

Grant No. 47
54 - Ministry of Posts and Telecommunications
Medium Term Expenditure

(Taka in thousand)

	Budget 2010-11	Projection 2011-12	Projection 2012-13
Non-Development	385,55,50	466,00,00	508,00,00
Development	160,09,00	195,00,00	242,00,00
Total	545,64,50	661,00,00	750,00,00

1. Mission Statement and Major Functions

1.1 Mission Statement

To ensure postal and telecommunication services at affordable price for the people through application of modern technology and institutional development.

1.2 Major Functions

- (a) Establishment and maintenance of telecommunication network throughout the country;
- (b) To provide telecommunication services;
- (c) To provide postal services;
- (d) Supply of telecommunication equipments by the telephone industry;
- (e) To provide Post Office Savings Account service;
- (f) To provide Postal Life Insurance service;
- (g) Liaison with international organizations, protocols and agreements with other countries and international bodies related to Post and Telecommunication services.

2. Medium Term Strategic Objectives and Key Activities

Medium Term Strategic Objectives	Key Activities	Implementing Departments/Agencies
1. Development and expansion of telecommunication infrastructure	<ul style="list-style-type: none"> • Installation of digital telephone line/exchange at upazila and growth centres • Installation of telecommunication network based on Next Generation Network (NGN) and development of telecommunication network 	<ul style="list-style-type: none"> • BTCL
	<ul style="list-style-type: none"> • Expansion of internet information network 	<ul style="list-style-type: none"> • BTCL • BSCCL
	<ul style="list-style-type: none"> • Production of 	<ul style="list-style-type: none"> • TSS

Medium Term Strategic Objectives	Key Activities	Implementing Departments/Agencies
	telecommunication equipments	<ul style="list-style-type: none"> • BCS
	<ul style="list-style-type: none"> • Spectrum management 	<ul style="list-style-type: none"> • BTRC
2. Expansion of telecommunication services	<ul style="list-style-type: none"> • Introduction of 3G (Third Generation) networking technology and expansion of 2.5 G network 	<ul style="list-style-type: none"> • Teletalk
	<ul style="list-style-type: none"> • Expansion of value added service by providing network 	<ul style="list-style-type: none"> • BTCL • Teletalk
	<ul style="list-style-type: none"> • Increasing regulatory capacity of BTRC • Issuance of various types of telecommunication licenses 	<ul style="list-style-type: none"> • BTRC
3. Improvement of the standard of postal services by providing updated services	<ul style="list-style-type: none"> • Construction/reconstruction/expansion of Head Post Offices, Upazila Post Offices, Sub-Post Offices, and Rural Extra-departmental Post Offices • Delivery of letters, money orders, parcel, GEP and EMS (Express Mail Service) in the quickest possible time • Printing and sale of postal tickets and other stamps • Administration of savings and term deposits through postal savings schemes, issuance and encashment of savings certificates, operation of postal life insurance, collection of motor vehicle taxes, collection of fees and digitalization of other agency services • Introduction of Electronic Money Transfer Service for quick delivery of foreign remittance to the recipients 	<ul style="list-style-type: none"> • Postal Department

1. Poverty and Gender Reporting

3.1 Impact of Strategic Objectives on Poverty Reduction and Women's Advancement

3.1.1 Development and expansion of telecommunication infrastructure

Impact on Poverty Reduction: Telecommunication services can be reached at people's doorstep easily and at affordable prices through the implementation of programmes for development and expansion of

telecommunication infrastructure. This will ensure extensive development of ICT sector which, in turn, will create employment opportunities. Besides, availability of telecommunication service will increase the opportunities for the poor people to access education, health service, information and technology.

Impact on Women's Advancement: If the programmes, outlined in the strategic mid-term objectives, are implemented it will create employment opportunity for the women and expand scope for them to have education and better health care. In addition, women will have the opportunity to get training on ICT.

3.1.2 Expansion of telecommunication services

Impact on Poverty Reduction: If the programmes to improve telecommunication service are implemented it will foster the pace of development in the ICT sector and enhance the skill of the people employed in the informal sector. As a result, access to public services like education, health care and energy will increase. Also the use of information technology will increase the opportunity to participate in the income generating activities.

