

BTRC to seek proposals for pvt sector fixed phones by August

WorldTel controversy remains unsettled

STAR BUSINESS REPORT

Against the backdrop of huge unmet and growing demand, the telecom regulator is going to seek proposals from interested parties for installation of land phones in private sector.

However, the controversy over a contract awarded during the immediate past regime to Bermuda-based WorldTel for providing fixed phones in private sector still remains unsettled.

Meanwhile, Bangladesh Telecommunication Regulatory Commission (BTRC) has finalised the procedures.

"BTRC is planning to call for expression of interest by August to

install fixed line phones," BTRC Chairman Syed Marghub Morshed told The Daily Star recently.

More than one company will be allowed to operate in the fixed phone sector, he said.

"A competitive environment will help increase tele-density in the country," Morshed said.

There is a huge scarcity of land-line phones as the state-owned monopoly, Bangladesh Telegraph and Telephone Board (BTTB), cannot meet the demand.

BTTB has some 6,66,000 fixed line phones all over the country against 10,25,000 cellular mobile phones provided by four private operators.

The immediate past Awami

League government had awarded a contract to WorldTel to install 3,00,000 fixed phones in Dhaka. However, the BNP-led four-party government, in its white paper on "corruption" of the previous AL government, identified the deal as non-transparent one.

The Bureau of Anti Corruption (BAC) filed a case alleging that the then post and telecom minister, Mohammad Nasim, had appointed a private firm, Consociates Limited, for consulting services without any competitive bidding in order to 'illegally award' the contract to WorlTel.

According to the BAC, the consultant made fictitious recommendations favoring WorldTel, the lone bidder of the project, to make its

financial proposal look lucrative.

Earlier, BTRC had investigated the "controversial" deal on a request from WorldTel, when the company claimed that there was no corruption in the process and BTRC should look into the matter to determine its eligibility to continue the project.

Official sources said BTRC will also look into this government's allegation that the deal was not transparent.

The WorldTel deal was the first ever contract to install and operate a private telephone exchange in the country, breaking the BTTB monopoly in the telecommunications sector.

The exchange was to be set up by WorldTel within three years

with modern equipment and technology on a build-own-operate (BOO) basis.

Currently, more than 1,50,000 applicants are on waiting list for fixed phones. BTTB recognises that the underlying demand level is significantly higher and the waiting time for a phone can be up to 13 years.

The installation fee-- Tk 10,000 for Dhaka and Chittagong and Tk 8,000 for district towns-- is one of the highest in the world, which works as a mechanism of controlling demand.

The current unsatisfied demand for fixed telephones is likely to continue to grow, experts said.

Ray of hope for tea

Two high yielding clones developed

IQBAL SIDDIQUEE, Sylhet

When industry people call for enhancing tea production in the face of increased domestic consumption, local researchers have come up with two new high yielding tea clones.

The two new clones, BT-14 and BT-15 developed by the Bangladesh Tea Research Institute (BTRI), will definitely help boost the production of tea, officials of the research institute said.

The average production of BT-14 is 3,380 kg a hectare while BT-15 yield is 4,830 kg. At present, the average production of existing varieties is 1,250 kg per hectare.

The new cloned varieties will increase the per hectare produc-

tion in course of time, hoped BTRI Director AFM Badrul Alam. Earlier, BTRI, which was established in 1966, developed 13 clone varieties.

Internal consumption is rising by 3.5 per cent annually against nearly 1 per cent rise in production, according to officials. Many fear if this trend continues, Bangladesh, the world's fifth largest tea exporter, may become a tea importing country soon.

The director of the BTRI said BT-14 has been selected from crossbreeds of TV-9 and BT-1. It morphologically looks like a Manipuri hybrid.

Leaves of BT-14 are medium in size and semi dark-green. The plant is very fast growing. Its plucking table is fairly compact with a good spread of plucking points.

BT-14 is fairly tolerant to drought and resistant to most common tea insects and disease.

BT-15 has been selected from the crossbreeds of BT-1 and TV-1. The plant has fairly good spread with compact plucking table. Its pruning recovery is satisfactory.

BT-15, which is also fairly resistant to common pests and tolerant to drought, can be planted in slopes of hillocks and as well as in the plain land. According to BTRI officials, this clone is best suited to CTC (crush, tear and curl) manufacturing process.

Commerce Minister Amir Khoshru Mahmud Chowdhury formally released the two new clones at a function on April 29 at BTRI at Srimangal, Moulvibazar.

Jute industry fate now pivots on local market

UNB, Dhaka

With Bangladesh's jute goods export affected severely by the Iraq war, the future of jute industry is now heavily dependent on local market.

Industry sources said popularising jute bags could be one good alternative while the government's protective measures, as in India, would also be needed.

They said the government directive must be firm to ensure that all grains -- rice, lentils, sugar, wheat -- are packed (in case of 10-Kg and above) in bags of jute, which is also environment-friendly.

The country's main competitor, India sells 80 per cent of jute products locally. Bangladesh, on the

other hand, sell only 20 percent of jute products in the local market and that too showing a diminishing trend.

