



*News Release*

## **Broadband Prices fall by up to 40% while Mobile Prices fall by up to 25%**

### **2011 Retail Price Benchmarking Study of Telecommunications Services in Arab Countries Released**

Seef District, Kingdom of Bahrain - Wednesday 14 September 2011

The Telecommunications Regulatory Authority (TRA) has released the 2011 update of the retail price benchmarking study of telecommunications services in Arab countries. This study was commissioned by TRA on behalf of AREGNET (the Arab Regulators Network). It was undertaken by Teligen, an independent consulting firm specialising in tariff comparisons.

Commenting on the results of the study TRA's Consumer Affairs Manager Ms. Ghada Al Qassab said: "It is obvious from the benchmarking study that competition in the telecommunications sector in Bahrain is delivering benefits to consumers through a variety of telecommunications services and increasingly competitive prices. It is encouraging to see Bahrain performing well when compared with other Arab countries and with OECD in some benchmarks."

Ms. Al Qassab went on to say: "Based on the time series provided in the study the prices for some services have gone down significantly in the last four years. However there are still some areas that require closer attention and in particular higher speed broadband services and leased lines. This study is important to understand how we are doing in achieving our mission of developing a competition-led market for the provision of innovative communications services, available to all."

The benchmark compares the costs of baskets of telecommunications services for different consumer profiles (e.g. low, medium, high usage). It is comprehensive in terms of services and geographic coverage, and includes fixed voice services, mobile services, leased lines, broadband, and for the first time mobile broadband. It covers all Arab countries, and also includes comparisons with the Organisation of Economic Co-operation and Development (OECD) countries. Residential and business tariffs are analysed.

For Bahrain, the main insights of the study are:

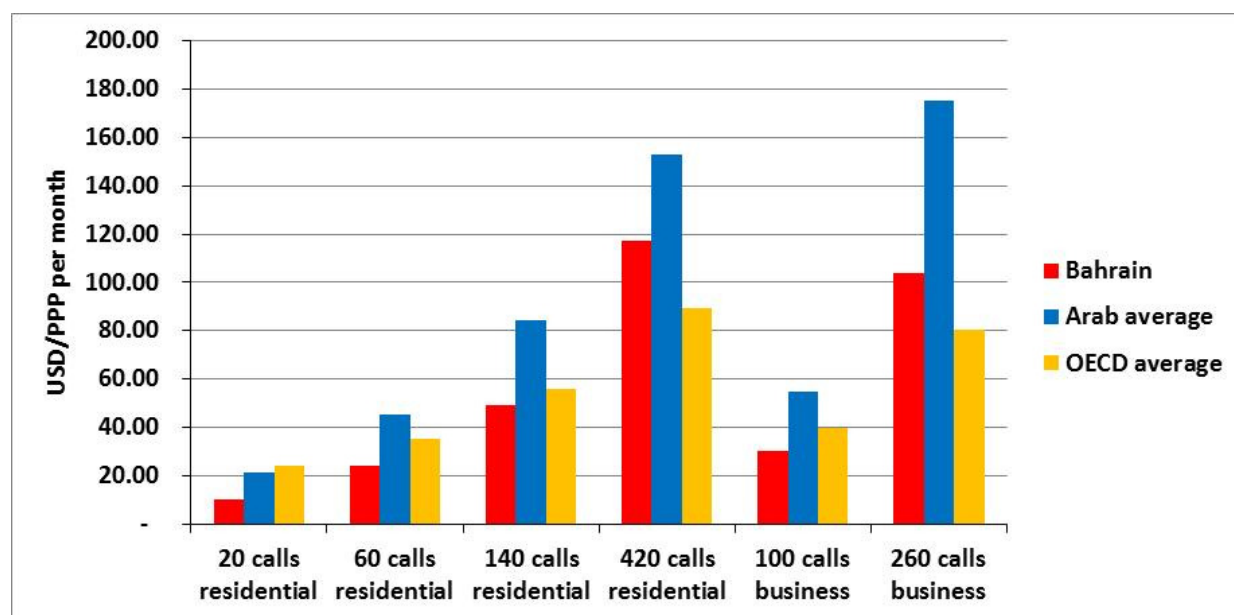
- **Fixed voice tariffs:** Bahrain is one of the cheapest Arab countries compared with other Arab and OECD countries in terms of the cost of a basket of fixed voice services (see Figure 1).
- **Mobile tariffs:** Mobile prices in Bahrain have fallen by up to 25% since 2010. Bahrain compares well with other Arab countries (see figure 2).

