

Report on the Responses received to TRA's
Consultation on a Draft Regulation on
Notification of International Roaming Tariffs by
SMS

31 December 2008

Purpose: To report on responses from consumers and licensees to a public consultation on the draft regulation on notification of international roaming tariffs by SMS.



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Response Report

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1 Introduction

This report presents the responses received from service providers and consumers in the Kingdom of Bahrain arising from the public consultation on the draft regulation on notification of international roaming tariffs by SMS. The report also provides TRA's response to the key comments made by respondents.

The consultation outlined the requirements relating to Roaming Tariffs Transparency, taking into account international best practice and recent technological developments.

The consultation invited comments on specific issues relating to Tariffs Transparency for roaming consumers, and the comments received represented a range of opinions.

Responses were received from five consumers from the Consumer Advisory Group (Dr. Hassan Fakhro, Mrs. Saba Seyadi, Mr. Gregory White, Mr. Hussain AlAmeer and Mr. Mohammed Nami), and four licensees - Batelco, Zain Bahrain, Mena Telecom and Kalaam.

The purpose of the consultation was to seek stakeholders' views with respect to a proposed regulation obliging mobile telecommunications services licensees to provide information to roaming consumers on international roaming tariffs. The consultation was published on 27 March 2008 with responses received prior to 24 April 2008.

Regulation No. 1 of 2008 on Notification of International Tariffs by SMS was issued by TRA on 17 July 2008 and published in the Official Gazette on 7 August 2008.

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2 Consumers' Responses

- 2.1 All consumers agreed that the current lack of Roaming Tariffs Transparency was unacceptable.
- 2.2 All respondents stated that the SMS notifying consumers of tariffs should be bilingual. Arabic and English were preferred as the most commonly used commercial languages in the Kingdom of Bahrain.
- 2.3 Consumers highly recommended Push SMS rather than Pull SMS.
- 2.4 Most of the individual respondents to the consultation preferred to receive all operators' tariffs information in the visited country, even if this meant receiving a larger number of SMS.
- 2.5 One response stated that the method of call charge calculation must be indentified for roamers, i.e., whether the charging unit is calculated in minutes, seconds, or other.
- 2.6 It was further suggested that consumers should receive a tariff and call summary after each call.
- 2.7 All were happy with the proposed level of reporting in the draft regulation.

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3 Licensees' Responses

- 3.1** Zain Bahrain stated that, if deemed necessary, it has no objection to sending more than one SMS to roamers. However, it recommended limiting the tariff information included in the SMS to four of the maximum charges of all the operators in the visited country.
- 3.2** Use of Bahraini Dinars was agreed to by Zain Bahrain.
- 3.3** Both the mobile operators and Mena Telecom highlighted the technical limitations to the number of characters that an SMS can hold. Zain Bahrain felt that the length of the SMS is inconvenient to the receiver. Batelco observed that TRA is requesting an excessive and impractical amount of information to be sent to consumers, which in their view is unnecessary and counter-productive.
- 3.4** Mena Telecom noted that if the proposed measures are introduced, a unified approach will be forced onto the market and the competitive advantage of the more market-conscious operators will be lost.
- 3.5** Batelco observed that some of the information envisaged to be sent (e.g. the "maximum or peak rate") can be misleading for the consumers.
- 3.6** Zain Bahrain strongly objected to providing the tariffs information by a free voice call. Batelco stated that agreement between roaming partners would be needed on a number of issues – for example, on waiving applicable charges.
- 3.7** Batelco emphasized that costs and benefits should be carefully balanced. In addition, Batelco observed that to accommodate the requirements, from a technical perspective, will require time, resources and the further development of the existing messaging systems.
- 3.8** Batelco noted that the tariff information given in Bahraini Dinars may not be correct due to currency converting fluctuations.
- 3.9** Batelco was of the view that the aim of Roaming Tariffs Transparency could be more easily achieved by the means of a

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Toll Free number for consumers to call and a website reference, which would be included in the welcoming SMS message.

- 3.10** Mena Telecom suggested that leaving such action (SMS Notification of Roaming Tariffs) to the market is an opportunity for licensees to build their competitive advantage.
- 3.11** Zain Bahrain suggested setting a minimum period from the last visit to the same country before a roaming tariffs SMS is sent again.
- 3.12** Zain Bahrain further recommended that the implementation for this regulation be carried out in three stages starting on July 1st and ending on September 1st 2008.
- 3.13** Batelco observed that, due to the nature of radio communications, and given that the number of messages to be received is large, no guarantee can be provided by mobile networks that the service will be fault-free or interruption-free. Zain Bahrain added that it cannot be held liable if messages do not reach the roamer in some cases, as there can always be reasons for a message not reaching its destination, especially in international roaming situations.
- 3.14** Both Batelco and Zain Bahrain stated that tariff updating is subject to other operators updating their notifications.
- 3.15** Batelco referred TRA to the GSMA's proposed SMS Transparency Agreement, which, in their view, will achieve the same goal with fewer information requirements.

