



BAHRAIN TELECOMMUNICATIONS REGULATORY AUTHORITY APPROVES LATEST BATELCO REFERENCE INTERCONNECTION OFFER

-- Steps introduced for more effective competition in Bahrain telecommunications market --

MANAMA – 29th August 2005 –The Telecommunications Regulatory Authority (TRA) today announced that it has granted approval to Bahrain Telecommunications Company (Batelco) on the revised Reference Interconnection Offer (RIO). This is the second RIO approved by the TRA, and marks a further step in the further advancement of the liberalization process in the Kingdom as it provides greater clarity and certainty to new operators choosing to enter the Kingdom's increasingly competitive telecommunications market.

A RIO is essentially the cornerstone of agreements between operators as it defines the terms and conditions by which Batelco will provide interconnection to other operators. As a public telecommunications operator determined by the TRA to have a dominant position in relevant interconnection markets, and as required by the Telecommunications Law, Batelco is required to publish a RIO. In approving Batelco's RIO, the TRA examined closely all terms and conditions in line with its obligations for ensuring that the tariffs and terms would be fair and reasonable and non-discriminatory.

One of the main improvements in this RIO is the introduction of specific response deadlines for Batelco when dealing with interconnection requests from other operators. These deadlines give Batelco a clear timeframe to provide the requested service to the operator. This in turn allows operators to better plan the launch of services by knowing the maximum time allowed for completing interconnection requests. Furthermore, the RIO introduces credit reimbursement requirement on Batelco, in case the deadlines are not met, where the new operators will be compensated by Batelco for the delay in providing interconnection given the implications it has on launch of services.

Commenting on the announcement, General Director of the TRA, Mr. Andreas Avgousti said, "As the regulator we continue to work to ensure that a solid foundation is in place for the entrance of greater competition across the broad spectrum of communications services

and the approval of Batelco's RIO is an important milestone in the process.

“Having granted approval to Batelco's RIO, the Authority has taken great care to ensure both operators – new and existing –can begin to benefit as soon as possible from the opportunities provided by market liberalization. We have examined the issues that have developed since approving the first RIO last year and have used our best endeavours to address them in a way that promotes the creation of more dynamic and competitive market that can provide advantages for the economy and users as we go forward. The RIO is a live document that will develop from time to time to meet the ever changing needs of the telecommunications market and reflect experience from the last approval.”

Notes to Editors :

About the TRA

The Telecommunications Regulatory Authority (TRA) was established by Legislative Decree No. 48 of 2002 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 Plan document for those interested parties who do not have access to the Internet. Documents are also available in large print or Brail for those who are visually impaired. The TRA can be contacted on telephone number 17520044