



BANGLADESH TELECOMMUNICATION REGULATORY COMMISSION

Shetu Bhaban, New Airport Road, Banani, Dhaka-1212

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REGULATORY AND LICENSING GUIDELINES

FOR

NATIONWIDE TELECOMMUNICATION TRANSMISSION NETWORK

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BANGLADESH TELECOMMUNICATION REGULATORY COMMISSION

DRAFT REGULATORY AND LICENSING GUIDELINES FOR NATIONWIDE TELECOMMUNICATION TRANSMISSION NETWORK LICENSE

1. INTRODUCTION

- 1.01 The Bangladesh Telecommunication Regulatory Commission ("the Commission") is empowered under section 36 of the Bangladesh Telecommunication Act, 2001 (Act No. XVIII of 2001) ("the Act") to issue Licenses for the operation and provision of telecommunication services, and to determine the eligibility criteria and other general terms and conditions of Licenses.
- 1.02 Having given due consideration to the principles of transparency, fairness, non-discrimination and all other relevant principles, the Commission has decided to issue Guidelines on Licensing Procedure of NATIONWIDE TELECOMMUNICATION TRANSMISSION NETWORK LICENSE envisaged in the Licensing (Procedure) Regulations, 2004.
- 1.03 These Guidelines, along with the terms and conditions of the License, should be read in conjunction with the Act, any subsequent legislation, and prevalent laws or sector policies framed by the Government, and other rules, regulations, decrees, orders, decisions, guidelines, directives and documents of general application issued by the Government or the Commission from time to time. The Act specifically provides that the establishment, operation or use of telecommunication system including radio apparatus and provision of telecommunication services in Bangladesh without a License is an offence, punishable with imprisonment or a fine or both.
- 1.04 These Guidelines may be withdrawn, revised, updated or amended from time to time, without any prior notice, to take into consideration various factors including, but not limited to, any threat to public health, National security and of Court orders.

2. INTERPRETATIONS AND DEFINITIONS

The interpretations and definitions of the terms used in these guidelines are annexed herewith as Appendix 1.

3. OBJECTIVES

- 3.01 These Guidelines are intended to provide an overview of the licensing and regulatory framework for Applicant(s) seeking to obtain License under these guidelines to develop, build, maintain and operate NATIONWIDE TELECOMMUNICATION TRANSMISSION NETWORK (NTTN) in Bangladesh. No person or business entity shall be allowed to develop, build, operate and maintain NTTN without a valid License issued by the Commission.

- 3.02 These Guidelines have been prepared taking into account the objectives of the Government to create Nationwide Telecommunication Transmission Networks with a view to separating Transmission Network Services and Access Network Services in future.
- 3.03 At present the metropolitan cities and towns are cluttered with hazardous overhead optical fibre / cables and there are access optical fibre / wired networks in the same area by the multiple ANS operators causing drainage to the national resources. Therefore, de-cluttering the city areas and towns, minimizing the wastage of national resources are also the objectives to create NTTN.

4. GENERAL REQUIREMENTS

- 4.01 The Licensee shall develop, build, operate and maintain the NTTN as provided in these guidelines.
- 4.02 NTTN licensees will be issued to the applicant (s) in addition to the existing Nationwide Optical Fibre Telecommunication Transmission Network License. These guidelines are applicable to the entity(s) applying for license(s) under these guidelines.
- 4.03 The following are the principal legal statutes governing the telecommunication industry in Bangladesh:
- (i) The Bangladesh Telecommunication Act, 2001 (Act No. XVIII of 2001).
 - (ii) The Wireless Telegraphy Act, 1933 (Act No. XVII of 1933) and The Telegraph Act, 1885 (Act No. XIII of 1885), for matters that are not covered by the Bangladesh Telecommunication Act, 2001.
 - (iii) Any Regulation/Directives/Instructions made or to be made by the Commission.
- 4.04 Applicant(s) shall be disqualified from obtaining a License if any provision listed in sub clauses (i) to (vii) below applies to its owner(s) or to any of its director(s) or partner(s) or to the Applicant(s) himself
- (i) he is an insane person;
 - (ii) he has been sentenced by a court under any law, other than this Act, to imprisonment for a term of 2 (two) years or more, and a period of 5 (five) years has not elapsed since his release from such imprisonment;
 - (iii) he has been sentenced by a court for committing of any offence under the Act and a period of 5 (five) years has not elapsed since his release from such imprisonment;
 - (iv) he has been declared bankrupt by the Court and has not been discharged from the liability of bankruptcy;
 - (v) he has been identified or declared by the Bangladesh Bank or by the court or by a bank or financial institution as a defaulter loanee of that bank or institution;
 - (vi) his license has been cancelled by the Commission at any time during the last 5 (five) years;
 - (vii) if prosecution is going on against the applicant(s) or its owner(s) or shareholder(s) or any of its director(s) or partner(s) for any violation of the Act or license conditions or any other illegal activities.