Impact on Women's Advancement: With the increase of telecommunication services the benefit of technological advancement will be easily available, which will expand the opportunity for the women to get education and health care services. In addition, training on information technology and use of knowledge gained from those trainings will reduce their working hour, create conducive working environment, increase their participation in the economic activities and improve their social status by increasing the level of awareness.

3.1.2 Improvement of the standard of postal services by providing updated services

Impact on Poverty Reduction: By providing updated services the economic activity of the people will increase as a result of improvement of postal services. The flow of information and technology spilled over upon the poor will enhance their skill through various trainings.

Impact on Women's Advancement: Opportunities for the women to get education and training will increase if activities are taken under medium term strategic objectives.

3.2 Allocation for Poverty Reduction and Women's Advancement

(Taka in Thousand)

Particulars	Budget 2010-11	Projection 2011-12	Projection 2012-13
Poverty Reduction	747,09,58	573,63,03	634,80,26
Gender	310,09,34	237,72,41	262,94,08

4. Priority Spending Areas/Programmes

Priority Spending Areas/Programmes	Strategic Objectives
<p>1. Increasing tele-access and tele-density through development of telecommunication infrastructure and extension of services:</p> <p>Development of telecommunication system is essential for overall development of the country including growth of GDP. Advantages of telecommunication can be reached at the doorstep of the people by improving telecommunication system through increased teledensity and teleaccess. Considering this phenomena increasing teleaccess and teledensity through development of telecommunication and extension of services are given the highest priority.</p>	<p>Strategic Objectives No. 1 Development and expansion of telecommunication infrastructure</p> <p>Strategic Objectives No. 2 Expansion of telecommunication services</p>
<p>2. Automation of postal services:</p> <p>There is no alternative to automation of postal services to make it of international standard. Therefore, with the aim of improving the quality of postal services, computerisation and automation of the department are identified as second in the priority list.</p>	<p>Strategic Objectives No. 3 Improvement of the standard of postal services by providing updated services</p>
<p>3. Improvement of existing postal services and introduction of updated services:</p> <p>It is very important to improve the quality of existing postal services and diversification of postal services and its products. It is a demand of the time to convert the rural post offices into Post e-Centre to connect the population with internet and other modern technologies. In this consideration, the activities are given third priority.</p>	<p>Strategic Objectives No. 3 Improvement of the standard of postal services by providing updated services</p>
<p>4. Infrastructure development of the Postal Department:</p> <p>In order to ensure safety of the hardware, software and other equipments installed for the automation and to create a favourable environment for both the service provider and the client this is considered as fourth priority area.</p>	<p>Strategic Objectives No. 3 Improvement of the standard of postal services by providing updated services</p>

Key Performance Indicators (KPIs)

Indicators	Related Strategic Objectives	Unit	Target 2008-09	Actual 2008-09	Target 2009-10	Revised Target 2009-10	Medium Term Targets		
							2010-11	2011-12	2012-13
1. Teledensity	1	%	-	34.38	38.00	38.00	40.00	45.00	50.00
2. Internet coverage (Internet density)	2	%	-	4.00	6.00	6.00	8.00	12.00	20.00
3. Maximum Delevery time	3								
a. Letter & Persel		Day	-	5	5	5	4	3	2
b. Money order		Day	-	5	5	5	4	3	2
c. Electronic money order		Minuite	-	-	-	30	20	15	10

5. Recent Achievements, Key Activities and Outputs of the Departments and Agencies under the Ministry

5.1 Bangladesh Postal Department

5.1.1 Recent Achievements: During the last three fiscal years through introduction of new services, expansion of existing services and quality improvement revenue income of the Postal Department increased by 3.89%, 15.66% and 19.72% respectively. During this period, under various development projects, 386 post offices were constructed/reconstructed/expanded and an automatic letter sorting machine was installed. In addition, steps were taken to strengthen treasuries at the post offices, new equipments were procured to digitalize the post offices and the postal printing press. Also, new training equipments, including computer laboratories, were installed at the Postal Academy and training centres.

