

Int'l telecom carriers threaten to halt payment to BTTB

Finance Minister agrees to cut TAR rate?

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As the telecommunication ministry has been dillydallying any decision on reduction of international tariff rates, international telecom operators have threatened to unilaterally withhold payment to Bangladesh Telephone and Telegraph Board (BTTB) and to settle future payments at much lower commercially viable rates.

Meantime, the BTTB held a

meeting with Finance Minister M Saifur Rahman on reducing Total Accounting Rate (TAR) on November 1. TAR is the amount that is shared equally by BTTB and foreign telecom firms through which the call is routed. The minister had reportedly agreed in principle to reduce the rate to fight illegal call-termination business and asked BTTB to prepare a report. Mysteriously, even after 19 days, minutes of the meeting have not

reached BTTB, further delaying the process.

And as days drag on and high call tariffs prevail, the country continues to bleed crores of taka every month in illegal call-termination business, using VSAT and BTTB landlines. Even a BTTB drive to disconnect outgoing calls of some shady internet service providers (ISPs) involved in call-termination did not make significant impact. Sources said the operators are now using

mobile phones with landline connection facility to do the business.

According to international telecom operators, calls routed through them to Bangladesh have been dangerously dipping. British and US operator partners of BT such as BT, ATT, MCI and Sprint which collectively send about 60 per cent of all international traffic to Bangladesh at a ratio of 1:8 (for every one call from Bangladesh, eight ca-

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overseas, witnessed a drastic fall in calls since illegal call-termination started last year. However, the situation improved a bit after TAR was reduced to 0.50SDR from 1.25SDR in August last year. But things changed for the worse since April this year as call-termination operators again became active.

According to BT, its incoming calls to Bangladesh at Sylhet gateway started dipping dangerously from 4.25 million minutes in March this year to only 3.57 million minutes in August. Sources said a number of shady ISPs in Sylhet is making millions of illegal call-termination. One of the firms got a stay order from court against BTTB's disconnection of its outgoing phone lines.

From the US to Dhaka gateway, the incoming calls dwindled to 1.76 million minutes in June from 2.39 million minutes in January this year.

With such developments, a number of international operators have threatened to withhold payments to BTTB for UK and US nodes till TAR is reduced. They would also make payments for the first quarter of last year on the basis of international fare which is about SDR 0.18.

The international operators are also pointing out that it has become very difficult for them to find bidders for routing calls to Bangladesh market at high TAR. According to the system, a local operator in a hub makes a projection of calls it can generate to Bangladesh and then invites bids from international call operators. The bidders make offers

at the highest rate quoted in the US hub for calls to Bangladesh, ie \$0.074 with the lowest being \$0.057 while Bangladesh has some realisticall

SDR 0.18. Such low quote by the operators make it plain fact that the call termination is thriving in the US hub, towards rates not yet applied to Bangladesh as of now, said a law.

International operators also say that Bangladesh should operate in FTTW mode, which is a system that would drastically reduce call charges. And the drop in tariff rate would be compensated by increasing call length and minutes, which will be seen after the reduction of TAR to 0.50SDR.