

Bangladesh

Greater Dhaka Telecommunications Network Improvement Project



The telephone exchange office

Outline of Loan Agreement

Loan Amount / Disbursed Amount	6,320 million yen / 5,987 million yen
Loan Agreement	July 1986
Terms & Conditions	Interest rate 1.25% p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	July 1992

Project Outline

The project aimed to expand external equipment such as telephone switching equipment and cables, thereby improving the quality of telephone communications and responding to increased demand for telephones in the northern areas of Greater Dhaka.

Results and Evaluation

The project comprised additional construction of central switching equipment (capacity 5,400 lines), and switching equipment within the region (capacity 26,000 lines), and the expansion of the network between exchanges (6 links), together with the installation of the regions's first digital switches and optical fiber cables between the exchanges in the network, in response to massive increases in telephone demand in northern areas of Greater Dhaka.

The telephone density rate (the number of lines per 100 people) increased from 0.19 at the time of appraisal (1987) to 0.22 at project completion (1992), and further, to 0.51 in 2000, and the development of telecommunications infrastructure instituted under the project is considered to have made a proportionate contribution to this phenomenon.

On the other hand, telephone demand has continued to increase in Bangladesh and the waiting list of applicants for main lines has grown longer, climbing to roughly 200,000 lines in 2000. Accordingly, the telephone utilization rate, which is generally 75%-80%, has, since completion, exceeded 90% in the areas covered by the project.

Since fault rates and call completion rates are below average as compared to other Asian nations, it is hoped that the equipment installed under this project will be appropriately operated and maintained, and moreover, that further expansions will be made to telecommunications infrastructure.