5.1.2 Key Activities, Outputs related to the Activity, and related Strategic Objectives

Key Activity	Outputs related to the Activity	Related Strategic Objectives
1. Construction/reconstruction/expansion of Head Post Offices, Upazila Post Offices, Sub-Post Offices, and Rural Extra-departmental Post Offices	<ul style="list-style-type: none"> 1,776 Rural Post Office and 420 Head/Upazila/Sub/Extra-Departmental Post Office and other departmental buildings are constructed/reconstructed/extended 	3
2. Delivery of letters, money orders, parcel, GEP and EMS (Express Mail Service) in the quickest possible time	<ul style="list-style-type: none"> 500 mail carrier procured 7,490 staffs are trained 	3
3. Printing and sale of postal tickets and other stamps	<ul style="list-style-type: none"> Taka 1,948 crore postal tickets and other stamps are supplied 	3
4. Administration of savings and term deposits through postal savings schemes, issuance and encashment of savings certificates, operation of postal life insurance, collection of motor vehicle taxes, collection of fees and digitalization of other agency services	<ul style="list-style-type: none"> 739 computers and 584 machineries and equipments are procured to make the services technology based. 	3
5. Introduction of Electronic Money Transfer Service for quick delivery of foreign remittance to the recipients	<ul style="list-style-type: none"> Remittance services are introduced at the 400 post offices of various categories 	3

5.1.3 Output Indicators and Targets

Output Indicators	Unit	Actual 2008-09	Target 2009-10	Revised Target 2009-10	Medium Term Targets		
					2010-11	2011-12	2012-13
1. Post office (Cons./Re-cons./Extension)	Number	175	291	369	324	1,561	1,440
2. Postal Service							
a. Letter & Persel	Number in Lakh	20	20.66	22	22	25	30
b. Electronic money order service center	Number	100	0	500	500	1,500	3,000
c. Service center (Mobile center)	Number	-	-	-	-	1,700	1,700
3. Commercial deficit	Taka in crore	109.96	142.62	89.46	152.02	127.50	179

5.1.4 Forward Budget Estimates

(Taka in Thousand)

	Budget 2009-10	Revised 2009-10	Budget 2010-11	Projection 2011-12	Projection 2012-13
Non-development	308,96,12	371,52,37	379,05,50	459,00,00	500,00,00
Development	43,95,00	35,13,00	39,35,00	0	0
Total	352,91,12	406,65,37	418,40,50	459,00,00	500,00,00

5.1.5 List of Operation Units/Programs/Projects

Operational Unit/Project/Programmes	Related Key Activity
Operation Unit (non-development)	
1. Bangladesh Postal Department	1-5
Approved Programmes	
1. One-stop passport service	4
2. Collection of online motor vehicle taxes	4
Approved Projects	
1. Construction/reconstruction/expansion of 20 town sub-post offices in 4 metropolitan cities and construction of residential buildings of 80 units for the officers and staffs of Dhaka and Chittagong	1
2. Procurement and installation of new printing machine to strengthen the postal printing press	2-4
3. Modernization and strengthening the security system at the treasuries of 4 GPOs and 66 central post offices	4-5
4. Construction/reconstruction/expansion of post offices at Thana Sadar	1
5. development of rural postal services (4 th phase)	1
6. Automation of Bangladesh Postal Service	2, 4-5
7. Construction/reconstruction of old dilapidated buildings the Postal Department	1

Operational Unit/Project/Programmes	Related Key Activity
8. Strengthening the Postal Academy and 4 postal training centres and human resource development	1-5
Unapproved Projects	
1. Post-e-Centre for Community	5
2. Information Technology Based Rural Post Offices	1,5
3. Expansion, Reorganization and Modernization of Dhaka GPO to Provide Services of Highest Quality	1,2,4-5
4. Construction of Building for the Directorate of Posts at Sher-e-Bangla Nagar	1
5. Development of Nationwide Independent Collection, Transportation and Distribution System for the Postal Department	2
Probable Programmes:	
1. Installation of POS Mmachine and ATM Booths in Post Offices	4-5
2. Creating Postal Address Database	2
3. Introduction of Licensed Post Office System	2
4. Introduction of Agency Service for Collection of Various State and Commercial Insurance Premium and Policies	4-5
5. Purchasing of Parcel Cartoons to Sell those Commercially to the Clients	2
Probable Projects	
1. Construction/Reconstruction of Old Dilapidated Buildings of the Postal Department (2 nd phase)	1
2. Automation of Postal Services (2 nd phase)	2, 4-5
3. Development of Infrastructure and Security System of the Post Offices to Ensure Safety of Government Assets	1
4. Implementation of Training for Skill Enhancement and Human Resource Development of the Postal Department	4-5

