

Background and Objective

Power Grid Company of Bangladesh Ltd. (PGCB) was created by the Government in 1996 under the Companies Act 1994 for managing high voltage power transmission network throughout Bangladesh. The company is now installing overhead Optic Fiber Cable (OFC) network commonly known as Optical Ground Wire (OPGW) for telecommunication purposes, along its high voltage transmission lines throughout the country in phases:

Phase I:

In Phase I, the installation of **Dhaka-Chittagong link, 245 km**, has already been completed.

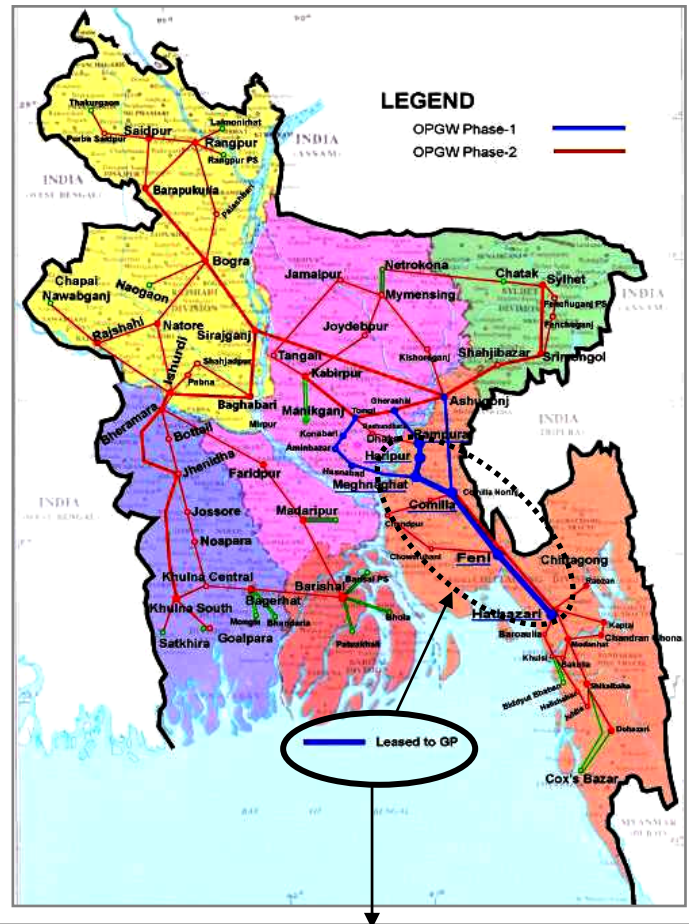
Phase II:

The network in the rest of the country is being installed as shown in the picture on the right. Installation of **Chittagong-Cox's Bazar link, 145 km**, has already been completed.

PGCB leased out one dark pair of OFC between Dhaka and Chittagong through open tender.

Infrastructure Investment Facilitation Center (IIFC) was engaged by PGCB to assist in the leasing process in August 2004.

PGCB'S Countrywide OFC Network



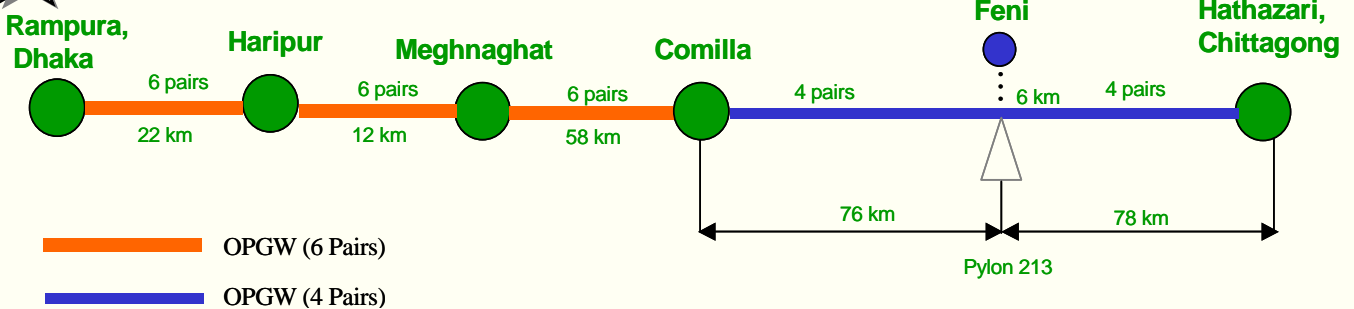
Award of the lease

PGCB invited open tender for the lease in 2005. Four companies participated in the tender. After evaluation of the tenders, the lease was awarded to GrameenPhone (GP) as the highest ranking tenderer.

