



The Telecommunications Regulatory Authority (TRA) Kingdom of Bahrain

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www.TRA.org.bh

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General Director

- Policy & Law
- TRA
- Balancing Interests
- What has been achieved
- Future Plans

- In October 2002 a Legislative Decree No. 48, put into effect the Telecommunication Law
- The Law implements Government Policy to create a competitive telecommunications environment

National Telecommunications Plan

- Issued by the Prime Minister H.H Khalifa bin Salman Al Khalifa in July 2003
- Government policy seeks to rapidly create a free market environment that will be attractive to new private sector entrants to the telecommunications sector.
- At the same time, it is the Government's policy that Batelco should be encouraged to thrive by responding constructively and fairly to competition and through the pursuit of greater efficiency and new business opportunities.
- To these ends, and in the further interests of transparency, the Government will separate its role as policy maker for the sector from its present role as a shareholder in Batelco.

National Telecommunications Plan

- The liberalization package;
- Telecommunications Regulatory Authority;
- Licensing; Domicile of licensees; Number of licenses
- Licensing of Batelco's activities;
- Universal Service Obligations;
- Bahrain Internet Exchange (BIX);
- The Government role as shareholder and corporate governance of Batelco;



Establishment of TRA

- TRA (Authority) established by the Telecommunications Law
- The Authority established as an independent public body
- Licence fees set at 1% of gross turnover of Licensees

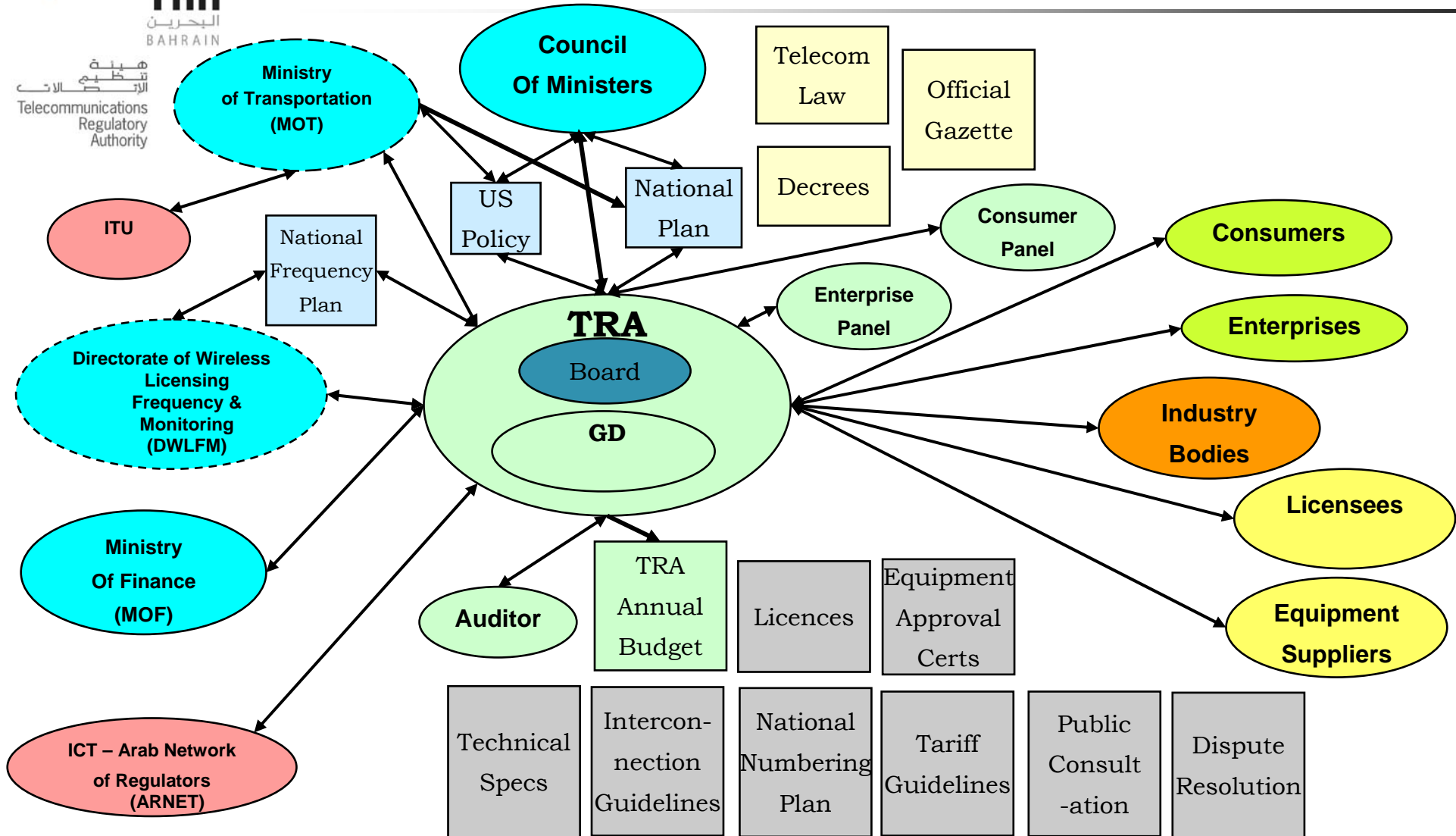
- TRA is managed by a Board of Directors
 - consisting of five members one of whom is the Chairman of the Board.
 - The Board is appointed by His Majesty the King based on proposal from the Council of Ministers of the Kingdom of Bahrain.
- The General Director
 - appointed by a royal decree based on the proposal by the Council of Ministers upon the recommendation of the Board for a period of three years.
- The Deputy General Director is appointed by the General Director
- TRA consists of 5 directorates:
 - Communications and Consumer Affairs Directorate
 - Technical and Operations Directorate
 - Market and Competition Directorate
 - Legal Affairs Directorate
 - Finance, Administration and HR Directorate
- Currently the total number of employees at TRA is 25