5. ELIGIBILITY

- 5.01 Foreign shareholding is limited to maximum 60% (Sixty Percent). The foreign partner shall invest in foreign currency directly equal to his percentage of ownership and no bank loan from any Bangladeshi Scheduled Bank/ Financial institution/ Leasing Company can be raised for the foreign part of the investment.
- 5.02 For NRB (Non-Resident Bangladeshi), maximum 70% (Seventy Percent) of FDI (Foreign Direct Investment) is allowed. The Foreign investment shall be invested directly in foreign currency and no bank loan from any Bangladeshi Scheduled Bank/ Financial Institution/ Leasing Company can be raised for the foreign part of the investment.
- 5.03 NRB or foreign entity must have a Bangladeshi partner(s). A partnership/consortium of NRB and foreign entity without Bangladeshi partner(s) is not eligible. In case of NRB and foreign entity applying together with Bangladeshi partner, foreign equity from foreign entity shall not exceed 60% and the total foreign equity (both NRB and foreign entity) shall not exceed 70%. In any case Bangladeshi partner(s) shall hold minimum 30% equity.
- 5.04 The mobile operators (CDMA/GSM) and Broadband Wireless Access (BWA) Operators having license from the Commission and any of its existing shareholders (foreign/Bangladeshi) and any other company whose shareholders hold shares of any cellular mobile phone operator company and BWA Operators holding license from the Commission and any other person who is partner/director/shareholder of licensed mobile operators and BWA operators in Bangladesh shall not be eligible to apply for this license.
- 5.05 One entity will be allowed to get only one NTTN License. One person can apply for only one license either as an individual entity or as a partner or shareholder.
- 5.06 The Licenses will be awarded by the Commission to the applicants subject to fulfilment of the terms and conditions of these guidelines.
- 5.07 The licensee has to file for Initial Public Offering (IPO) within 05 (five) years of the issuance of license. The licensee shall not be allowed to transfer any share before issuance of IPO without prior written permission from the Commission.

6. AVAILABILITY OF THE LICENSING GUIDELINE

These guidelines are available at www.btrc.gov.bd.

7. DAY OF SUBMISSION OF APPLICATIONS

The interested entities can submit Application following these guidelines to the Commission from the date of issuance of these guidelines.

8. LICENSE AWARDING PROCESS

A selection method for the evaluation of applications based on submission of applicant's documents shall be used to evaluate the Applicant(s). The Commission, upon evaluation, will award the license to the appropriate Applicant(s) who shall fulfil the eligibility criteria, terms and conditions of these guidelines to develop, build, operate and maintain NTTN in Bangladesh.

9. NETWORK DESIGN AND PUBLIC WORKS

- 9.01 The Licensee(s) is authorized to develop, build, operate and maintain NTTN to provide nationwide telecommunication transmission network services to the ANS Operators, Licensed Telecommunication Operators and to other authorised users. NTTN licensees are permitted to use cable, optical fibre and any other wire based technologies to provide NTTN service. Shall there be any necessity to deploy wireless/laser and other new technology based network to provide NTTN service, the licensee(s) must take prior permission from the Commission before deployment of such network in the country.
- 9.02 NTTN Licensee shall have the obligation to develop, build, operate and maintain the NTTN minimum up to Upazila Headquarters throughout the country as per the rollout obligation. Network must have Nodal Points for connection up to Upazila Headquarters
- 9.03 The Licensee(s) shall have the option to develop, build, operate and maintain last mile network up to the end users. NTTN Licensees will not provide telecommunication services directly to the end users. ANS Operators and Licensed Telecommunication Operators can use the NTTN resources to provide telecommunication services to the end users.
- 9.04 The Applicant(s) shall indicate its proposed technology, network topology and it's, designed system capacity in the Network Rollout Plan that can be utilized by the users in a particular Upazila Headquarters. The Licensee shall not connect to the system(s) any equipment or system that does not comply with the standard telecommunication equipment/system.
- 9.05 Prior to any installation or maintenance work on the systems, the licensee(s) shall obtain all necessary permissions from the relevant authorities or Governmental departments for works on land owned or controlled by any Government or local authority or statutory body and from the relevant owner or occupier for works on any private land.
- 9.06 The Licensee(s) shall undertake and complete all installation and maintenance work diligently observing the need for public safety in compliance with local laws and regulations.
- 9.07 If third party owned property is affected as a result of the installation and/or maintenance work, the Licensee(s) shall seek the applicable third party's consent prior to displacing or hindering with telecommunication lines, gas or water pipes, drains or sewers, or tubes, casings, ducts, wires or cables or other third party property or equipment.
- 9.08 The Licensee(s) shall be solely liable for any losses, damages, claims, costs or expenses caused, arising from or in connection with any installation and/or maintenance work in public and private areas.

10. SCOPE OF THE LICENCE

- 10.01 The Licensee(s) shall develop, build, operate and maintain its NTTN system anywhere in the entire country under these Licensing Guidelines.



10.02 The license(s) will Lease out / Rent out the Licensees' NTTN resources to the ANS Operators, Licensed Telecommunication Operators and to other authorised users for a specified Lease Term / Rental Term not exceeding NTTN's license duration.

10.03 The licensee(s) shall obtain permission from the Commission before making any lease agreement. The Licensee(s) will entitle the Lessee for sharing or sub-leasing of any of its leased systems or any apparatus or facility to others without any discrimination. The Licensee(s) shall file all concluded lease agreements with the Commission.

10.04 The Licensee(s) shall keep provisions in the lease agreement so that:

(a) the lessee has an obligation to connect the NTTN to the systems of any other operator licensed by the Commission and the lessee will ensure compatibility.

(b) the lessee complies with the requirements and approval of tariff by the Commission.

11. DURATION OF THE LICENSE

The duration of the License(s), shall initially be for a term of 15 (fifteen) years. Upon expiry of the initial term, the License(s) may be renewed for subsequent terms, each of 5 years in duration, subject to the approval from the Commission and to such conditions.

12. SHARING OF FACILITIES

12.01 The Licensee(s) shall comply with the directions of the Commission on network and facility sharing. All the licensed operators shall share the infrastructures as per Infrastructure Sharing Guidelines issued by the Commission. The pricing for sharing infrastructure shall be as per Infrastructure Sharing Guidelines of the Commission.

