



Press Release

TRA Releases Strategic and Retail Market Review Document for Public Consultation
The Results will Determine the Regulatory Policy for the Coming 3 Years

Sunday 27th August 2007:

Today, the Telecommunications Regulatory Authority (TRA) released for public consultation its Strategic and Retail Market Review, which includes an in-depth assessment of the current telecoms market in Bahrain.

The objective of the Retail Market Review was to determine how the national, international, and mobile telephone markets, as well as the Internet market should develop over the next 2 to 3 years. TRA looked at each of these markets with the aim of removing regulation from those markets where it considered that competition had developed and decreasing the amount of regulation to encourage those markets where competition was developing. For those markets where TRA found that competition had not yet developed it put forward a number of policies aimed to speed up its development.

There were 3 inputs considered for preparing the Review. The first input was an assessment of the current state of competition in retail markets in Bahrain, for which a formal market review had not previously been carried out. This involved identifying specific markets and assessing the state of competition in each of them, in some cases benchmarking Bahraini experience in an international and regional context.

The second input into the review was the market survey of 1052 residential consumers and 159 Businesses in Bahrain (results of which are now available on TRA's website (www.tra.org.bh)). The findings of the survey helped to fully understand the perceptions and needs of all consumers in Bahrain, the extent to which these needs are currently met, and how they might be better met in the future

The third input into the review was an assessment of telecommunications technologies and infrastructure in Bahrain. This assessment has taken a medium to longer term perspective and provided the basis for the consideration of future market developments and regulatory strategy. It involved surveying developments in technology and especially the impact of new and advanced telecommunications services on the structure of markets and barriers to entry by new operators.

The findings of the review are extensive and involve an assessment of the need for consumers to keep their telephone numbers when they switch operators, measures to increase the speeds and lower the level of prices for Internet services and freeing up of the mobile market in Bahrain through allowing the entry of new operators as well as removing the requirement for Batelco to have all its mobile prices approved by the TRA. TRA also intends to help consumers through setting up a website to compare international call tariffs.

The strategic review document was published yesterday on the TRA website (www.tra.org.bh) and licensed telecommunication operators and consumer and business advisory groups are invited to participate in the consultancy process which closes on 7th October 2007. The results of the Consultancy and TRA final findings on the state of retail markets in Bahrain will be announced in December 2007.

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