1. Protect the interests of Subscribers and Users in respect of:
 - the tariffs charged for services;
 - availability and provision of service;
 - quality of services; and
 - protection of Personal particulars and privacy of services;
2. Promote effective and fair competition among new and existing Licensed Operators; and
3. Ensure, when assessing applications involving provision of Public Telecommunications Services, that any applicant shall be able to provide those services

1. Issue regulations, orders and determinations
2. Monitor and investigate compliance
3. Give final decisions as to applications for Licences;
4. monitor and enforce compliance with Licence terms;
5. Set and collect application, initial, annual and renewal fees for Licenses, collect fines and fees under any License and, where appropriate, collect fees for services provided by the Authority;
6. Co-ordinate Telecommunications Frequency Assignments
7. Examine complaints and resolve disputes arising between Licensees, Subscribers and any other Person involved in the Telecommunications industry,



TRA Relationships



TRA has to balance different interests

- All
 - Maximise shareholder value
 - protect investments
 - High prices
 - Lock in customer
 - Growing demand
- Batelco
 - Protect customer base
 - Protect access network
- New Operators
 - Gain customer base
 - Utilise Batelco's infrastructure at cost based prices

- World class international communication highways at international best prices and always available supporting:
 - mobile and fixed voice communications
 - mobile and fixed data communications
 - internet access
- Ability to change supplier if not satisfied
- Availability of the latest handset, business and network technologies
- E-Commerce practices adopted by all major purchasers and suppliers

What has been achieved (1)



- Implement the new National Numbering Plan
 - increased the number dialled from 6 or 7 digits to 8 digits in order to cope with more services and customers
- Approving Batelco's Reference Interconnection Offers (RIO)
 - sets out the terms and prices for other operators to connect to customers on the Batelco network
- Complete the Regulatory Framework:
 - Determination on Methodology for Determining Market Power;
 - Determination on Methodology for the Definition of Telecommunications Markets;
 - Determination on Batelco's Cost of Capital;
 - Determination on Dominance in Interconnection Markets;
 - Consultation Process Regulation;
 - Ownership Regulation;
 - Carrier Pre-Selection Regulation;
 - Accounting Separation Regulation;
 - Telecommunications Mergers & Acquisitions Regulation;
 - Mobile Phone Jammers Regulation;

What has been achieved (2)



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تنظيم
الاتصالات
Telecommunications
Regulatory
Authority

- Launch of Carrier Pre-Selection (CPS) in Bahrain
- Competition in international calls and internet via satellite (corporate customers)
- Publication of Spectrum Policy (joint project with Ministry)
- Award of National Fixed Wireless Licenses (in 3.5 GHz range)
- Access Regulation;
- Approving Batelco's first Reference Access Offer (RAO)
 - sets out the prices, terms and conditions for OLOs to use Batelco's network infrastructure
- Awareness Campaign for consumers
- Determination on Batelco's Cost of Capital;
- Determination on Batelco Dominance in Wholesale Markets;
- Regulation on the Light Licensing Regime for the 2.4 GHz and 5 GHz

Individual Mobile Telecommunications Licence	2
International Telecommunications Facility Licence (IFL)	12
International Telecommunications Services Licence (ISL)	33
Individual National Fixed Service Licence	8
Individual National Fixed wireless Licence	2
VSAT Licence	9
Individual Paging Services Licence	1
Value Added Services Licence (VAS)	43
Individual Public Access Mobile Radio Service Licence	1
Internet Exchange	2
Internet Service Provider Licence (ISP)	22