India always followed a protective policy towards jute and has made sure that the local demand for jute goods remains pegged to 80 per cent of their production.

India has a restrictive regulation that jute bags must be used in case of at least 60 per cent packing of any grains over 10-kg.

"The effect of the war will not be as dreadful for India as it will be for us because of their low export volume," said Bangladesh Jute Goods Association President Shahedul Islam.

The Iraq war not only halted export of one lakh bale of jute

goods to the Arab country, but also stalled export to the entire Middle East who import 60 per cent of Bangladesh's jute products.

With the disappointing scenario, industry sources said they apprehend that export of jute goods might decline by around 50 per cent in the next few months.

As a result, they said, many mills would have to hold on to their "ready unshipped stocks" due to cancellation of orders or delay in shipments. Many will also be short of orders soon.

The industry people also sought various fiscal measures in support of the exporters as well as protective measures to ensure a substantial share of the local market for jute goods.



PHOTO: STAR

Vendors display Indian mangoes at Badamtali wholesale market in Dhaka. The delicious summer fruit sells between Tk 50 and Tk 60 a kg. Local mangoes are yet to arrive in markets.

World Fair Trade Day today

STAR BUSINESS REPORT

In a bid to promote fair treatment for producers and consumers in trade, the second World Fair Trade Day is being observed today.

International Federation for Alternative Trade (IFAT) has declared May 17 as the second World Fair Trade Day.

Sixty-one countries including Bangladesh are observing the day to create awareness among people to eliminate unfairness between producers and buyers and to promote fair trade.

Fair trade is a concept which promotes a market system where the producers of developing countries can easily export their products to the markets of rich countries, said Syeda Parveen Saleh, director of Ecota Fair Trade Forum (EFTF), the pioneer of fair trade

movement in Bangladesh, at a press conference held at Dhaka Reporters Unity in Dhaka yesterday.

Ecota Fair Trade Forum is a national networking body of the organisations involved in crafts and hand-woven textiles. At present, it has nineteen member-organisations and fourteen more partner-organisations.

Fair trade system discourages the entry of middleman in trade so that actual producers will earn what they really deserve, said Abdul Awal, chairman of Ecota, at the conference.

The exercise of fair trade can help alleviate poverty and increase the standard of living.

The slogan for this year's World Fair Trade Day is "Fair Trade: Trade that Shares".

According to the organiser, nine

standards of fair trade include creation of opportunities for deprived producers; accountability and transparency among the stakeholders and trade partners; increase efficiency; provide fair wage; equal wages for male and female; safe working environment; avoiding child-labour; and awareness of environment.

To mark the World Fair Trade Day, Ecota has organised a seminar titled "Towards Fair Trade: An Exploration of handicraft sectors in Bangladesh" at BRAC Centre in Dhaka.

At the seminar venue, a display of products, a producer gathering and an award giving ceremony for the best producers will also take place.

Ecota has also organised a signature campaign in support of fair trade.

JAL to take cost-cutting measures

AFP, Tokyo

Japan Airlines System Corp. will take emergency cost-cutting measures to save some 30-40 billion yen (260-345 million dollars) as part of efforts to cope with the fallout from SARS, a report said Thursday.

Asia's top carrier, JAL, plans to cut expenses for aircraft and fuel and ask 50-70 flight attendants to take unpaid leave of absence in June, the Nihon Keizai newspaper said.

It also plans to cut executive compensation by five to 10 per cent, according to the business daily.

The flag carrier will reduce the number of international flights to save 10 billion yen but fly more often on profitable domestic routes, it said.

Taiwan cuts 2003 growth forecast

AFP, Taipei

Taiwan has cut its 2003 economic growth forecast to 2.89 per cent from 3.68 per cent after taking SARS impact into account, officials said Friday.

"The spread of SARS (Severe Acute Respiratory Syndrome) has affected local business activities and consumption," the Directorate General of Budget Accounting and Statistics (DGBAS) said.

"We expect private consumption in the second quarter will fall 1.1 per cent from a year earlier, the first decline in history," it said in a statement.

The DGBAS' deputy director-general Hsu Jan-yau told a news conference that "if the disease extends to the end of this year, our GDP growth this year will be cut a further one per centage point (to 1.89 per cent)".

"That's one small step for man, one giant leap for mankind." It has been the longest travelled (point-to-point 238,856 miles) human voice transmission since Neil Armstrong uttered upon stepping on the Moon in July 20, 1969.

Despite the Pentagon's ongoing onslaught in Vietnam, people on the planet Earth shared that moment of truth with this great American space explorer, the first man on the Moon.

Armstrong was supposed to say, "That's one small step for a man," but either he omitted the word "a" or the poor radio transmission could not register it.

Nevertheless, thanks to NASA's magnificent interplanetary radio communications network, it kept Apollo-11 connected to our world through live voice-data communication with Edwin Aldrin and Michael Collins, other astronauts of the mission.

Functionality of this communication system depended on a unique natural resource, radio frequency. It is the only natural resource, which is indestructible and is equally available in any place exposed to the atmosphere.