12.02 Where it deems necessary, the Commission may direct the Licensee to share facilities and/or infrastructure with other Licensee(s) and the Licensee shall cooperate and work with other Licensee(s) to submit plan for sharing of facilities/infrastructure to the Commission.

13. CONNECTION AND INTEROPERABILITY

13.01 The Licensee(s) shall provide the connection arrangement and facilities to ANS Operators, Licensed Telecommunication Operators and to other authorised users with equipment and technology at the Nodal Points of the NTTN. NTTN systems must be interoperable with the existing standard telecommunication technologies, equipment and system(s) being used in Bangladesh by other operators.

13.02 Licensee(s) shall insert clauses in the Lease agreement so that the Lessee provides connection facilities or access through leased lines of required capacity to ANS Operators, Licensed Telecommunication Operators and to other authorised users without any discrimination.

13.03 The Licensee shall keep sufficient provision of followings in the Lease Agreement, expressing the Lessee's obligation to the Commission to

- (a) comply with all technical standards set by the Commission to be interoperable with the existing and future telecommunication technologies and equipment to ensure services as mention in these guidelines; and
- (b) comply with all other access and connection obligations as stipulated by the Commission or as issued by the Commission from time to time.

14. ROLL OUT OBLIGATION

14.01 Roll out obligation is applicable to the NTTN Licensee(s) who shall obtain license under these guidelines. Rollout obligation period shall be counted from 180 days after the issuance of license. The other conditions of the guidelines shall remain same. The roll out obligation is appended below:

- (a) The licensee(s), within 1st year of issuance of license, shall have to provide NTTN connectivity covering up to 5% Upazilas Headquarters.
- (b) The licensee(s), within 2nd year of issuance of license, shall have to provide NTTN connectivity covering up to 10% Upazilas Headquarters.
- (c) The licensee(s), within 3rd year of issuance of license, shall have to provide NTTN connectivity covering up to 20% Upazilas Headquarters.
- (d) The licensee(s), within 4th year of issuance of license, shall have to provide NTTN connectivity covering up to 30% Upazilas Headquarters.
- (e) The licensee(s), within 5th year of issuance of license, shall have to provide NTTN connectivity covering up to 40% Upazilas Headquarters.
- (f) The licensee(s), within 10th year of issuance of license, shall have to provide NTTN connectivity covering up to 100% Upazilas Headquarters.

15. FEES AND CHARGES

15.01 Following fees and charges shall be applicable to the Licensee(s). Some of the charges or part thereof shall be in proportion to the Licensees' annual audited gross revenue.

1	Application Fee	Tk 50 (Fifty) Thousand
2	License Acquisition Fee	Tk 3 (Three) Crore (BDT 30 Million)
3	Annual License Fee	Tk 25 (Twenty Five) Lac (BDT 2.5 Million)
4	Gross Revenue Sharing	0% for the 1 st year 1% for 2 nd and 3rd year 2% for 4 th and 5 th year 3% from 6 th year
5	Performance Bank Guarantee	Tk 10 (Ten) Crore (BDT 100 Million)

- 15.02 The Licensee(s) shall pay all the required fees within the stipulated time frame given hereafter. All fees, charges etc. paid by the Licensee(s) are non-refundable and are payable in favour of Bangladesh Telecommunication Regulatory Commission in the form of bank draft or pay order from any scheduled bank of Bangladesh mentioned in the Bangladesh Bank Order 1972.
- 15.03 **Application Fee.** The Application fee shall be Taka 50,000/- (taka fifty thousand) only in the form of pay order/bank draft.
- 15.04 **The License Acquisition Fee.** The License Acquisition Fee for NTTN Services License will be Taka 3 (Three) Crore. The license will be issued after payment of 50% of the said amount within 30 calendar days after notification of award of license. The rest 50% amount shall be paid within 3 (three) months from the date of license awarding notification.
- 15.05 **Annual License Fee and Gross Revenue Sharing.** From the 2nd year of issuance License(s), the Licensee(s), shall pay License Fee and Gross Revenue charges as mentioned below:
- (a) **Annual License Fee.** Taka 25 (Twenty Five) Lac (BDT 2.5 Million) is payable by the Licensee(s) in advance on each anniversary of the date of the License.
 - (b) **Gross Revenue Sharing.** No Revenue (0%) shall be shared for the first year. A sum equivalent to 1% of the annual audited gross revenue of the Licensee(s) for the 2nd and 3rd year, 2% for 4th and 5th year, 4% for each of the subsequent years, which shall be paid on a quarterly basis within the first 10 days at the end of each quarter. The total amount shall be reconciled on an annual basis based on the Licensee's audited accounts for that year and if there has been any underpayment, the balance must be paid within 90 days of the financial year-end of the Licensee(s). In the event of any overpayment by the Licensee(s), the Licensee(s) may set off any excess amount against quarterly payments in the next year. The percentage of revenue to be shared may be changed from time to time by the Commission and the licensee(s) shall abide by it.
- 15.06 The annual license fee and the amount of revenue to be shared has to be paid within due time. The amount due may be paid till 60 (sixty) days after the due date by paying late fee at the rate of 15% per annum as compensation to the Commission. If the amount is not paid within the 60 days as stipulated, If the amount along with late fee is not paid in full within 60 (sixty) days from the due date, such failure may result in cancellation of the license .
- 16. PERFORMANCE BANK GUARANTEE**
- 16.01 The licensee(s) shall submit Bank Guarantee of Taka 10 (Ten) Crore (BDT 100 Million) in favour of Bangladesh Telecommunication Regulatory Commission within 30 (Thirty) days from the date of issue of the license.
- 16.02 As security for the performance of Licensees' obligation, the Licensee(s) shall deliver to the Commission an unconditional bank guarantee for the amount of Taka 10 (Ten) Crore (BDT 100 Million) only with a validity of 10 (Ten) years from the date on which the License shall come into force, in a prescribed form issued by a scheduled bank [Schedule to the Bangladesh Bank Order, 1972 (P.O. No. 127 of 1972)]
- 16.03 The bank guarantee will be encashed as per the roll out target obligation as stated in clause 19.

