

## **TAKING ADVANTAGE OF TECHNOLOGICAL DEVELOPMENT: Bangladesh Approves VOIP in Private Sector**

In its recent decision of November 10, 2003, the Cabinet of Bangladesh gave the private sector the permission to offer Voice Over Internet Protocol (VOIP) services. The approval of the commercial use of VOIP is a long awaited decision following two years of disagreement between the Government, the regulator and the ISPs. The proposal was introduced by the Bangladesh Telecommunications Regulatory Commission (BTRC) as part of its sector reform and liberalization efforts of the telecom sector. The government expressed an initial reluctance to legalize the service fearing revenue loss to the state run telephone company, Bangladesh Telephone and Telegraph Board (BTTB). This concern was addressed by giving the incumbent state-run operator the opportunity to be the first operator to start the service and by obliging the new licensees to generate and terminate calls using the (BTTB) international gateway.

The BTRC is entrusted with the task of issuing the licenses for the service as well as overseeing the operation of the system. The decision has been acclaimed as a landmark decision with far-reaching implications for a country with low teledensity. It promises cheaper international rates for consumers and a possible boost for ICT related services. The decision can also lead to improved access by helping the call center business to grow.

Boutheina Guerhazi

G-REX Advisor

Adapted from:

“Bangladesh Dials up Internet Phone Calls” BBC News, UK edition Monday, 10 November 2003, 22:15 GMT [http://news.bbc.co.uk/1/hi/world/south\\_asia/3259059.stm](http://news.bbc.co.uk/1/hi/world/south_asia/3259059.stm)