license have expired in 2011 November. When they applied for renewal of the license they had to fight number of court battles regarding the fees related to spectrum and value added tax. After resolving those cases they finally received license in 7 August 2012.

Developed countries are issuing 4G and LTE license in very low license fees to the telecom providers. But when we are talking about Bangladesh, they just recently announced to issue 3G license to the telecom operators. With this license they can operate 3G, 4G and LTE telecom service. Speaking of the licensing fees, telecom operators have to pay huge license fees which is \$200 billion for each 5MHz spectrum and separate license fees and other fees

for availing the license. All together they have to pay about \$650 billion USD for availing 3 blocks of spectrum, bid and other fees to government as license fees.

This is totally demoralizing the telecom industry as the expected revenue that will be generated by providing 3G or other telecom service will not be enough to cover up this huge spending.

Bringing any change or imposing any rule cannot be done in few hours but it is seen that BTRC is imposing or changing rules at 4-5 pm of the day and forcing the telecom providers to make it into action from next day. Studies show that other regulatory boards of other country provide at least 2-6 months to implement any change. It is very hard to change entire existing rule or tariff plan in few hours. As a result in long run companies are facing hardship and are vulnerable to changes and competitions.

There is very low cooperation between regulatory body and service providers. As a result when any change is required it is very hard to come to a single decision. For that reason it is very hard to get things done and processes gets too lengthy.

To make the infrastructure and bring machineries compatible for 3G Grameenphone has to source them from other countries. To bring any equipment, companies have to get permission and approval from BTRC. The application send to BTRC for any issues takes about 45 days to process and reach them back. As a result they have to suffer a lot to get things done. Most of the time when there are urgent necessities like a machine's part has to be replaced immediately they have to bring them from abroad. They have to wait about a month for getting the approval and then can open L/C to bring those items. It is a very lengthy process which usually takes 2-3 months to get the machineries in the warehouse from the day of necessity. As a result the machine stays inactive for 2-3 months for lack of immediate need of parts. Sometimes companies need an immediate approval for dealing with the day to day activity. It faces lots of problem for not getting the approvals in short time. Telecom sector is one of the sectors which need fast actions to compete in market. Every second counts to be number one in the market.

Recommendation:

Recommendation to make CSR sustainable throughout the year.

To make the CSR activities sustainable, a dedicated team should be appointed to take care of the activities and to maintain everything properly so that establishments do not get damaged or stolen.

There should be teachers present in every schools establishes as CSR so that close contact can be maintained and teacher student bonding can be strong. If the teacher student bond is strong there will be fewer tendencies to bunk class and students will be more encouraged to attend classes. Though there are mentors in every class to take care of the discipline and take care of attendance and to make sure there are no dropouts. But mentors cannot be as same as teacher. So there should be teachers for each and every class rooms.

Scholarships are provided to very selective cases, but if they could arrange scholarship or financial support to students who need them badly. Many poor and meritorious students can study further and help in prosper of the country. The amount of money required is very negligible compared to the allocated money for CSR activity. They should focus more in the education to make a sustainable growth of the country.

They should have a team to check whether the resources are properly utilized, whether the instruments like computers, modems, projector, and cables are being stolen or sold outside. They should encourage students to come to school and maintain regular attendance so that there are no dropouts. If any dropouts are identified they should take immediate measures to bring them back. During costal cleaning and awareness they should think of long term affects rather than short-term. They can introduce baskets in sea beach so that people do not throw packets and other garbage in beach. At the same time they can appoint people to regularly maintain these baskets so that it does not became garbage itself. For environment awareness companies should not make it limited to only their employees they should make it for general people so that everyone knows what to do, how to save the world and keep their surroundings clean and healthy.

When implementing any new rules or regulations for telecom companies government should at least provide 3 month time period to bring them in action. So that companies can check the positive and negative effects of that rule and can negotiate accordingly. After implantation the loss is huge if the rule or regulation is not company or market friendly. They should have time to analyze the affect before implementation, so that they do not face any loss or any problems in future.