5.2 Bangladesh Telecommunication Regulatory Commission (BTRC)

5.2.1 Recent Achievements: In the last three financial year teledensity in Bangladesh increased from 20.61% to 35.62% while internet density increased from 0.1% to 4%. In the same period, 4 IGW, 3 ICX, 2 IIG, 2 BWA, 2 NTTN and 6 PSTN licenses were issued and call centres were established and were allowed to operate. In addition, infrastructure sharing guidelines were introduced and spectrum monitoring equipments installed and activated. At the same time, bandwidth charges were reduced to foster growth of internet services. Besides, yearly revenue income of BTRC was increased from Taka 565.61 crore to Taka 3,195.37 crore.

5.2.2 Key Activities, Outputs related to the Activity, and related Strategic Objectives

Key Activity	Outputs related to the Activity	Related Strategic Objectives
1. Spectrum management	<ul style="list-style-type: none"> Automation of spectrum management introduced 	1
2. Increasing regulatory capacity of BTRC	<ul style="list-style-type: none"> Guidelines for issuing 3G licenses finalised Assistance extended for finalising the ILDTS policy Guideline prepared for establishing alternate submarine cable line Quality control and benchmarking of telecommunication services 	2
3. Issuance of various types of telecommunication licenses	<ul style="list-style-type: none"> 300 license issued 	2

5.2.3 Output Indicators and Targets

Output Indicators	Unit	Actual 2008-09	Target 2009-10	Revised Target 2009-10	Medium Term Targets		
					2010-11	2011-12	2012-13
1. Issuance of license	Number	364	100	100	100	100	100
2. Renew of license	Number	240	400	400	550	650	750

5.2.4 Forward Budget Estimates

(Taka in Thousand)

	Budget 2009-10	Revised 2009-10	Budget 2010-11	Projection 2011-12	Projection 2012-13
Non-development	0	0	0	0	0
Development	2,90,00	9,01,00	0	0	0
Total	2,90,00	9,01,00	0	0	0

5.2.5 Name of Concerned Operation Units/Programmes/Projects

Operational Unit/Project/Programmes	Related Key Activity
1. Planning and design of BTRC Head Office	1
2. Construction of BTRC Head Office	1
3. Procurement of Monitoring Equipments and Software	1,2
4. Capacity Building of BTRC Personnel and Recruitment of required Personal	1
5. Establishment of Call Centre Village	3

5.3 Bangladesh Telecommunications Company Limited (BTCL)

5.3.1 Recent Achievements: In the last three financial year the number of digital telephone exchanges under BTCL and its predecessor BTTB was increased from 484 to 585 and as a result, connectivity has increased by 1,37,550. During this period, single call rate (30 Paisa per minute) was introduced for the whole of Bangladesh; high tech ADSL (Asynchronous Digital Subscriber Line) service was introduced to use internet simultaneously with the telephone line and usage charge of this service was reduced. In addition, internet service at low cost was introduced for the students of whole country. During 2009, in two phases, Upazila and growth centres were provided free telephone line connection for 6 months and generated 1 lakh new telephone connections.