17. TARIFFS AND PRICING

- 17.01 The Licensee(s) shall, before providing any NTTN Services in the form of sharing/leasing /rent out, submit to the Commission in writing:
- (a) tariff chart / schedule containing the maximum and minimum charges that it proposes to charge for the NTTN services, and its justification for the charges.
 - (b) the description of the NTTN services, the terms and conditions and all other relevant information which it proposes to publish to its customers. The information to be published must be in a form that is readily available, current and easy to understand.
 - (c) Customer's application forms for NTTN services.
 - (d) The Licensee(s) shall not start providing any services before obtaining the approval of the Commission for its tariff and shall comply with conditions as may be imposed by the Commission.
 - (e) The Licensee(s) shall obtain the written approval of the Commission before making any changes to the approved tariff charges.
- 17.02 For subsequent sharing/leasing of NTTN resources the Clause 17.01 is also applicable to the ANS Operators, Licensed Telecommunication Operators and other authorised users.

18. ACCOUNTS

- 18.01 The Licensee(s) shall maintain separate accounting for the Lease asset and other records, in accordance with acceptable accounting practices. The Commission reserves the right to issue accounting guidelines to the Licensee(s) from time to time.
- 18.02 The Licensee(s) shall comply with all directions issued by the Commission with regard to accounting separation and the proper allocation of costs.
- 18.03 The Licensee(s) shall submit certified copies of its financial records with respect to the Lease assets and yearly audited financial statement of the company that will contain its balance sheet, profit and loss account, cash flow statements. The Commission shall have the access to originals of such records and accounts.
- 18.04 The Licensee(s) shall provide an auditing facility that can be accessed by the Commission to verify the reported services revenues. The Commission shall have the access to computerized accounting system of the licensee(s) as and when deemed necessary by the Commission.
- 18.05 All financial transactions (in local and foreign currency) in relation to the License must be through Scheduled Bank(s) mentioned in the Bangladesh Bank Order, 1972. The Licensee(s) shall inform the Commission of the details of the accounts in operation. The Licensee(s) shall have to submit monthly statement of all the accounts to the Commission within 10th day of the following Gregorian calendar month.
- 18.06 The Commission or any person authorized by the Commission shall take copies of records, documents and other information relating to the licensees' business related to the lease Assets for the purpose of enabling Commission to perform its functions under the Act and provisions in the license.



19. REDUCTION OF PERFORMANCE BANK GUARANTEE (PBG) AMOUNT

- 19.01 If the rollout obligation targets are not met, the Commission shall call on the Guarantee for the amount indicated below for reduction in favour of the Commission:

Year	% Reduction in PBG Amount	Amount to be Reduced
1st	10%	Taka 1.00 Crore [BDT 10.0 Million]
2nd	10%	Taka 1.00 Crore [BDT 10.0 Million]
3 rd	10%	Taka 1.00 Crore [BDT 10.0 Million]
4 th	20%	Taka 2.00 Crore [BDT 20.0 Million]
5 th	20%	Taka 2.00 Crore [BDT 2.00 Million]
6 th -10 th	30%	Taka 3.00 Crore [BDT 3.00 Million]

- 19.02 Any reduction in the value of the Guarantee shall not have effect unless the Licensee(s) has submitted a request for reduction and the Commission has confirmed in writing the reduction.

20. REQUIREMENTS FOR APPLICATIONS

The applicant shall submit Application for NTTN License to the Commission in the prescribed form duly filled in, signed and sealed, together with all the necessary documents and information. The papers/documents to be submitted by the applicant are appended herein below as Appendix 2, Appendix 3, Appendix 4 and Appendix 5.

21. INFORMATION, INSPECTION AND REPORTING

- 21.01 The Licensee(s) shall furnish necessary information and other related matters as may be sought by the Commission from time to time.
- 21.02 The Commission or any person authorized by the Commission shall have unfettered right and authority to take the copies of records, documents and other information relating to the Licensees' business, for the purpose of enabling the Commission to perform its functions under the Act and provisions of these Licensing Guidelines.
- 21.03 The Commission or its authorized representatives shall have free access to the installations and equipment of the licensee and shall have each and every right and authority to inspect such installations at any time and the Licensee shall always provide all sorts of cooperation and assistance including but not limited to use of suitable office accommodation for the purpose of inspection, tests and monitoring.
- 21.04 Licensee(s) shall furnish to the Commission on quarterly basis the information on the type and capacity of its installations, the number of active users, the number and type of connectivity, pending demand, quality of service (QoS) reports, traffic data of each installation as well as the type and capacity of the transmission links owned and taken on lease. In addition, the Licensee shall also be required to furnish any information on systems and services any time if asked by the Commission.
- 21.05 The Licensee(s) shall publish Annual Report of the company within 3 (three) months of the end of each financial year. The Commission may, from time to time, issue guidelines for the purpose as regard its contents, which will be obligatory on the



Licensee(s) to follow. In addition, the Licensee shall submit to the Commission 5 (five) copies of the audited financial statement of the company that will contain its balance sheet, profit and loss account, cash flow statements, plant capacity of Nodal Points, number of subscribers connected or waiting for connection etc.

