



## The digital evolution: Challenges and opportunities

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the Nationwide Telecommunication Transmission Network (NTTN). ISPs provide internet to the subscribers. As per BTRC, there are 4 Submarine Cable license holders, 34 IIG license holders, 6 NTTN license holders, 7 ITC license holders, and 2,715 ISP license holders in Bangladesh, although not all of them are operational.

It is clear that the internet reaches the consumer through various levels of operators, businesses, and technological steps. In this entire journey, policy support is needed to eliminate monopoly, as well as to ensure that service delivery is not hampered due to dependence on others. Just as it is necessary to create a competitive market, it is also necessary to create a business-friendly environment to facilitate the work of the stakeholders.

Since ISPs are spread across the country and no matter how much quality is ensured at the IIG and NTTN levels, if quality is not ensured at the ISP level, the entire service will be substandard for the customer. It is possible to force a few IIG or NTTN licensees to do something by giving instructions, but how to involve thousands of ISPs in quality assurance activities needs to be thought about, planned, and practical solutions need to be found.

As of June 2023, Grameenphone is the largest mobile operator in rural Bangladesh in terms of customers, and its market share is about 43.76 percent,



followed by Robi (Axiata) at 30.3 percent, Banglalink at 22.5 percent, and Teletalk at 3.5 percent. Mobile internet provided by these mobile operators is the way for about 90 percent of users to access the internet. According to Grameenphone, by the end of 2023, Grameenphone had 46.6 million internet users, which was 57 percent of its total subscriber base; 4G data usage increased by 10.1 percent compared to the previous year. Data revenue increased from 25.6 percent of total revenue in the previous year to 29.1 percent.

Bangladesh's digital mobile voice communication was launched with 2G in 1996, followed by 3G with video calling and high-speed data facilities in 2013. In 2018, the 4G system with even higher speed and advanced technology was launched. In Bangladesh, about 34.34 percent of mobile connections are still dependent on 2G networks, which only support voice calls and text messaging services, while India has 8.38 percent of 2G users and Bhutan has 8.02 percent. One of the reasons for

There has been little progress in the commercial implementation of 5G.

PHOTO: STAR

this is the lack of 4G service everywhere and the inability to buy handsets that support it.

The world is currently accelerating the transition to 5G. 5G employs a revolutionary network design that offers ultra-high-density connection, millisecond-level latency, and peak bandwidth exceeding 10 Gbit/s. Cloud computing, big data, and artificial intelligence technologies are all intricately linked with 5G. It serves as the foundation for the digital revolution in every sphere of existence.

Teletalk Bangladesh Limited was the first to launch 5G services on a trial basis in December 2021. Of the remaining three mobile operators, Banglalink Digital Communication Limited launched 5G services on a trial basis in selected locations in July 2022, while Robi Axiata Limited and Grameenphone Limited launched 5G services on a trial basis in selected locations in September 2022.

However, there has been little progress in the commercial implementation of 5G.

It has been stalled due to infrastructural constraints, lack of customer readiness, delays in spectrum allocation, inability to purchase 5G-enabled handsets, uncertainty about investment protection for operators, etc. According to the BTRC Annual Report 2022-23, the BTRC was supposed to oversee the identification of suitable areas for 5G and set a target for the commercialisation of 5G services by 2024-25.

In the telecommunication sector of Bangladesh, apart from the dependency created by different levels of licensing, the lack of data centres and cache servers from internationally renowned and widely used service providers, the inability to provide data at the customer level quickly, the delay in expanding infrastructure due to uncertainty of investment protection, etc., are accompanied by the imposition of unreasonable levels of VAT and taxes on these services.

Recently, the National Board of Revenue (NBR) has taken the initiative to increase the supplementary tax on mobile phone usage from 20 percent to 23 percent. However, just six months ago, it was increased from 15 percent to 20 percent. Currently, customers pay Tk 138 for a mobile voice or internet service of Tk 100, which includes VAT, supplementary duty, and surcharge. When additional taxes such as revenue sharing and minimum tax are added, the total tax burden is more than 54 percent, the highest in the world, which has generated a huge response among stakeholders (January 8, 2025, *The Daily Star*).

The good part is that BTRC has recently started discussions with stakeholders. It is being reported that initiatives are being taken to identify problems at various levels. It is also seen that steps are being taken to ensure the quality of service. However, this sector, which is made up of many stakeholders, will not be solved by the efforts of just one or two parties—it will require sincere cooperation from everyone. Service providers should come out of the mindset of only increasing revenue, the regulatory authority needs to abandon the idea of needless mediation, and the citizens of the state should be at the centre of everything, as they are entitled to receive services without hassles.



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৩৫ বছরে পদার্পণে  
প্রাণচালা  
**অভিনন্দন**

প্রবাসী (NRB) ও স্বদেশীদের বিনিয়োগে বাংলাদেশের বৃহৎ আবাসন প্রকল্প  
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প্রবাসী পল্লী গ্রুপ  
প্রবাসী ও স্বদেশীদের জন্যে  
কর্পোরেট অফিসঃ আহমেদ টাওয়ার, (লেভেল-১২), ২৮ ও ৩০ কামাল আতাতুর্ক এভিনিউ, বনানী, ঢাকা-১২১৩।  
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