



News Release

TRA Approves Overall Reduction in Prices for Batelco Wholesale Services

Manama, Kingdom of Bahrain - Friday 18 September 2009

The Telecommunications Regulatory Authority (TRA) announced that it has approved the Reference Offer for interconnection and access services offered by Batelco to other Licensed Operators.

Mr. Alan Horne, TRA's General Director stated "The approval of Reference Offer prices for Batelco services is an important part of the regulatory calendar and is one traditionally fraught with challenges from both sides. I would like to take this opportunity to thank both teams for their diligence and cooperation in reaching a common understanding in what is essentially a complicated matter."

Mr. Rob Middlehurst, TRA's Director of Markets and Competition building upon the statements of Mr. Horne stated "Batelco's continued improvement in managing its costs at the wholesale and network level are reflected in the reductions in charges for many of the services contained within the Reference Offer. These reductions will allow other licensed operators, which rely on these essential inputs from Batelco, to offer more competitive retail prices to both business and retail customers. Notably in the newly approved charges the cost of wholesale international leased line has been reduced by more than 20% for circuits to some regions and for leased lines, used to provide data services to businesses, the charges have been reduced by up to 40%. Whilst these two services focus on the business market the price reductions for internet access services in May 2009 provided significant benefits to residential customers that have been witnessed in retail Broadband prices."

Batelco is required under the terms of the Telecommunication Law and its licences to offer wholesale services to other licensed operators. Essentially these services allow subscribers from one network to communicate with subscribers on another network. Each year the prices charged by Batelco for these services are reviewed and submitted to TRA for approval.

Over the past couple of years there have been significant reductions in the prices of many of these services. This has contributed to the development of a more competitive communications market and an environment conducive to investment by all market players. Consumers have enjoyed the benefits of reduced costs in the form of the lower retail prices for services such as access to the internet.

TRA anticipates that the savings in costs paid by other licensed operators in the charges they have to pay to Batelco to such services will continue to flow through to end-users.

About TRA

The Telecommunications Regulatory Authority (TRA) was established by Legislative Decree No. 48 of 2002 promulgating the Telecommunications Law. 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 TRA can be viewed at www.tra.org.bh

Media Contact

Abdulelah Abdulla

Communications Manager

Tel: +973 17 520000

Mobile: +973 36368555

Fax: +973 17 532125

Email: aabdulla@tra.org.bh