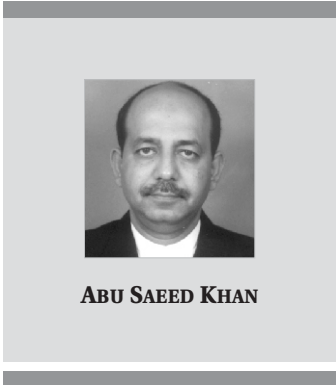
Electromagnetic spectrum includes all frequencies that travel in waves from 10 hertz, just below human audible range, to 1025 hertz, cosmic ray range.

Since radio frequency is a limited natural resource, it must be used rationally, efficiently and economically. The International Telecommunication Union (ITU) upholds the right of all countries' equitable access to this limited resource.

Global consensus, on the way the various bands of the spectrum are used, is essential for smooth operation of a growing range of critical applications.

ITU recommends the outline to manage the radio spectrum while each country manages the frequency allocation among the respective users. The more efficiently a country manages its spectrum, the better is for the industry, the consumers and the national economy.

What the Bangladesh government has done amounts to mis-leading the wireless industry while managing the spectrum. When the telecom ministry used to regulate, a mid-level officer from the Economic Cadre Service used to head the spectrum allocation committee.



ABU SAEED KHAN

This body was inefficient. It assigned enormous volume of spectrum to the applicants, who neither uses nor surrenders them.

However, a no-nonsense spectrum management was envisaged when the telecom regulator was established in January 2002. But Bangladesh Telecommunication Regulatory Commission (BTRC) has failed to deliver.

Such failure of the regulator has been the largest roadblock to proliferate the information and communication technology (ICT). Because, the end-to-end high speed bandwidth infrastructure is nonexistent in Bangladesh. Thanks to the BTTB's institutional indifference.

Now the private sector is ready to fill that gap with various smart wireless solutions. But the professional limitation of BTRC has become a national embarrassment.

While one department of BTRC issues the license, its other department is reluctant to allocate necessary spectrum. Such a regulatory malfunction has been penalising the industry.

It is true that BTRC lacks the required independence to effectively regulate the sector. But its hierarchy, which is entirely composed of retired government officers, is reluctant to exercise whatever independence has been granted.

Section 56 of the telecom law says about the formation of a "Spectrum Management Committee", headed by a Commissioner. BTRC has the discretion to structure this committee.

This provision of the telecom law is to eliminate the corrupt practices and mismanagement from the conventional spectrum

PASSWORD

Instead of worshipping various government offices, the BTRC should have respected the retired officials' proficiency in spectrum management. Expertise in this field is derived from experience, not from official positions. In fact, spectrum management is one of those few areas in telecom, where the grey hairs still call the shot.

allocating process. But law proposes, BTRC disposes.

The commission earnestly constituted a 21-member "Spectrum Management Committee". Eight of its members are from the army, navy, air forces, police, BDR, and civil and military intelligence. Sounds like a firing squad.

Four deputy secretaries, each from the ministries of Telecom, Home, Information and Foreign Affairs, form the second majority. A miniature officers' club?

Radio, Television, Civil Aviation Authority, Shipping Department, BUET, FBCCI, BTTB and mobile operators also send respective representative. Quite a crowd. A BTRC officer is the member-secretary of this committee. Thank God!

Evidently eighty-five per cent members of this committee are in civil and military bureaucracy.

Their relevance in such a committee for highly technical and complex issue like spectrum management is questionable. Dominance of the uniformed officers, with forty per cent penetration, also sends an ultrasonic signal for militarisation of this professional body.

Scarcity of expertise in spectrum management is globally prevalent and Bangladesh is not an exception. The armed forces are always the extensive user of radio spectrum. They also have the maximum spectrum management expertise in our context. Many of such experts have retired and their skill, which was developed at the taxpayers' cost, remains utilised.

Instead of worshipping various government offices, the BTRC should have respected the retired officials' proficiency in spectrum management. Expertise in this field is derived from experience,

not from official positions. In fact, spectrum management is one of those few areas in telecom, where the grey hairs still call the shot.

Besides, the presence of BTTB, FBCCI and mobile operators in this committee are the clear conflict of interest. Because they represent the largest users of widest radio frequency pool.

Moreover, the mobile operators association is not even a registered entity. Therefore, it must not be allowed to have any kind of representation in a national committee, which allocates spectrum for the rivals in the industry.

Such inconsistent composition of this committee could be ignored if the spectrum allocating process were transparent. Regrettably, the allegations of gross discrepancies have been looming over the institutional sanctity of BTRC.

Subsection 8 of section 56 mandates the commission to forward the application for spectrum to the committee within seven days of the receipt of such application. The committee is mandated to revert within 30 days along with its recommendations.

But neither the commission nor its committee follows the provision of this law. Applications for spectrum either get "lost" or get dumped in the "cold storage".

Therefore, the commission and its spectrum management committee members are equally guilty of violating the provisions of section 56 under the Bangladesh Telecommunication Act, 2001.

Their prosecution will be a "giant leap" in our history of governance. Let that be our theme of today, the World Telecommunications Day.