



## SIM tax must go this time

Banglalink CEO Ahmed Abou Doma shares his thoughts on budget, telecom law

NAFID IMRAN AHMED

SIM tax stands as a major obstacle to the prospective customers as the newcomers will not be richer than the previous ones, says the chief of the second largest mobile operator in Bangladesh.

Chief Executive Officer of Banglalink Ahmed Abou Doma says such tax should go in the upcoming budget, which he thinks will have a significant impact on the growth of the industry and gross domestic product (GDP).

"Let me start by saying, it's now or never. It's time for the SIM tax to go; it's a shame."

Doma says this tax hardly exists in other countries. Some have different names for it but in a very nominal value. The present tax is Tk 800 or around \$11.51 in Bangladesh. The tax is \$1.36 in India, \$3 in Pakistan, while Sri Lanka, Cambodia and Indonesia do not impose any SIM (subscriber identity module) tax.

The government may think, Doma says, why it should not take such tax. The government should realise that if the SIM tax is waived now, the revenue that it will get later is much higher, he points out.

The Banglalink CEO says if the revenue does not increase after waiving the SIM tax, the government can again impose it later.

"Give us a chance, give our theory a chance and by the way it's not a theory, it's a proven scientific methodology that shows that 10 percent increase in penetration gives you 1.2 percent increase in GDP."

Contribution of the mobile phone companies to the national exchequer is very high and SIM tax



PHOTO: RASHED SUMON

is not the highest among the contributing factors.

"Even removing the SIM tax now, the direct hit on the exchequer is minimal compared to the rest of the items, because we pay VATs on every recharge, licence, frequency fees and revenue share to the regulator. So these make a huge contribution and the SIM tax is not the major one."

Doma says: "We have 55 million subscribers now. Do you think the next million subscribers will be richer than the previous ones? Of course not. These are poor people somewhere in the rural area."

On the proposed amendment to Bangladesh Telecom Act 2010,

he says: "The new telecom act is actually unconstitutional as it doesn't give the operators the right to appeal."

Doma does not think that it is an investment-friendly law. "You are actually threatening the existing investments in the country. That includes even arresting and putting officials of companies in custody and not having the right to appeal."

The second point Doma made is related to the fines. In the proposed amendment, the maximum amount of fine has been set at Tk 300 crore, which he says is not practical, as some of the operators who will be subject to that law do

not have a paid-up capital more than Tk 10 crore. "This means they are not being penalised, they are being put of business and moreover arrested. What kind of investment climate is this?" The maximum fine in Asia is \$2.5 million.

He says Bangladesh's telecom market having six mobile operators is over-crowded.

"With my work with Oroscom Telecom I have been exposed to 12 different markets. I think this market is the most competitive one. We do not need six operators; three would be more than enough."

France and Egypt have three operators each, while China has

two. "If you look at India, they have actively 7-8 operators. Then you look at the target population. They have 1.2 billion inhabitants, so every operator on an average is targeting 125 million subscribers, while 150 million Bangladeshis are targeted by six operators. So every operator has a potential theoretical target of 25 million only." There are other aspects such as GDP, which is higher in India, says Doma.

Although competition is good for the end-users, many of the operators may not be able to continue to be in the race, the Banglalink boss says.

"That is not going to be a good sign for the telecom investment in this country."

The weak operators are looking for external arms for financial support so they can continue the race. "I don't want to mention names, but there are operators that won't be able to continue," Doma says.

The positive sides are many as well. An enlightened government and the bodies that understand the potential that this country has in terms of telecom and how much this industry be the locomotive to drive the whole economy can make a huge difference, he says.

There are some officials who are showing signs of understanding. "That was not there when I first came here but I find more of them accepting and embracing that approach."

"Those who will be able to continue in this bone breaking race in Bangladesh will benefit in the long run. But for now it's tough time."

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## Ovijaan connected 3.5 lakh

IT TELECOM REPORT

Helal Uddin, a biology teacher of a college in Sylhet, had to wait for months for his copy of different foreign journals to stay in touch with the latest activities in the research field.

"But now I can get it as soon as it is posted over the internet," Helal said.

The teacher learned about the power of the internet from a 'Nokia Ovijaan' bus when it showed up on his college campus.

Monon Adhikari of Barisal, students Hridoy from Rangpur and Mamun from Chittagong also had similar experiences.

Nokia's 'Ovijaan' -- a campaign aimed at providing internet knowledge to the rural people with two cyber buses, equipped with solar panels and internet, in its first phase has connected 3,53,091 people to the internet, including 3,21,012 students from 194 educational institutions in 42 districts. This was announced an event organised to share the glory stories of the initiative at a city hotel on Monday.

A total of 1,03,854 individuals have received their digital identity through Ovi email accounts during the campaign, said Nowfel Anwar, head of marketing of Nokia Emerging Asia.

Appreciating Nokia for their successful and unique initiative, State Minister for Science and ICT Yeafesh Osman, also the chief guest of the event, said that mobile technology can put a deep impact into the ICT in Bangladesh with a 98 percent geographical access which will fulfill the present government's aim to empower grass-root people with digital technology.