22. TRANSFER, ASSIGNMENT AND PLEDGE AS SECURITY

- 22.01 The Licensee(s) shall take prior written permission of the Commission to take any loan. The License(s) shall not be assigned or pledged as security.
- 22.02 This License and any right accrued hereunder shall not be transferred, wholly or partly, and as such transfer, if any shall be void.
- 22.03 The Licensee(s) shall not subcontract out any part of the System without prior written permission of the Commission. The Licensee(s) may appoint agents or independent contractors or subcontractors to carry out works or provide services which enable the Licensee(s) to discharge its duties and obligations under this License provided always that the Licensee(s) shall be liable for any act, omission, default, neglect or otherwise of the agents and independent contractors or sub-contractors in carrying out any such works or providing NTTN services.

23. CANCELLATION, SUSPENSION, REVOCATION AND FINES

- 23.01 The Commission may, in any of the events specified in Section-46 of the Act, suspend or cancel all or any part of this Licence and / or impose fine as mentioned in Section-46(3) of the Act. The License may be cancelled for any reason(s) including but not limited to those described below:
- (a) in the event of the Licensees' liquidation, bankruptcy or state of insolvency, or in the event that an application for declaration of bankruptcy or similar declaration or order is filed by the Licensee(s) itself or a third party against the Licensee(s);
 - (b) in case the Licensee(s) ceases to carry on business mentioned in the license; or
 - (c) in case the Licensee refrains from complying with any decision or written directive of the Commission.
- 23.02 The Commission may also impose fine under Section-63(3) and Section-64(3) of the Act for any violation of any condition of the Licence.
- 23.03 In the event of such suspension, cancellation or revocation of the Licence(s), the Commission may engage any agency or administration at an agreed fee to operate and maintain the system and services in order to continue the traffic through the NTTN. The Licensee(s) shall not have any claim for any compensation and any right on the revenue for the same and also shall not bear the cost of the same.
- 23.04 Cancellation of License for any reasons whatsoever shall not prejudice any other legal rights or remedies of the Commission conferred by the Act or any other law for the time being in force or the License. Cancellation shall not relieve the Licensee(s) from any obligations accrued and due under any law or this License.



24. CHANGES IN MANAGEMENT STRUCTURE

- 24.01 The Licensee(s) shall seek written approval of the Commission before making any change in its ownership or shareholding. Any change in the ownership or shareholding shall not be valid or effective without the prior written approval of the Commission.
- 24.02 The Licensee(s) shall neither transfer any share nor issue new shares without prior written permission of the Commission.
- 24.03 Any breach of the above conditions contained in this license shall result in cancellation of the license.

25. ANTI-COMPETITIVE CONDUCT, UNFAIR COMPETITION AND DISCRIMINATION

- 25.01 **Anti-Competitive Conduct:** The Licensee(s) shall not engage in anti-competitive conduct which in the view of the Commission inhibits or impedes fair competition including exploiting a position of dominance such as to unreasonably restrict competition. Acts of anti-competitive conduct include, but not limited to, the following:
- (a) Engaging in predatory price cutting which may be implied where:
 - (i) a service is priced at less than marginal costs for 2 (two) consecutive months;
 - (ii) such costs are likely to price competition out of the market or deter competitors from entering the market;
 - (iii) the Licensee(s) is able to recoup the full amount of the loss incurred during the period of price cutting;
 - (iv) engaging in cross subsidizing where the revenues for a service is used to unfairly cross subsidize the price of other services or equipment;
 - (v) engaging in unfair pricing such as to reduce or eliminate competition including fixing prices for services or equipment at a level which cannot be re-sold with a margin of profit to subscribers;
 - (vi) entering into exclusive arrangements which deny competitors access to services or equipment.
- 25.02 **Unfair Competition:** The Licensee(s), on his own or through a third party, shall not engage in any practice which unfairly restricts or is likely to restrict existing competition in the national telecommunications industry or which deters or restricts or is likely to deter or restrict new Licensee(s) into the national telecommunications industry including, but not limited to, engaging in the following practices:
- (a) asserting false or misleading claims on the availability, price or quality of its services or systems or the services or systems of any other Licensee(s) or competitor(s);
 - (b) degrading the availability or quality of a Licensee(s) or competitor's services or systems or unfairly raising their business, operational or technical costs;

- (c) unlawfully interfering with the suppliers or subscribers of the Licensee(s) or its competitor(s); or
- (d) providing false or misleading information to other Licensee(s) or competitor(s) or to any third party.

25.03 **Discrimination:** The Licensee(s) shall not discriminate or create any inconvenience to any person, group or class of persons, nor shall it give any unfair or unreasonable preference to itself or any other person in, amongst other things, the performance, price, terms and conditions of the services provided.

26. FRANCHISING

26.01 The Licensee(s) shall provide the Commission with all relevant information on proposed franchisees including the proposed franchising area, the background, financial standing and experience of the franchisee, at least 6 weeks prior to their appointment or engagement for approval. The Commission shall review such information, issue directions and/or disallow the appointment of the franchisee by the Licensee(s).

26.02 The Commission may at any time request for more information on the proposed franchisee or direct the Licensee(s) to provide documentary evidence on various matters including the financial standing of the franchisee.

26.03 The Licensee(s) shall ensure that its franchisees comply fully with all the conditions of this License and all applicable laws.

26.04 The Licensee(s) shall remain at all times fully accountable and liable for any act, Commission, default, and neglect or otherwise of its franchisees.

27. LAWFUL INTERCEPTION (LI) AND MONITORING COMPLIANCE

27.01 LI compliance will be decided in consultation with National Monitoring Committee (NMC) and the Commission, and the same will be communicated to the Licensees.

