

**Third Party Evaluator's Opinion on
Greater Dhaka Telecommunication Network Improvement Project (II)**

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Criteria-1 Relevance

Implementation of the Second Phase of the Project “Greater Dhaka Telecom Network Improvement” was yet another step to communication infrastructure building in Bangladesh to commensurate with the accelerated demand of telecommunication in Greater Dhaka since the completion of the first phase of the project in 1991. The second phase of the project was implemented during 1999 – 2003. During this 12 years gap substantial change took place in economic activities and social priorities due to gradual globalization and planned changes in economic and social indicators specially in Industry, Trade, Communication, Housing, Health, Education, Information and so on. These developments needed increased supporting telecommunication facilities. The demand and supply gap was widening. However, the demand for fixed telephone would have been still worse had there not been diversification of telecommunication services by mobile phone, internet etc.

Greater Dhaka Telecom Net Work Improvement Project (II) was relevant and timely to cope with the increased economic activities in general and meet the newly created demand in Greater Dhaka in particular. The second phase of the project was also designed to address the network improvement and reduce fault rates. It was a way forward towards achieving the national objective of providing one telephone per 100 people. On average, economic growth at the rate 5.5% was registered during the project period. Telecommunication infrastructure needed further strengthening to cope with the increased economic activities. Bangladesh's import, export and FDI increased on average at the rates of 3%, 10%, 40% respectively during the period. Additional telecommunication capacity was needed to handle this increased volume of Foreign Trade and Investment.

Greater Dhaka Expanded rapidly during this period perhaps due to improved security, better education facilities, better scope for new business, services and employment. Empty pockets between Dhaka and Gazipur and also Dhaka and Narayanganj were filled with settlement. That created additional demand for telephone connections. On top of it, Dhaka being the capital needed more trunk networking for international connection and also for new destinations for Nation Wide Direct Dialing. Modernization of the existing exchanges to lower down fault rates was also needed.

Criteria-2 Impact

Telecommunication is a basic infrastructure which helps other infrastructure to grow. So, any improvement in tele-network has both direct and indirect impact. In physical terms the Project -II has added 12000 line capacity of tandem switching facilities, 60000 line capacity of local telephone switching facilities apart from improvement and installation of junction network and related interface equipments. The additional capacity has reduced the cost of doing business for availability of improved and speedy communication at reduced cost. More business information can be collected at less cost through phone, fax, online, e-mails etc. which could be otherwise collected through traveling. The business community in particular has been benefited out of the extra capacity as they prefer fixed line for business transactions and credibility. Because of wide networking social management, specially of disaster and calamities information and post disaster management are being handled efficiently as prior information could be obtained through telelink. Cost of communication has also reduced due to competition between public and private sectors. Mobile phone is compensating demand for T&T lines. The character of telecommunication has changed due to this shared market. To say the last, the quality of

telecommunication has improved due to improvement of junction network and installation of interface equipments.

(The quantitative evaluation at 2.4.2 on Bangladesh overseas workers and gender issue appear not fully correct. These two social factors have little impact on fixed telephone line)