



TRA CONSULTATION ON ACCESS TO SUPPORT DEVELOPMENT OF MORE COMPETATIVE TELECOMS MARKET

-- Public Urged to Put Forth Views --

MANAMA – 26 May 2004 –The Telecommunications Regulatory Authority (TRA) today announced the start of a new public consultation in order to determine market dominance for certain market segments and the provision of access services and urged the public to put forth their views.

As the incumbent, this consultation will focus on Batelco's dominance within certain segments of the telecommunications sector and the requirements on Batelco to offer access to these services.

Setting these requirements is critical to the further development of the market and the ability of the telecommunications sector to attract new market entrants. Specifically, by defining these terms, licensees or potential license holders in areas such as Valued Added Services (VAS) and Internet Service Provider (ISP) segments, to name a few, will be assured that a licensed operator in a dominant position offers other operators access to its telecommunications network and telecommunications facilities on fair and reasonable terms.

For example, operators and service providers who are considering entering the market in Bahrain will be able to construct their own services and business models on the basis of Batelco services or resell some of the services offered by Batelco and potentially add value and increase choice for end users.

Additional access issues addressed in the consultation are: outbound IDD services, directory enquiries and emergency call access.

Commenting on the announcement, General Director of the TRA, Mr. Andreas Avgousti said, "We continue to take all necessary steps to ensure the effective liberalisation of the telecommunications sector and

prepare the grounds for the further development of the market and the entrance of additional operators. In doing so, we remain committed to transparency and to ensuring that all interested and affected parties have the opportunity to comment and help shape important regulations such as those on dominance and access, which are critical to new market entrants, the incumbent and consumers alike.”

In line with its efforts to drive participation in the development of the sector, the TRA is taking measures to alert industry participants, government bodies, businesses and consumer organisations of the consultation process on this issue as well as relevant deadlines for putting forth their views.

The deadline for comments is 23 June 2004 and the full contents of the consultation document can be viewed on the TRA’s website at www.tra.org.bh.

Based on the comments that are received, the TRA expects to issue a draft regulation at which time interested parties will again be given the opportunity to submit comments prior to the adoption of a final regulation.

About the TRA

The Telecommunications Regulatory Authority (TRA) was established by Legislative Decree No. 48 promulgating the Telecommunications Law. The TRA is an independent body and its duties and powers include, among other things, protecting the interests of subscribers and users and promoting effective and fair competition among existing and new licensed operators. More information regarding the TRA can be viewed at www.tra.org.bh

- The TRA will be happy to provide hard copies of the consultation document for those interested parties who do not have access to the Internet. The TRA can be contacted on telephone number 17 540 120.

Notes to Editors :

What is Access?

Access is allowing the usage telecommunications facilities or services of another licensed telecommunications operator with the aim of providing telecommunications services, including the link up of equipment with the use of wire or wireless methods and access to any installations that include buildings and pipes for wires, cables and towers, access to mobile telephone networks etc.

Why is Access important?

Without Access it will not be possible for ISPs and VAS licensees (who do not have telecommunications networks of their own) to offer their services to customers.

What is Dominant Position?

A licensee in a dominant position is one that is able to act independently – to a material extent – of competitors, subscribers and users in a relevant market.

What is Relevant Market ?

Relevant markets are the products of services that consumers consider substitutable by reason of their characteristics , price and intended use.

What is Value Added Service (VAS) ?

This license allows the provision of services over an existing network (e.g. calling card services).

What is Internet Service Provider (ISP) ?

This license allows the provision of internet services but not including voice.