27.02 License shall provide an appropriate network management system with relevant software including software licensee(s) and hardware to the NMC and to the Commission for monitoring the NTTN.

28. NATIONAL EMERGENCIES

28.01 Licensee(s) shall facilitate and cooperate with all relevant government bodies, departments and official agencies for the continuity of traffic through the NTTN in the event of National emergencies or where issues of National security arise.

28.02 In the event of any war or war situation, internal National disorder (including strikes), urgent state affairs or situations demanding National security, the Government may use equipment and the systems used by the Licensee(s) for telecommunication purpose.

28.03 In case of National emergency, declared by the President, the Government may suspend any particular activity of the Licensee(s), to the extent that it does not materially hamper the business of the Licensee(s).

29. DISPUTE RESOLUTION

In the event of any differences or disputes with other telecommunication operators and failure to resolve the differences or disputes among themselves, the Licensee(s) may refer the matter to the Commission for resolution of the same. The Commission may decide as it consider appropriate to resolve the dispute and the same shall be binding on the concerned parties.

30. AMENDMENTS

The Commission has the right to change, amend, vary or revoke the terms in the license, which has relevance to exercising powers of the Commission provided in the Act, upon notice to the licensee(s), informing the reasons for the proposed change and the time, which shall not be less than thirty (30) days, to reply to the notice. If no reply is received within the stipulated time, the amendments shall take effect on the next day of the stipulated time. If a reply is received, the Commission shall consider the reply and notify the licensee(s) within thirty (30) days of the reply of its decision to either (a) rescind the amendments or (b) modify the amendments or proceed with the proposed amendments, in which case the amendments shall take effect on the 15th day after the date of the Commission's second notice. The licensee(s) shall comply with all new terms and conditions imposed by the Commission.

31. SCOPE OF THE EXISTING LICENSEES

- 31.01 The existing Mobile Operators (CDMA/GSM), Broad Band Wireless (BWA) Operators and other Operators having license (s) from the Commission will be allowed to continue their services according to their licensing terms and conditions.
- 31.02 ANS Operators will not be permitted to build optical / wired backbone transmission network if such networks of other operators and NTTN operators are already available for utilization. Incumbent operators may take necessary measures to augment the capacity of existing optical / wired backbone transmission network for sharing as per Infrastructure Sharing Guidelines of the Commission.
- 31.03 Operators shall jointly develop, build, maintain and operate optical / wired backbone transmission network if such networks are not available in a particular zone /area. However, an individual operator may build optical / wired backbone transmission network with the permission of the Commission. NTTN licensee(s) should be given preferences over other operators to build transmission network where both NTTN as well as other operators plan to develop such network.

32. MISCELLANEOUS

- 32.01 The Licensee(s) shall comply with all terms and conditions of the License, applicable legislation including the Bangladesh Telecommunication Act, 2001 and any applicable subsidiary legislation and all directions issued by the Commission from time to time.
- 32.02 The Licensee(s) shall also comply with the provisions of any existing enactment, the rules and regulations made there under by the Government and/or the Commission, and the changes and modifications including any new enactments as may be considered expedient and necessary from time to time.



- 32.03 The Commission reserves exclusive right and authority to explain or interpret any provision of the License, if any confusion arises regarding the actual sense or import of any provision of the License. The explanation of the Commission shall be final and binding on the Licensee(s).
- 32.04 Violation of any of the conditions of the License shall render the License to be cancelled.
- 32.05 The Licensee(s) shall observe the requirements of any applicable international conventions on telecommunications to the extent that such a convention imposes obligations on Bangladesh unless expressly exempted by the Commission.
- 32.06 The Commission and / or any other Government departments shall not be liable for any loss, damage, claim, and charge, expense which may be incurred as a result of or in relation to the activities of the Licensee(s), its employees, agents or authorized representatives.
- 32.07 All correspondence shall be in writing and shall be sent to the Licensees' registered place of business. The licensee shall inform the Commission regarding any change in its address at least 7 (seven) days before the changed/new address takes effect.
- 32.08 The Commission reserves the right at its discretion to make the terms and conditions of the License publicly available in any medium and format whether on the Commission's or any other official government website, in any manner they deem fit.
- 32.09 Each provision of these Guidelines shall be interpreted in such manner as to be effective and valid under applicable law. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances. In the event that any provision of this guidelines shall be deemed to be unlawful or unenforceable, that provision shall be deemed severed from these Guidelines, but every other provision in these Guidelines shall remain in full force and effect. In substitution for any such provision held unlawful or unenforceable, there may be substituted a provision of similar import reflecting the original intent of the BTRC to the extent permissible under law.


30/11/08
Director

Legal and Licensing Division

APPENDIX-1

Definitions: Unless the context otherwise requires, the different terms and expressions used in these guidelines shall have the following meaning assigned to them. The headings are given for the sake of convenience only and do not carry any special meaning. Definitions and interpretations not listed here shall bear the same meaning as contained in the Act and the International Long Distance Telecommunication Services Policy-2007.

