



*News Release*

## **TRA Sets the Terms and Conditions for the Direct Access to the International FLAG Landing Station located in Batelco's Premises**

Manama, Kingdom of Bahrain - Saturday 31 July 2010

The Telecommunications Regulatory Authority (TRA) has issued recently a determination document to Batelco and Menatelecom regarding their dispute relating to the terms and conditions of Batelco's International Falcon Connection (IFC) Service (direct access to flag landing station). This determination document sets out the terms and conditions and charges applicable when Menatelecom, or any other licensed operators, wishes to connect directly to the Falcon international cable system.

Commenting on issuing this determination TRA's Deputy General Director Mr. Rob Middlehurst said Achieving direct access to international capacity has been identified as a key priority for the development of the economy of the Kingdom and the further development of competition within the broadband market in Bahrain. Following the order issued by TRA to Batelco last year, TRA had hoped that Batelco would comply with its obligations and agree with Menatelecom on a commercial basis fair and reasonable terms of the access services necessary to allow direct access to the Falcon cable system, unfortunately TRA has determined that this did not happen. Consequently the ability of Bahraini telecommunications operators other than Batelco to offer alternative high speed and affordable broadband internet services to end consumers has been impacted."

In November of last year TRA issued an order requiring Batelco to comply with its Reference Offer obligations which included allowing Menatelecom to submit an order for access services including collocation of site equipment in Batelco's premise in order to directly connect to Falcon international capacity.

Following the order, Menatelecom disputed the terms and conditions of the access to the international capacity and Batelco referred the dispute to TRA for determination. This determination is providing a resolution to the dispute between Batelco and Menatelecom.

TRA's Market and Competition Director Dr. Alex Serot said "This determination will result in Menatelecom having the ability to connect directly to international capacity under terms and conditions that are fair and reasonable. Determining the price for this service removes the final barrier to direct access to international facilities and will allow Menatelecom and other licensed operators greater commercial freedom and lower costs than previously available to them directly through Batelco. This should also allow them to provide consumers with higher speeds, higher download threshold and better value broadband services. TRA believes that this determination and the opening up of international capacity on a competitive and fair basis will be a turning

point in the development of the sector as it is anticipated that internet usage will grow, prices decrease and speeds increase.”

The determination document can be viewed on TRA website at:

<http://www.tra.bh/en/pdf/LAU35020100729Article57gDeterminationnonconfidentialversionfinal.pdf>

### **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)

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