Star BUSINESS

New telecom policy trims licensing categories to four

BTRC begins drafting guidelines to roll out the simplified rules

MAHMUDUL HASAN

The Bangladesh Telecommunication Regulatory Commission (BTRC) has started preparing new guidelines under the Telecommunications Network and Licensing Policy, which came into effect last week with the gazette publication.

The new policy marks the formal end of the International Long Distance Telecommunication Service (ILDTS) Policy 2010.

That framework had been introduced to regulate international gateways and curb illegal internet-based voice over internet protocol (VoIP) calls, but became increasingly outdated as technology advanced.

"Under the new licences, there will be four categories, while there was more than a dozen previously. We have already formed committees to formulate guidelines accordingly," said Maj Gen (retd) Md Emdad ul Bari, chairman of the BTRC.

He said the regulator will discuss with operators and other stakeholders before drafting the guidelines, followed by a public consultation.

The BTRC chairman said the final one will then be sent to the posts and telecom division for approval.

SIMPLER LICENSING

The new policy replaces a fragmented structure with a single set of rules that apply regardless of the technology used. It looks to attract foreign investment and speed up the country's shift to digital services.

According to the new policy document, the previous multi-tiered licensing regime has led to overlapping regulatory mandates, inefficiencies in governance, and a distorted competitive environment.

Over the years, separate licences were issued for international gateways, interconnection exchanges and internet hubs. It created overlapping functions, higher compliance costs and slower innovation.

The new policy abolishes these layers. Where there were once more than a dozen licences, the new framework creates four main types.

Those are access networks such as mobile network and broadband operators, national infrastructure that includes telecom towers and

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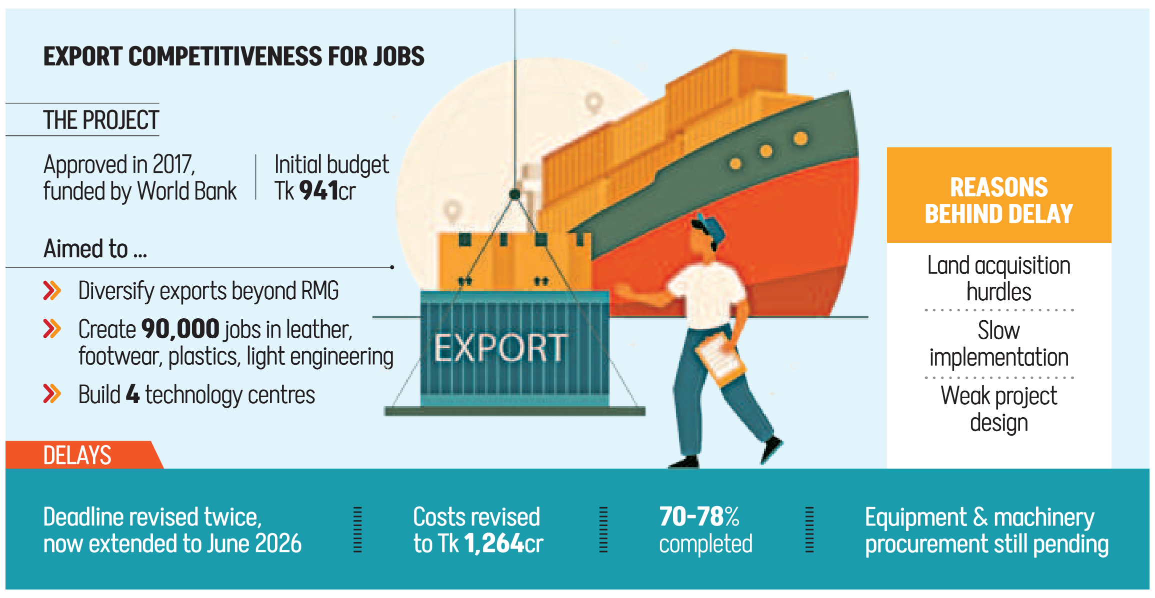
Export diversification project gets delayed again, cost rises 34%



MD ASADUZ ZAMAN

The long-awaited Export Competitiveness for Jobs (EC4J) project, designed to diversify the country's export basket, has been delayed for a second time, with its deadline now pushed to June next year and costs revised upward.

Initially approved in 2017 with a budget of Tk 941 crore, the World Bank-funded project was intended to strengthen competitiveness in leather, footwear, light engineering and plastics, while creating an estimated 90,000 jobs.

Costs have since climbed to Tk 1,264 crore, a 34 percent increase, according to planning ministry documents.

The delay comes as Bangladesh faces mounting pressure to expand its exports ahead of graduation from the Least Developed Country group in November next year.

Despite years of pledges to diversify, the country still depends heavily on ready-made garments, which account for nearly 82 percent of total merchandise shipments.

Earlier this month, the Executive Committee of the National Economic Council approved the third extension for the EC4J project.

The project, which is about 70-78 percent complete in eight years, is expected to establish four technology centres in Kaliakair and Kashimpur of Gazipur, Mirsharai of Chattogram, and Sirajdikhan of Munshiganj to provide local enterprises access to modern machinery, skills training, and business development services.

However, delays in acquiring land and procuring equipment stalled progress.