1. **"Act"** means the Bangladesh Telecommunications Act 2001.
2. **"Access Lines"** means a DSO, E-1 or multiple thereof channel provided over the Licensees' fiber optic network connecting that network to telecommunications equipment on a customer's premises.
3. **"Access Network Service Operators (ANS Operators)"** means the PSTN, Cellular, Cable Service Provider, BWA Operators, ISPs and others who provide telecommunication services directly to the end users.
4. **"Application Form"** means a form prescribed for applying for the license for the operation of NTTN services.
5. **"ILDTS Policy 2007"** means the International Long Distance Telecommunication Services Policy 2007 of Bangladesh.
6. **"Connection"** means the visible or invisible or logical linking of telecommunication network.
7. **"Infrastructure"** means all telecommunication related equipment (Hardware and Software) including NTTN equipment.
8. **"Lease"** means providing authority to others for using telecommunication transmission facilities for telecommunication purpose in consideration for a rental.
9. **"Lease Term"** means the period for which the Lease is valid.
10. **"Lessee"** means any person or legal entity that receives the award of the lease.
11. **"Quarter"** means a period of three months.
12. **"Regulation"** means the regulations made from time to time by the Commission under the Act.
13. **"Systems or Lease Asset"** means the telecommunications system already built and to be built by the Licensee throughout the country.



APPENDIX-2

MANDATORY DOCUMENTS/INFORMATION TO BE PROVIDED BY THE APPLICANT

1. General Documents/Information:

Applicant(s) must furnish to the following information/documents (in English) as is applicable:

- 1.01 Letter of Application (in letterhead pad) ✓
- 1.02 Application Form (duly filled in , signed and sealed) ✓
- 1.03 Applicant(s)' Details ✓
- 1.04 Shareholders' Details ✓
- 1.05 List of the Other License(s) from the Commission (if any) ✗
- 1.06 Consortium Information (if any) ✗
- 1.07 Business Plan and Financial Projections ✓
- 1.08 Telecommunications Sector Experience
- 1.09 Network Rollout Plan ✓
- 1.10 Supplementary Documents to Support Applicant(s)'s Proposals (if any)
- 1.11 Original Receipt of Application Form's Fee ✓

2. Applicant(s)' Details

The following information in relation to the Applicant(s) must be contained in the Application:

- 2.01 name, registered office, date and place of incorporation, from the companies register (if applicable);
- 2.02 the issued share details of shareholders as at the date of lodging the Application, along with any proposals in this area;
- 2.03 full names and addresses of all directors identifying executive and non-executive positions, photocopy of pages of passport containing personal information / Voter ID Card; ✓
- 2.04 disclosure of any criminal record or personal bankruptcy of any person;
- 2.05 Certified copy of Memorandum and Articles of Association.
- 2.06 descriptions of principal business activity and principal place of business;
- 2.07 attested copy of the last three years annual audited accounts (if any);
- 2.08 summaries of financial results for the last five years (if any);
- 2.09 the name of a nominated contact person with duly attested signature including email, telephone, facsimile and postal contact details; ✓



- 2.10 any other matter which Applicant(s) consider that the disclosure or non-disclosure of which might materially affect the Commission's decision to award the license(s).

3. Shareholders' Details

Applicant(s) must provide information concerning their identity and composition of the Company. For each shareholder, holder of options, warrants, preference or loan capital or other security issued by the Applicant(s) the following information is sought:

- 3.01 name, registered office, date and place of incorporation;
- 3.02 principal places of business and description of principal business activity;
- 3.03 ultimate holding companies;
- 3.04 attested copies of last three years annual audited accounts (if any);
- 3.05 summaries of financial results for the last five years (if any);
- 3.06 photocopy of pages of passport containing personal information / Voter ID card of each shareholder.

Where any party holds shares or other securities in the Applicant(s) as a trustee or nominee this must be declared and the details requested above must be provided for the beneficial owner. Where the shareholder is a part of group, consolidated group financial information is also required. The Commission may request further information in this regard if it is thought to be necessary.

4. Consortium Information

Where the Applicant(s) is a consortium or joint venture the following additional information is required:

- 4.01 the role and contribution of each consortium member in terms of resources, experience or expertise;
- 4.02 the nature of the relationship between members including a copy and details of any joint venture agreement, memorandum of understanding or shareholder agreement;
- 4.03 the Applicant(s)'s details for the proposed management structure and corporate governance in the event it is awarded the License.



APPENDIX-3

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM FOR NTTN LICENSE

1. The prescribed Application Form annexed as Appendix-4 is the first and foremost instrument for obtaining NTTN Services License.
2. Unless otherwise indicated, all sections in the application form must be completed together with the supporting affidavit in Appendix-5. The completed application form and any supporting documents required should be sent to the address of the Commission in duplicate, together with one soft copy in CD containing the complete application in non scanned PDF Format. The application form and all supporting documents must be in English. All copies of original documents e.g. certificates of incorporation, must be certified as true copies by a notary public of Bangladesh.
3. The application must be made by the Applicant/ Applicant(s)'s authorized personnel. The Commission reserves the right to reject the application if it is found that the information or documents provided for, in this application are untrue, inaccurate or incomplete.
4. The License shall be awarded subject to the payment of License Acquisition Fee and any other relevant fees as laid down in the Licensing Guidelines.
5. All fees and charges for the NTTN License shall be as per these guidelines.
6. The License fees and other fees payable in connection with this application and the NTTN License(s) shall be paid in the form of Bank Draft/ Pay Order made in favour of Bangladesh Telecommunication Regulatory Commission. All payments must be made in BDT on/before the due date for payment.
7. The Commission reserves the right either to accept or reject any application submitted without assigning any reason thereof.
8. Consideration for approval of the application shall be based on information declared in the application form. Where it thinks fit, the Commission may seek clarification or request additional information from any applicant/entity arising from the application. Any delay in notification or response may also affect the time for a decision on the application including declaration as non responsive.
9. The Commission reserves the right to disclose any information submitted by Applicant(s) to any competent authority if the Commission deems the same necessary.
10. Checklist of documentation must be provided with all Applications. Full details are described in this guideline. This is only a checklist for reference:
 - (a) The Applicant(s) will submit 2 (two) copies of its application with all relevant documents of which 01(one) will be original while the other will be copy along with one soft copy in CD containing the complete application in non scanned PDF Format. Each page of the application including other documents have to be authenticated/ signed by authorized personnel.
 - (b) Certified copies of Memorandum and Articles of Association and Certificate of Incorporation for corporate Applicant(s).