Dhaka-Chittagong OFC Network



One Pair was offered for lease, 245 km



- Key Benefits**
- Less installation and maintenance cost
 - Increased bandwidth capacity
 - Transmission connectivity between Dhaka-Chittagong link
 - Higher network security and reliability

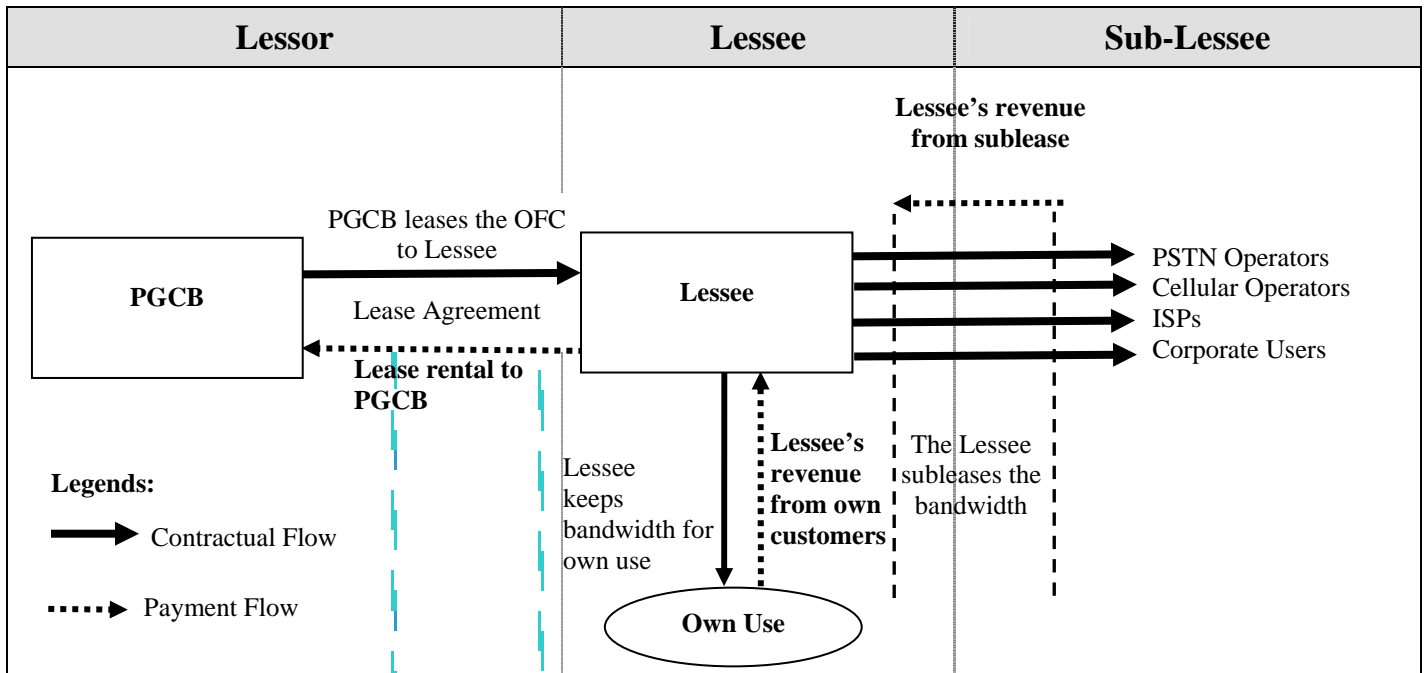
Use of the Network by the Lessee

The network is leased to GP:

- for GP's own use *i.e.* to transmit the traffic generated from its own mobile subscribers, and
- for sub-lease to others *i.e.* PSTN or cellular operators, ISPs or corporate users, for transmission connectivity on commercial basis as a 'Transmission Network Service Provider'.

A diagram showing the commercial framework (business around the lessee) is shown in the opposite page.

Business around Lessee



Delineation of Responsibilities Between PGCB And the Lessee