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4 TRA's Position

- 4.1** In drawing up the Final Regulation, TRA considered all the responses received on the Draft Regulation. In particular, TRA took note of the consumers' view for the need for details of charging. Therefore TRA has retained most of the categories of information to be provided. However, in responding to operators' concerns, TRA decided to merge two categories of information on tariffs for sending SMS while roaming (sections 2.4.4 and 2.4.5 of the draft Regulation). This resulted in the requirement to provide the single maximum tariff for sending SMS, whether locally or back to the Kingdom of Bahrain.
- 4.2** TRA decided not to include an additional obligation to provide the summary of the cost incurred by the consumer after each call, as it considered that the proposed obligations already provide sufficient information for the user to be able to choose an operator and control his/her costs. In taking this decision TRA also took into account the need to balance the interests of different stakeholders.
- 4.3** In order for subscribers to be able to clearly determine the price they need to pay for the roaming calls, TRA has decided to supplement the Regulation with the requirement to indicate the chargeable unit used as a basis for calculating the price.
- 4.4** Consumers welcomed the information and recommended that it be obtained by "Push SMS" rather than "Pull SMS". Therefore, TRA retained this method for providing the information in the final Regulation.
- 4.5** In respect to the technical limitations to the number of characters that a single SMS can hold, TRA believes that with care the number of messages required can be kept to a reasonable number that will not be deemed as being a nuisance to the receiver. TRA found from individuals' comments on this issue that the information is highly required for the purpose of transparency of Tariffs.
- 4.6** TRA believes that, if needed, the welcoming roaming SMS could be shortened to accommodate more useful information on tariffs without unduly increasing the total amount of information sent to

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the consumers. Furthermore, the Regulation includes the possibility for the consumers to opt -out from receiving SMS on roaming prices. This feature could be used by those consumers who consider such information unnecessary.

- 4.7 This regulation is not considered by TRA as negatively impacting the ability of operators to differentiate their services or to take initiatives to seek competitive advantage. The purpose of the regulation is to ensure consumers receive the basic information that they require on international roaming tariffs. The licensees still have many opportunities to offer differentiated services and pricing plans in order to support their competitiveness.
- 4.8 TRA is aware that both Batelco and Zain Bahrain have signed the SMS Transparency Agreement developed by the GSM Association. Therefore in principle there should be no technical difficulties to implement provision of information on roaming prices via SMS.
- 4.9 TRA has accepted the objection made by both Batelco and Zain Bahrain in providing the free voice call and has accepted their reasons. TRA has therefore changed the Regulation to delete the requirement that access to the helpline should be free of charge.
- 4.10 TRA believes that it is important that information is provided to users in their own currency - Bahraini dinars – which is used to settle their bills. The immediate imposition on users of the fluctuations of prices (because of currency fluctuations) could also be considered as not meeting the appropriate standards of informing users of price changes.
- 4.11 TRA believes that the website with pricing information is important with regard to providing the consumer with optional additional detailed information on International Roaming Tariffs. However, the website is not a replacement for International Roaming Tariffs SMSs.
- 4.12 TRA accepts Zain Bahrain's recommendation for setting a minimum period from the last visit to the same country before resending the same SMS. TRA has amended the Regulation accordingly to allow for a five days period between such SMS if the roaming subscriber connects to a visited mobile telecommunications service provider's network within five days

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from the last time when international roaming tariff SMS message was sent to him/her in the same visited country.

- 4.13** TRA is aware of the nature of radio communications and trusts that the licensees will send the SMS to the roamers using the standard quality of service and the accepted success delivery ratio that is used to deliver other SMSs.
- 4.14** In order to give the licensees sufficient time to implement the Regulation, TRA has set the implementation date to 1 January 2009 (i.e., more than four months from the issuing the Regulation and more than three months from its publication in the Official Gazette).

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5 Conclusion

TRA would like to thank all respondents for their comments on this important consumer-related Regulation. The final Regulation has adopted a number of the suggestions received. The implementation of this regulation is seen by TRA and consumers as a key milestone in improving the transparency of roaming charges.