- **Leased line tariffs:** Leased line prices in Bahrain are similar to prices in the Arab region, although by OECD standards, leased line tariffs in Bahrain remain high (see Figure 3). TRA believes that competitive leased line services are important in order to ensure Bahrain remains an attractive business location.
- **Fixed broadband:** Broadband prices in Bahrain have fallen by up to 40% between the 2010 and 2011 studies, but broadband services in Bahrain remain significantly more expensive than the OECD average (See Figure 4).
- **Mobile broadband:** Bahrain has amongst the lowest prices for mobile broadband in Arab countries (See Figure 5).

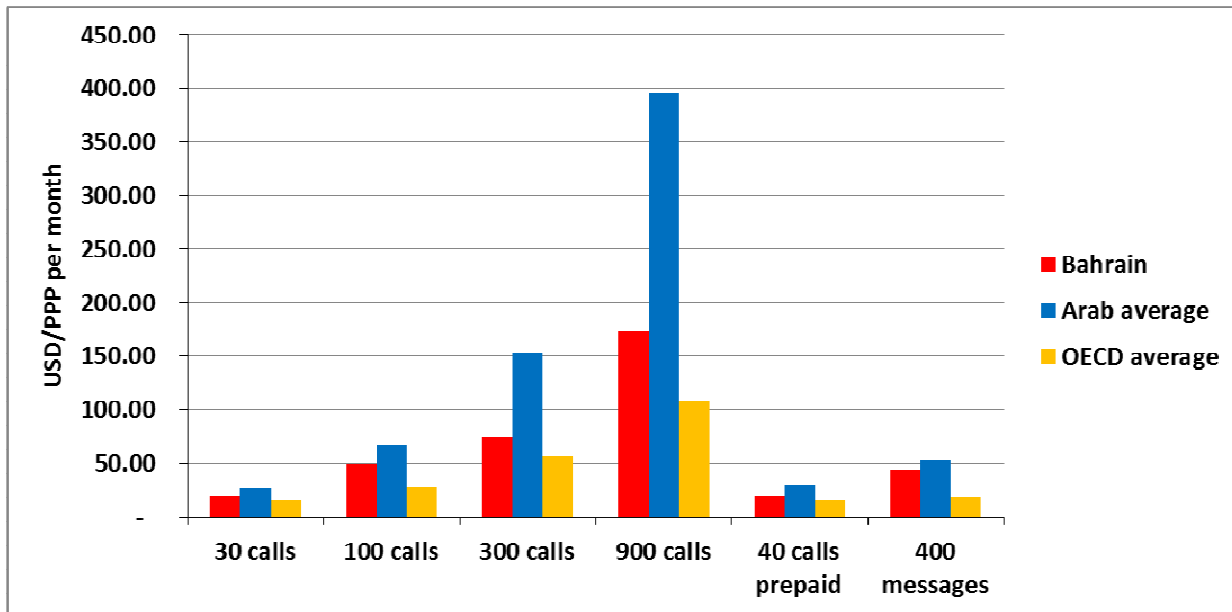
Over 2010-2011, prices for telecommunications services in Arab countries have generally declined, although as prices have also been falling in other parts of the world, there remains an often substantial difference between prices in Arab countries and prices in OECD / European countries.

In addition to the full Report and the consumer friendly report, TRA released a document setting out the methodology underlying the results. All documents related to the benchmarking study can be viewed on TRA’s website at [www.tra.org.bh/en/PriceBenchmarking.asp](http://www.tra.org.bh/en/PriceBenchmarking.asp).