Speaking about the slow implementation, Md Abdur Rahim Khan, additional secretary of the commerce ministry and project director, said land acquisition for the technology centres consumed a lot of time as they couldn't work for about three months last year, which ultimately delayed construction.

When asked about project documents showing that the commerce ministry could not collect the necessary machinery for the centres on time, he said, "If construction isn't finished, where would you keep the machinery after purchasing?"

"Now that construction is almost finished, tenders will be prepared for procurement. Hopefully, it will be floated this month. Once that happens, we'll directly move into building installation along with procurement," he said, adding that exchange rate fluctuations, not fresh spending, had driven cost increases.

Regarding cost escalation, he said, "There is no extra money required. All of the money is going for equipment, machinery, software, and the remaining construction work. The cost increase actually happened because of the exchange rate difference.

"When the project was taken up, the exchange rate was probably around Tk 80–90. Now it's around Tk 122-124."

Although the project aims to diversify the export basket, the export data over the years since the project was taken up does not offer much hope.

In the fiscal year 2016-17,

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IMED suggests reforms to speed up projects

REJAUL KARIM BYRON

The Implementation Monitoring and Evaluation Division (IMED) under the planning ministry has put forward a 15-point reform package to ensure the timely and efficient execution of development projects.

Key proposals include creating a pool of skilled project directors (PDs) and offering performance-based incentives.

The recommendations were shared yesterday at a high-level meeting chaired by Planning Adviser Wahiduddin Mahmud, with senior officials from multiple ministries and divisions in attendance.

Despite the government's pledge to speed up project execution from the start of the fiscal year, Annual Development Programme (ADP) implementation in the first two months lagged 20 percent behind the same period last year.

Political instability was cited as a major factor behind last year's slowdown.

One of the meeting's central concerns was the shortage of competent PDs. IMED proposed setting a clear policy for the appointment and transfer of project directors, alongside bonuses and awards to improve motivation.

The division also stressed the need for specialised training in project planning, financial management, procurement laws, and the Bangladesh Public Procurement Rules to build a strong PD pool.

"Project directors should be selected from officials with academic

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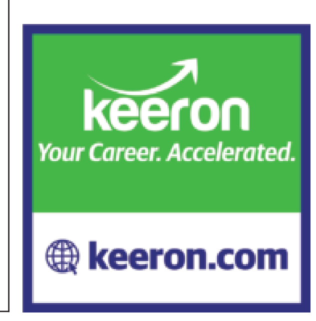

EPA talks with EU may conclude by 2028

Commerce secretary says

STAR BUSINESS REPORT

Bangladesh wants to finalise negotiations on an Economic Partnership Agreement (EPA) with the European Union by 2028, aiming to secure duty-free access to its largest export destination in the post-LDC period, Commerce Secretary Mahbubur Rahman said yesterday.

The negotiations are yet to start, but the government is preparing to initiate the process, he said at a seminar on the Bangladesh-US tariff issue organised by the Bangladesh Institute of International and Strategic Studies (BIISS) at its office in Dhaka.

The secretary said the highest level of the government has given approval to start the negotiation process with the EU for signing an EPA.

"It may take three years to conclude the EPA negotiations with the EU. The EU has already assured that it will allow zero-duty trade benefits for Bangladesh up to 2029, three years of grace period as it does for graduating Least Developed Countries (LDCs)," Rahman said.

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Rice prices may ease in coming months: report

STAR BUSINESS REPORT

Rice prices are likely to decrease in the coming months, according to a report by General Economics Division (GED) of Bangladesh Planning Commission.

The GED's Monthly Economic Update and Outlook report for September noted that rice inflation has kept prices above double digits since December 2024, reaching 15.52 percent in June this year.

Inflation for coarse, medium, and fine rice, the three categories based on grain size and shape, stood at over 15 percent for three consecutive months.

However, only medium rice was recorded at 13.95 percent in August, slightly lower than 15.32 percent in July.

Although higher yields of Boro season paddy, which accounts for over half of Bangladesh's annual rice output, since June had raised expectations of a drop in prices, the market did not reflect the improvement.

The GED observed that the government could have acted faster if real-time monitoring of production, demand, and stock had been available. Efforts, however, were taken in late July to address the market situation.

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Forex reserves hit $26.39b

STAR BUSINESS REPORT

Bangladesh's foreign exchange reserves hit $26.39 billion as of yesterday, according to calculations based on the International Monetary Fund's Balance of Payments and International Investment Position Manual (BPM6) method.

However, according to Bangladesh Bank's calculation, the amount was $31.27 billion.

Between September 1 and 23, inward remittances totalled $2.2 billion, a 17.6 percent rise year-on-year.

From July 1 to September 23, the country received $7.06 billion, an 18.2 percent year-on-year increase.

This upward trend has been fuelled by several factors—government incentives, including a 2.5 percent cash bonus on remittances through formal channels, stricter regulation against illegal hundi operations, and relatively stable exchange rates that favour official banking systems.

Higher earnings by Bangladeshi workers abroad—especially in the Middle East and Southeast Asia—have also contributed to the surge, reflecting a post-pandemic labour market rebound.

At the same time, export earnings, particularly from the readymade garments (RMG) sector, have shown signs of recovery, recording

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