Prem Chand, general manager of Nokia EA, reassured everyone about the Nokia's wholehearted support to Bangladesh Government's vision of utilising the ICT for development and vowed to remain a partner for rapid growth and expansion of internet and information technology in Bangladesh.

## Google phases out Microsoft Windows use

REUTERS, London

Web search group Google Inc is phasing out internal use of rival Microsoft Corp's Windows operating system because of security concerns following a Chinese hacking incident, the Financial Times reported on Tuesday.

Citing several Google employees, the FT said the decision to move to other operating systems including Apple Inc's Mac OS and open-source Linux began in earnest in January after Google's Chinese operations were hacked.

Internet security firm McAfee Inc said at the time the cyber attacks on Google and other businesses had exploited a previously unknown flaw in Microsoft's Internet Explorer browser, which was vulnerable on all recent

versions of Windows.

The FT quoted one Google employee as saying: "We're not doing any more Windows. It is a security effort." Another said: "Getting a new Windows machine now requires CIO (chief information officer) approval."

Google said in a statement: "We're always working to improve the efficiency of our business, but we do not comment on specific operational matters."

Google, which already offers e-mail, Web and other software products that compete with Microsoft's offerings, is developing its own operating system based on its Chrome browser. It will initially target netbooks, or inexpensive, pared-down notebook PCs.

Microsoft Windows runs about nine out of 10 of the world's personal computers.



## TECHPHOTO

### Foldable Citycar

Photo shows the Hiriko Citycar being folded during the presentation of the electric vehicle on May 27 in Berlin. The car, invented at the Massachusetts Institute of Technology (MIT) and produced in the Basque region, offers place for two persons and is aimed for the use in the urban space. The production of the foldable car is scheduled to the year 2012 and will then be tested in five cities worldwide.

PHOTO: AFP



## The Facebook debate

Access to Facebook was "temporarily" blocked on May 29. We received overwhelming comments on the issue in our online edition. In today's IT & Telecom issue we print some of them. To read and post more comments visit [www.thedailystar.net](http://www.thedailystar.net)

The dream of 'Digital Bangladesh' has just received a serious blow!

The government has taken an unsound decision by blocking the most popular social networking site Facebook.

I just heard the CNN talking about the negative aspects of the Facebook including identity theft etc, and what remedies are available to stop the evil doers.

I guess our experts need guidance to face the challenge of ever changing world of internet.

The soon the Facebook is opened, the better. Invite technical assistance from others who know how to handle the situation rather than closing the entire system.

Faqrul, USA

...  
Congratulations! Bangladesh is moving towards digital revolution! Next time government have a headache, they better chop the head off!!

Zakir Kibria

...  
This is a complete mockery of the people, who voted the ruling Awami

League to power in the 2008 election.

Eddy

...  
Are we not a democracy? Aren't we meant to exercise our civil rights? The government serves the people not the other way around, or have they forgotten that?

Fahim Razzaq

...  
Anti-Islam and anti-Bangladesh groups have been there on Facebook for a very long time. Similarly, there are abundant pro-Islam and pro-Bangladesh groups. It's not Facebook that is responsible for that but the Individual users. So, take action against them without harassing common users like us.

Jamal Ahmed

...  
Alas! This is Digital Bangladesh!

Mahin

...  
I wonder how much digitised we will be in future when our leaders don't even know the basics meaning of the word 'digital'.

Faisal

...  
If the government truly believes in the

freedom of speech, there would not be any ban at all. Let everything be decided by the users. Many global leaders are satirised and Facebook is not banned in those countries.

Syed Jashim Uddin

...  
Well, Bangladesh does not rate very high in international news media, but this one got a lot of attention. A third world nation made a third class decision. May be too many Bangladeshis are not using Facebook, but this decision made Bangladesh a laughing stock. How thin is the veneer of democracy here?

Nirmal, London

...  
As I came to know Facebook is not taking care of the privacy matter seriously, I am getting worried. Recently Facebook allowed insulting image of our prophet (Pbuh) as they take it as freedom of expression. My immediate action was to deactivate my Facebook account.

Facebook is a huge business worth \$20 billion with access to 500 million users. Freedom is good, but if that freedom is used against us, what would be our reaction?

Monowara Begum

## NSN shows technologies for local market

IT TELECOM REPORT

Nokia Siemens Network (NSN), a leading global enabler of telecommunications services, on Wednesday organised a two-day conference which was aimed at discussing with local customers subjects from the annual Mobile World Congress, held in Barcelona last February.

At the event styled 'Barcelona Revisited 2010', Naveed Mahbub, country head of Nokia Siemens Networks discussed the future industry trends with the telecommunications services providers in the country.

During the presentation, Naveed also showcased some of their technologies and solutions through several experience booth manned by experts.



Naveed also talked about various aspects of technology relevant to Bangladesh such as 3G networks, improved customer experiences and NSN's commitment to the environment and energy efficiency in his speech.

"One of the key features of NSN is our overall improved customer experience. We provide up to 100 percent voice capacity with our networking system and call setup time became 50% faster than before", Naveed said.

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