They do not follow-up with the CSR activities, when the activity is done they do their best to make it as lucrative as possible with banners, promotions and adds. But after the activity is done they seldom come to see how it is going. For example after establishing a computer lab they do not come to see how these computers are maintained. Are they used for the betterment of the students or being sold by some corrupted officials? It happens that the equipments are sold out and the real user never gets the chance to be benefited from these activities. Similarly when they do costal cleaning and education scholarship they gather huge crowd and have a huge promotional activity with small CSR activity. After a week when we look at the sea beach, it is same dirty filled with garbage again. It is just because they only clean but do not look for long term solution of the problem. As a result CSR activities do not sustain for long. Every year they have to do the same activity and spent a huge amount in the

name of CSR. For environmental awareness issue they just kept it within their own company. If it is a mass awareness for all then everyone will know how to keep their environment clean and hygienic. In our country many people do not have the basic knowledge of hygiene. For this reason many children and elder people are suffering from diseases caused by unhygienic lifestyle.

Suggestion for bringing the infrastructure for 3G faster and conveniently.

3G is the hot news for all telecom users of Bangladesh. To establish this infrastructure telecom operators have to bring many new types of equipment compatible with 3G. For bringing the equipments they have to get approval from BTRC. It is a very lengthy process as a result urgent need cannot be fulfilled. If BTRC can adopt an automation system for the approvals then it will be a faster and very convenient process for both BTRC and telecom providers. Grameenphone can propose automation process for BTRC which is fully automated system that will allow the telecom providers, time to time update of applications current status. It is also a very fast processing system which will get an approval ready in a week. That will save time and effort for both parties. This automated system is operated by software which is similar to CRM (customer relation management) software. But will track the application, the current location of the application and update of its approval. It will maintain transparency and continuous monitor and notification so that there will be no chance of delay. Total process will be automated and the designated officer must make the approval and signatures in allocated time. This will save time and efforts for both the parties.

Conclusion:

From this report we can see that Telecom industry is playing a vital role in development of our country by providing huge license fees, vat, tax, etc. This money is being paid in USD form as a result the reserve of foreign currency is also increasing and the balance of trade deficit is being minimized.

There is a huge employment created by this sector and many people are earning their livelihood by being involved in this sector directly or indirectly. Family members of the employees are also the beneficiary of this sector.

They have managed to bring the whole country under cellular network as a result any one need to be connected for emergency can get immediate solution. Business has become mobile; people from anywhere can contact and instruct others easily as a result saving time and money.

They have set examples to other sectors how to maintain huge revenue and develop country through loving the country. They have involved themselves in many development activity of the country. It helped the country to be beautiful, clean and a better place to live. Cleaning the coastal areas, investing for the education of poor children, road side decoration, tree plantation are some of the CSR they did for the country.

They also provided cellular internet connection which allows subscribers to get internet from their mobile phone. As a result people can have internet access from anywhere and get necessary information and to be informed.

They have managed to lay down fiber optic network cable to connect the whole country with fast and affordable internet connection. As a result people are enjoying fast internet and can work faster than before.

Telecom industry from the beginning was a transparent sector. They always kept the stakeholders and government up-to-date about the profit or loss of the companies. These allowed government to take care of this industry and to implement new strategies required for the sector. Sometimes there are conflicts due to misunderstanding and strict budgeting. But most of the time it is a friendly environment.

They came up with the best technologies to make clients life easy and convenient. People can communicate very conveniently with clear voice transmission. People can also send short messages whenever they are unable to talk. They can save valuable information, get latest updates and news through their mobile. Internet connection is also provided by telecom companies. Results of board exams are also available as SMS. Health care support is also available through telecom operators.

Though telecom industry is contributing huge amount of money, development of the CSR activities have not been sustainable as per the requirement. When CSR activity is done for the betterment of the society and the target population is the whole country's people, more people are benefited. Hygiene is an issue which can save both elder and children from many diseases and death due unhygienic life style. Grameenphone should focus in this sector for betterment of mass population.

3G is one of the hot news for Bangladeshi people. It was a dream to have this service. To make this dream come true Grameenphone and other operators has to import 3G compatible

equipments. For that they need to get approval from BTRC to open L/C with manufacturers of those equipments and to bring parts for day to day activity. There have been many problems due to delay of the approvals. As a result automation process has been suggested for bringing the process under control. This automation process will have transparency and fast processing capabilities to get things done very fast.

So we can say that telecom industry has changed the life and made our day to day life easy and convenient, saving our time and money.

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