

Sub: Interim Directive on Tariff and Marketing Promotion

The cellular mobile industry has entered a regime of escalating competition. All operators are optimizing their competitive strengths and strategies to retain their shares and to attract existing and potential subscribers in their network. BTRC being a custodian of ensuring healthy competition, has recognized the need for scrupulous regulations in governing competition affairs mulled by the operators. BTRC's objectives are to promote healthy competition in complimenting the growth of the industry, to ensure a level playing field for all operators to compete by remaining within a clearly-defined periphery and to facilitate the subscribers to avail affordable telecommunication services.

To meet the above objectives, BTRC has decided to implement the following decisions immediately. The commission is in the process of formulating a comprehensive "Tariff Regulation" in consultation with all stakeholders in the industry. The following provisions are "interim" in nature and would remain effective until further order:

1. **Tariff Circuit:** Irrespective of any promotion, any package, any network (whether on-net or off-net), timing (whether peak or off-peak), pulse (whether 1 second or 1 minute), F&F, the call charges will be bounded by a circuit between Tk. 2.00 per minute and Tk. 0.25 per minute. That means, the maximum airtime charge can never be fixed more than Tk. 2.00 per minute and less than Tk. 0.25 per minute. This circuit applies to all voice services and packages offered by the operators.
2. **Uniform tariff in a package:** If a promotion package is offered, the tariff must be same for all subscribers under the same package. Tariff variation in different geographic location is NOT allowed under a same package.
3. **Promotion duration:** Promotional tariff must be limited for a period of 2 consecutive months or less. If a promotional (presumably discounted) tariff exceeds, 2 months, that tariff will be considered as 'permanent tariff'.
4. **Migration charges:** No migration charges can be applied if an existing subscriber desires to migrate to a new promotion package.

5. **Fixed charges for Pre-paid subscribers:** No monthly fixed charges can be applied to pre-paid subscribers. (Example: if a subscriber pays a monthly ‘X’ amount, s/he would get a promotion price. This pre-determined ‘X’ amount is not allowed).
6. **Promotion Rewards:** If bonus (free) airtime/talk time is granted as “reward” in a package, such bonus facility will be applicable for off-net call purpose only. No on-net or same network bonus (free) talk-time will be allowed. This also applies to usual practice of offering bonus (free) talk-time in recharge/refill promotions.
7. **Promotion Prizes:** Except airtime/talk-time, SMS or mobile handsets, no other goods of value will be allowed to offer as promotion prizes. (Example: no gold coins, cars, foreign trips etc.). A prize, however is allowed if given to all participating subscribers and certainly not through a lottery.
8. **Advertisement:** All advertisements in print and electronic media and all marketing/promotional display materials, campaigns, events etc. must conform to the culture, social values, norms, practices, beliefs and heritage of Bangladesh.
9. **Exception:** For any other new or innovative promotion/scheme designed by any operator which has not been addressed by the above provisions, prior approval from BTRC will be mandatory.

As the tariff circuit has been imposed and other issues have been clarified, Operators would therefore, would NOT be required to take BTRC’s prior approval to launch a promotion package except the provision explained in clause 9 above. However, Operators would be required to file details of every promotion package on the same day of declaring/publishing the said package.

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