5.3.2 Key Activities, Outputs related to the Activity, and related Strategic Objectives

Key Activity	Outputs related to the Activity	Related Strategic Objectives
1. Installation of digital telephone line/exchange at Upazila and growth centres	<ul style="list-style-type: none"> 189 telephone exchanges set up 301 KM transmission link operated 	1
2. Installation of telecommunication network based on Next Generation Network (NGN) and development of telecommunication network	<ul style="list-style-type: none"> New generation telephone, internet and 57,700 ADSL connection given 	1
3. Expansion of internet information network	<ul style="list-style-type: none"> 140 internet exchange (PoP) installed 1,158 KM transmission link operated 	1
4. Expansion of value added service by providing network	<ul style="list-style-type: none"> Internet service through wireless broadband (WiMax) given 	2

5.3.3 Output Indicators and Targets

Output Indicators	Unit	Actual 2008-09	Target 2009-10	Revised Target 2009-10	Medium Term Targets		
					2010-11	2011-12	2012-13
1. Telephone							
a. Total Telephone number	Number in Lakh	13.16	13.39	13.39	13.49	13.84	14.69
b. Total Telephone user	Person in Lakh	8.36	9.61	9.61	9.66	9.96	10.66
2. Internate							
a. Dialup	Person	33,687	35,320	35,320	37,320	38,820	39,820
b. ADSL (Asynchronous Digital Subscriber Line)	Person	160	2,387	2,387	17,387	27,387	67,387
3. Optical Transmission Link	K.M.	1,909	2,611	2,611	2,923	3,123	6,123

5.3.4 Forward Budget Estimates

(Taka in Thousand)

	Budget 2009-10	Revised 2009-10	Budget 2010-11	Projection 2011-12	Projection 2012-13
Non-development	0	0	0	0	0
Development	0	201,50,00	115,74,00	184,00,00	231,00,00
Total	0	201,50,00	115,74,00	184,00,00	231,00,00

5.3.5 Name of Concerned Operation Units/ Programmes/Projects

Operational Unit/Project/Programmes	Related Key Activity
Approved Projects	
1. Establishment of Digital Exchange at Upzila Growth Centres	1
2. Expansion of Internet Information Network (INFOBAHAN)	3
3. Telecommunication Network Development Project	2
Unapproved Projects	
1. Optical Fibre Network Development Project of 1000 Union Parishads	4
2. Wireless Broadband Network for Digital Bangladesh	
3. NGN Based Telecommunication Network for Digital Bangladesh	2
Approved Projects (Financed from BTCL's own resources)	
1. Replacement of Old Digital Telephone System of Dhaka City	2
2. ILDTS Policy-2007 Compliance Project	2
3. Installation of Digital Exchange in Shaltha Upazila	1
4. Establishment of Video Conferencing System at the Field Level	

5.4 Teletalk Bangladesh Limited

5.4.1 Recent Achievements: During the last three financial years the number of mobile customer was increased from 2.5 lakh to 10.5 lakh. Significant achievements during this period includes- gaining 2.5% of market share; expansion of network in 64 Districts and 402 Upazilas through 1100 BTS; establishment of 19 customer care centres; introduction of roaming service in collaboration with 54 operators in 38 countries. Besides, publishing the results of public exams, university admission procedures and results, services in the fields of education, disaster management, entertainment and payment of utility bills were introduced.

5.4.2 Key Activities, Outputs related to the Activity, and related Strategic Objectives

Key Activity	Outputs related to the Activity	Related Strategic Objectives
1. Introduction of 3G (Third Generation) networking technology and expansion of 2.5 G network	<ul style="list-style-type: none"> 40 lakh consumer connected with 2.5 G network 15 lakh consumer connected with 3G network 	2

Key Activity	Outputs related to the Activity	Related Strategic Objectives
	<ul style="list-style-type: none"> 3G network with 15 lakh users capacity set up 300 KM optical fibre line installed 	
2. Expansion of value added service by providing network	<ul style="list-style-type: none"> Admission procedures and admission test results of public universities published Service extended to the people in the fields of treatment, education, disaster management, entertainment, utility bills payment etc. 	2

5.4.3 Output Indicators and Targets

Output Indicators	Unit	Actual 2008-09	Target 2009-10	Revised Target 2009-10	Medium Term Targets		
					2010-11	2011-12	2012-13
1. 2.5G Consumers	Person in Lakh	11.07	21.05	21.05	29.05	76.55	111.05
2. 3G Consumers	Person in Lakh	-	-	-	3.00	16.50	25.50
3. Coverage(area)	%	-	10%	10%	13%	17%	24%