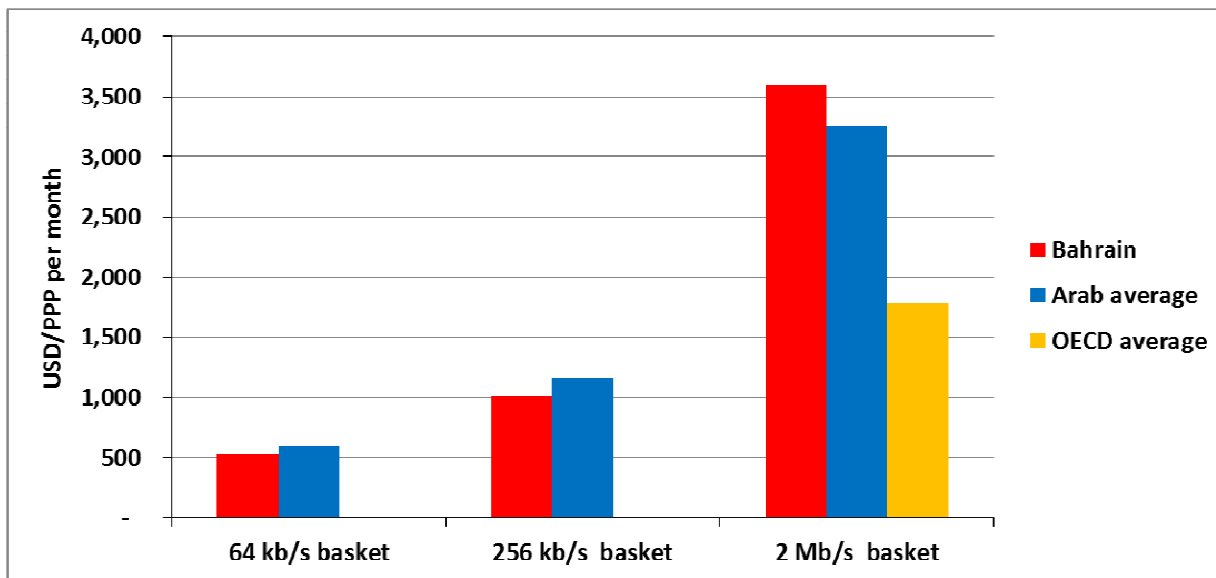
**Figure 1: OECD Fixed line baskets**



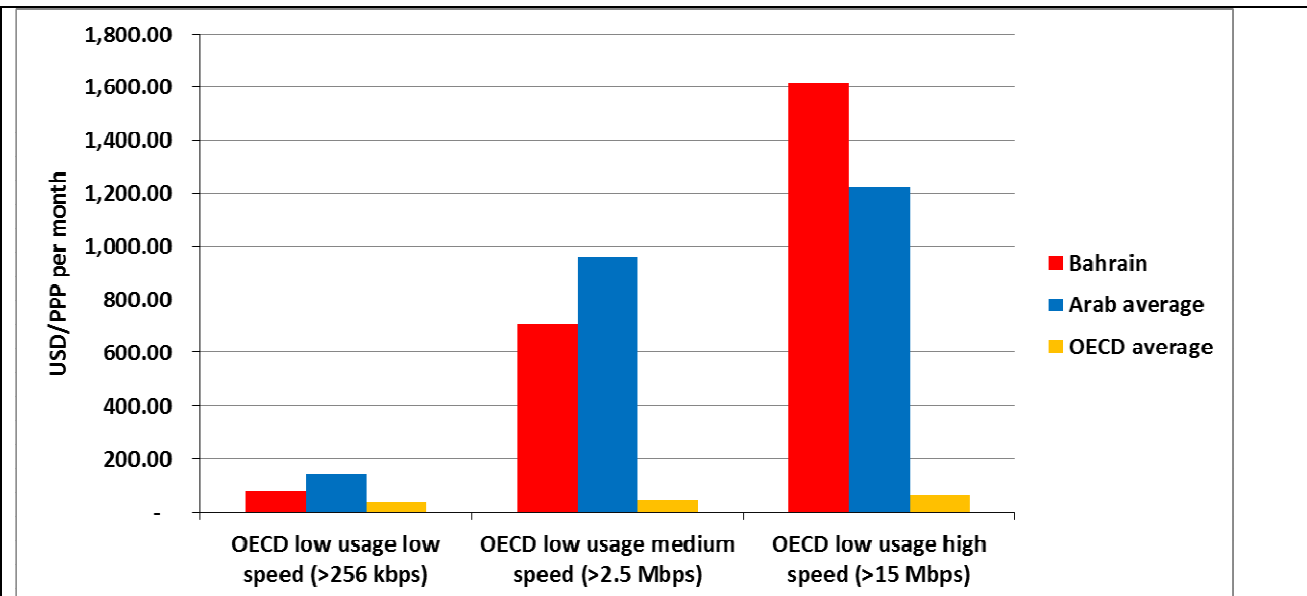
**Figure 2: OECD mobile baskets**



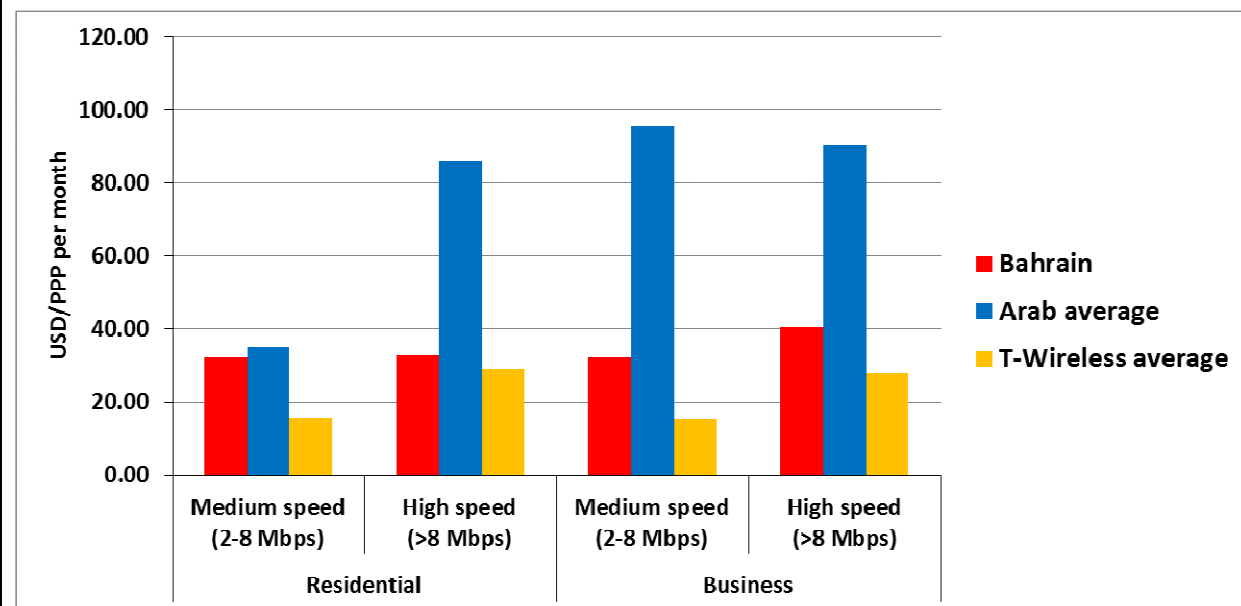
**Figure 3: OECD leased line basket**



**Figure 4: OECD business fixed broadband baskets**



**Figure 5: Mobile broadband baskets**



## **About TRA**

Since its establishment in 2002 the Telecommunications Regulatory Authority of the Kingdom of Bahrain (TRA) has been working with government, consumers, operators and investors to develop the Kingdom of Bahrain into the region's most modern communications hub and to facilitate the growth of the market. As an exemplary Regulator for the region, TRA independently carries out its duties in a transparent and non-discriminatory manner. More information about TRA can be viewed at [www.tra.org.bh](http://www.tra.org.bh)