- (c) Certified copies of share certificates demonstrating ownership interest in application (if applicable).
- (d) List of Directors with details of their shareholdings, and relation to other Operators and Applicant(s) for a License along with bio-data and photo.
- (e) List of Shareholders with details of equity ownership.
- (f) Summaries of financial results for the last five years (if any)
- (g) Up to date Income Tax Clearance Certificate (if applicable) and TIN/BIN Certificate (attested photocopy).
- (h) Business Plan and Financial Projection, Network Rollout Plan etc.
- (i) Application Fee.
- (j) Other mandatory documents/information to be provided by the applicant as stated in Appendix-2.



APPENDIX-4

BANGLADESH TELECOMMUNICATION REGULATORY COMMISSION

APPLICATION FORM FOR

[Section 36(5) of the Act 2001]

NATIONWIDE TELECOMMUNICATION TRANSMISSION NETWORK LICENSE

Sl.	Information Required	Information Furnished / Compliance
1.	Identity of Applicant(s) Name of Person / Company / Firm / Partnership / Consortium/Society as the case may be.	
2.	Business Address and Registered Office Address and Telephone Number, Facsimile Number, E-mail and Website details.	
3.	Business or Company's Structure Details For Applicant(s) that are corporate entities, include/ submit copies of certified true copies of Memorandum and Articles of Association and Certificate of Incorporation/registration or other equivalent documents. If Applicant(s) company is in the name of a consortium which includes one or more corporate members or partnerships, include/submit documents for each corporate member or partnership as applicable along with up to date clearance certificate of Income Tax (if applicable) for each and individual member of the consortium. If Applicant(s) company is a partnership, provide copy of partnership deed or equivalent documents. If Applicant(s) is a society or other organization, provide rules of society or equivalent documents. If the Applicant(s) is a Company/firm, provide documents of registration from the Registrar of Joint Stock Companies and Firms, as well as from the concerned Chamber of Commerce and Industries or equivalent trade bodies and also submit a clearance certificate of Income Tax paid (if applicable).	
4.	Contact Person's Name and Position The person should be an appropriate senior level individual i.e. Chairman, Managing Director, Chief Operating Officer, Chief Executive Officer, Chief Technical Officer, Chief Commercial Officer, who would be an appropriate point of contact for general and/or technical enquiries.	

5.	Contact Person's Passport No. and Country of Issue With Photocopy of the first six pages of the passport/pages contain personal information	
6.	Contact Number of the Contact Person (Telephone, Fixed & Mobile, Facsimile and E-mail)	
7.	Business Proposal and Other Information	
8.	Documents and Information (All documents and information as described in Appendix-2 and Appendix-3)	



APPENDIX-5

AFFIDAVIT

The undersigned, _____, of legal age, and residing
(Name of Official/Individual Applicant(s))

at _____ after having been duly sworn deposed states:
(Address)

1. That he/she is the _____
(Official Capacity)

of _____,
(Name of company/corporation/partnership/society/individual (the Applicant(s)))

duly organized under the laws of The People's Republic of Bangladesh

OR

That he/she is the Applicant(s) for the License referred to below (the Applicant(s)), a
citizen of The Peoples Republic of Bangladesh.

2. That personally, and as _____ for and on behalf
(Official Capacity)

of the Applicant(s) he/she hereby certifies:

a) That all statements made in the Applicant(s)'s application for a License to establish,
maintain and operate NTTN and in the required attachments to that application are
true and correct;

b) That this certification is made for the expressed purpose of an application by
_____ for a NTTN License from the Bangladesh
(Name)

Telecommunication Regulatory Commission;

c) The Applicant(s) will make available to the Commission or any other of its authorized
agencies any information they may find necessary to verify any item in the application
or regarding its competence and general reputation;

d) That the Applicant(s) (where the Applicant(s) is an individual) or the owner of the
Applicant(s) or any of its directors or partners (where the Applicant(s) is a company,
corporation, partnership or society);

(i) he is not an insane person,



- (ii) he has not been sentenced by a court under any law, other than the Act, to imprisonment for a term of 2 (two) years or more, and a period of 5 (five) years has not elapsed since his release from such imprisonment;
 - (iii) he has not been sentenced by a court for committing any offence under the Act and a period of 5 (five) years has not elapsed since his release from such imprisonment;
 - (iv) he has not been declared bankrupt by the Court and has not been discharged from the liability of bankruptcy;
 - (v) he has not been identified or declared by the Bangladesh Bank, by the court or by a bank or financial institution as a loan defaulter of that bank or institution;
 - (vi) any license of his has not been cancelled by the Commission at any time during the last 5 (five) years.
 - (vii) No prosecution is going on against the applicant or its owner(s) or any of its director(s) or partner(s) for any violation of the Act or license conditions or any other illegal activities.
- e) That no shareholder/director or a member of his/her family of the Applicant(s) in the capacity of an owner, shareholder, director or partner of any other company holds ANS Operator license from Bangladesh Telecommunication Regulatory Commission.

That the undersigned is the Applicant(s) or is duly authorized by the Applicant(s) to make these representations and to sign this affidavit.

Director/Secretary/Partner/Duly Authorized Representative/Attorney/Individual

as or on behalf of the Applicant(s)

WITNESSES

1. _____ 2. _____

Subscribed and sworn to before me

this _____ day of _____ 20 ____ at _____.

Notary Public