5.4.4 Forward Budget Estimates: Not Applicable

5.4.5 List of Operation Units/Programs/Projects

Operational Unit/Project/Programmes	Related Key Activity
Approved projects	
1. Expansion of 2.5G Network	1
Probable projects	
1. Inauguration of 3G Network and Expansion of 2.5G Network	1
2. Expansion of 2.5G Network with Capacity of 5 Million Consumers	1
3. Installation of 1000 KM Optical Fibre Network	1

5.5 Bangladesh Submarine Cable Company Limited (BSCCL)

5.5.1 Recent achievements: Bangladesh Submarine Cable Company Ltd. was formed as company on 1 July 2008. After starting its operation as company the bandwidth was increased from 6.01 gigabyte to 44.60 gigabyte.

5.5.2 Key Activities, Outputs related to the Activity, and related Strategic Objectives

Key Activity	Outputs related to the Activity	Related Strategic Objectives
1. Expansion of internet information network	<ul style="list-style-type: none"> Bandwidth increased to 164.60 gigabyte 	1

5.5.3 Output Indicators and Targets

Output Indicators	Unit	Actual 2008-09	Target 2009-10	Revised Target 2009-10	Medium Term Targets		
					2010-11	2011-12	2012-13
1. Increase of bandwidth	Gigabyte	44.60	44.60	44.60	114.60	144.60	164.60

5.5.4 Forward Budget Estimates: Not Applicable

5.5.5 List of Operation Units/Programs/Projects: Not Applicable

5.6 Bangladesh Cable Shilpa Limited (BCS)

5.6.1 Recent achievements: During the last three financial years a total of 9.26 lakh conductor KM copper cable was produced. In the same period Taka 17.96 crore in FY08, Taka 18.19 crore in FY09 and Taka 16.99 crore in FY10 were deposited in government treasury.

5.6.2 Key Activities, Outputs related to the Activity, and related Strategic Objectives

Key Activity	Outputs related to the Activity	Related Strategic Objectives
1. Production of telecommunication equipments	<ul style="list-style-type: none"> 7 lac conductor KM cable, 11,000 KM optical fibre, 3,000 KM telephone house ware and 1,000 MT electric house ware produced 	1

5.6.3 Output Indicators and Targets

Output Indicators	Unit	Actual 2008-09	Target 2009-10	Revised Target 2009-10	Medium Term Targets		
					2010-11	2011-12	2012-13
1. Copper cable	Lac CKM	0.88	1.00	-	2.00	2.50	2.50
2. Optical fibre cable	KM	-	-	-	-	5,000	6,000
3. Telephone house ware	KM	-	-	-	1,000	1,000	1,000
4. Electric house ware	MT	-	-	-	200	400	400

5.6.5 List of Operation Units/Programs/Projects

Operational Unit/Project/Programmes	Related Key Activity
Approved Projects/programmes	
1. Installation of optical fibre cable	1
2. Production of electrical house ware	1

5.7 Telephone Shilpa Shangstha

5.7.1 Recent achievements: During the last three financial years a total of 4,718 number of telephone sets were produced and 1,500 line unit PABX were installed. During 2009-10 financial year 8,000 telephone sets with caller ID were produced and 64 BTS tower were installed. Since August 2009 the organization has started producing mobile sets, battery and charger.

5.7.2 Key Activities, Outputs related to the Activity, and related Strategic Objectives

Key Activity	Outputs related to the Activity	Related Strategic Objectives
1. Production of telecommunication equipments	<ul style="list-style-type: none"> • 5,450 line unit digital PABX installed • 30,000 caller ID telephone set produced • 64 BTS tower produced for Teletalk 	1

5.7.3 Output Indicators and Targets

Output Indicators	Unit	Actual 2008-09	Target 2009-10	Revised Target 2009-10	Medium Term Targets		
					2010-11	2011-12	2012-13
1. Marketing of digital PABX	Line unit	500	1,600	1,600	1,650	1,800	2,000
2. Marketing and repairing of telephone sets (caller ID)	Number	1,056	9,500	9,500	10,000	10,000	10,000

5.7.4 Forward Budget Estimates: Not Applicable

5.7.5 List of Operation Units/Programs/Projects: Not Applicable