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## **The Path to Nepal Telecom after the cancellation of NGN tender**

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When we shared that we were planning to bring a strategic partner in front of staff and official at policy-making level two years before, we started receiving both positive and negative comments from everywhere. It is important to discuss such a big policy shift normally. With a fear that inviting a strategic partner can obstruct their way to become the company's high level position; and therefore, many at upper-level management exercise to spread negative comments and forward wrong thoughts among staff and political level. Despite some bias, most of the staff has started agreeing to enter the strategic partner. Although the positivity among staff, the decision to invite strategic partner have not happened so by the date when I am preparing this article. The three different committees consisting of an expert and the bureaucrat representatives have prepared a report and submitted around six months ago that suggested inviting the strategic partner quickly by analyzing different national and international telecom business will be the best strategy for the company's future. With the discussion in privatization committee on the report by Ministry of Finance, a five-member sub-committee was formed in the coordination of Dr. Hari Rokka who was given the responsibility to suggest whether strategic partner needs to be invited or not. But sadly, not a single meeting of sub-committee has been held in the last six months. After the request from everywhere and after the agreement of the all-party meeting, it has come to know that recommendation has been made to invite the strategic partner in Nepal Telecom.

The activity like this is not a new thing from the political leaders who are always said that they are there to develop the country. But as like the government-owned telecom company in other countries got collapsed due to the lethargy of the government, will Finance Minister Surendra Pandey, Dr. Hari Rokka, coordinator of sub-committee, high officials from Finance Minister or Nepal Communist Party (Maoist), Nepal Congress and UML take the responsibility if Nepal Telecom will get collapse in future with the current management style and the lack of timely decision on major policies? Or some official from high management who has been creating an obstacle in the matter to invite strategic partner and some trade union will take the responsibility? Whatever it is, the hope has not died; let's see if the all-party will agree on this matter.

Let's change the topic. After the Commission for the Investigation of Abuse of Authority cancelled the tender of NGN, two types of comments are being made on Nepal Telecom. Firstly, the development of Nepal Telecom will be backward by 2/3 years due to the wrong direction of the commission. Secondly, the tender was cancelled due to the lack of upper management's

working skill in Nepal Telecom. Whatever the reason might be, it is sure that Nepal Telecom has left behind from introducing new technology in the company and the country. The issue cannot be observed only from the perspective of the two cases mentioned above. Studying the telecom sector from Europe to Asia, whenever the global tender for major technologies opened in the telecom sector, the political and financial interest of private sector in the government and bureaucratic level has negatively influenced into the higher management level of companies to halt the decision process using various means. BSNL of India that reached the seventh position from first in last four years is sure to reach in 10th position next year, according to telecom analyst. So if anyone thinking that the NGN is being delayed like other huge projects due to some errors then it is a wrong understanding. It is simple to find small errors in huge projects if observed deeply. I can claim that errors can be found in any huge projects and projects that come in future will certainly have small errors. The huge projects need to come despite small errors if the projects give positive answers to the question like whether or not the project fulfils the standard healthy competition, will it provide support in the development of the country, are supplied goods for the projects match with the existing market rate, and will it be able to the give tough competition and fulfill the necessity. That is why NGN and huge projects are necessary for Nepal Telecom without any doubt and it is important.

If so then is there any possibility of mega projects coming in Nepal Telecom in future? In the present context, there are very minimal chances of coming huge projects in fare price in Nepal Telecom as per my analysis. Taking advantage of complication in mega projects, errors will be dug in from the start of any mega project or during writing of specification to tender approval by giving money or offering other types of temptation to some concerned persons of upper management or interest based influence to public account committee, financial committee, Commission for Investigation of Abuse of Authority by private sector telecommunication company/vender or their agents. Small errors will be found when errors are dug in to find the error and such error is enough to close the project. For example, the reason that Nepal Airlines Corporation could not purchase a single Plane from the last 28 years is just because of errors in the tender process. Then what can be done?

Many suggestions can be provided on the question that what can be done now. But concerning points are given below which I think will help is concluding:

1. Continue efforts should be made to bring mega projects but measures need to be considered to minimize the dependency on mega projects.
2. Considering the different procedural delay when mega projects come, the additional bridging program needs to be done as per regulation in exiting projects.
3. Having said that, it does not mean that the bridging program will not fall under the eye of Public Accounts Committee or Commission for the Investigation of Abuse of Authority. Recently, the investigation into a bridging program has started and heard that the program will be stopped or delayed. Therefore, we need to think about various options to coup up from these types of situation.

4. Implementation of Micro Projects: In the context of questions being raised in the mega projects time and again, it is time to think and operate the micro-projects. For instance, the most difficult part for the expansion of GSM and CDMA is buying land, construction of the tower, electricity management, etc. As it cost more than NRs. 3 million to NRs. 5 million to construct towers, so rather than going for the tender process of an amount equal to the total cost, it should be provided on quotation through the agreement as done by the private sector. It means that there should be provision for NRs. 5 million (Up from previous NRs. one million authority) which can be provisioned by a regional supervisor and project chief for certain work like tower construction, BTS installation, 24-hour maintenance with electricity, and ADSL. Similarly, the work needs to pace in 500-700 places across the country so that impact of delay in mega projects can be minimized to next 1-2 years and in the mean time Nepal Telecom also can invite strategic partner. This might be the immediate solution to the current problem.

Forwarding this concept of micro-projects and proposing the negotiation approach for buying the infrastructure service, cost of projects may overrun. Though there is a possibility of minimizing the expenses through tender competition, the work will not start on time due to work procedure or cancellation of tender may cause huge loss to the corporation and this has been felt by many. The private sector has been shortening the time-consuming work by moving land purchase, tower construction through the discussion and personal negotiation. Though expenses are quite high, the process like this completes the work fast and as a result, the company can gain multiple benefits and it is important to consider. However, some people and groups in telecommunication may protest and may create problems but we do not need to panic from this. We hope that this concept will be considered by the company's management, the board of directors and trade union working here.

5. I have been proposing the concept of 'revenue sharing' and 'infrastructure sharing' model earlier in many forums but few managers in upper management and friends from trade union have made hard and negative comments and views and indirectly opposed this issue. In spite of this, I argue that the corporation should not depend on a single project or issue. And it becomes challenging when there is a competition between the government corporation and the private sector. I have already mentioned earlier that we should work on micro-projects along with mega projects. But should not get limited on it. The international advisor appointment, global tender, preparation of document needs for revenue sharing and multiple utilization of infrastructure concept should move ahead at the same time. We are not sure that when Nepal Telecom should has to face unexpected political situation and which project decision will be stopped by which authority, so we should move ahead by opening all alternatives and ways.

Protesting against in the entry of strategic partner thinking that it will close the path to become company's head or despite the benefit from moving ahead certain project through revenue sharing model managers are worried about their future position and grip on the revenue sharing project. Because of their personal interest, some managers have started expressing negative views which will definitely pullback Nepal Telecom's development. Looking at the different example from Europe to Asia, the government and private sector that went into a strategic

partnership and/or revenue/infrastructure sharing model, are making maximum benefit in the telecom business. In those countries where individual and/or trade union interest could not be neutralized, the telecom corporation is on verge of getting collapsed. If we do not move on forward learning from the examples of telecom business of other countries then it will take no time to fall. It will be more than stupidity to not do anything before the incident arrives in Nepal Telecom. Forgetting all individual and group-wise interest, we should focus on saving and expanding the business of Nepal Telecom implying new visions and models which are being already applied and successful elsewhere. Or else, if not applying, it will take no time to collapse the company despite having many positive options.