Services offered by new licensed operators



• Licensee (Examples)

- 2 connect
- Business Communications Network
- Etisalcom
- Fastelco (TeleGulf)
- Kalaam Telecom
- Light Speed Communications
- Mena Telecom
- North Star Communications
- Nuetel Communications
- Swiftel International
- Viacloud

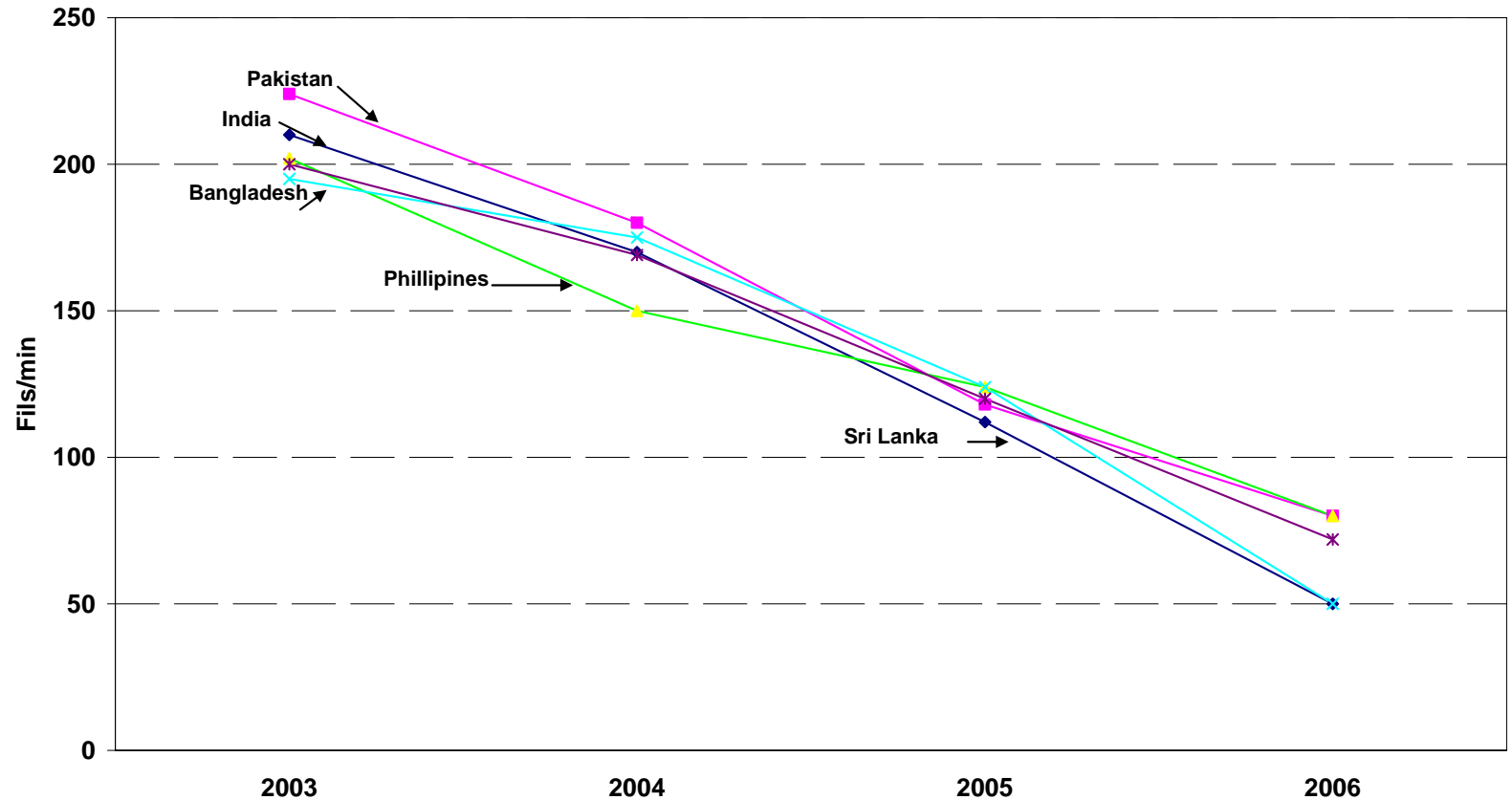
• Service provided

- Fixed internet access includes both broadband and dial-up
- Wireless broadband service
- Domestic Direct Dialing
- Carrier pre-select (International)
- International Direct Dialing
- International Direct Dial Pre pay calling card
- International Pre pay calling card
- International private leased line circuits (IPLCs) and MPLS.

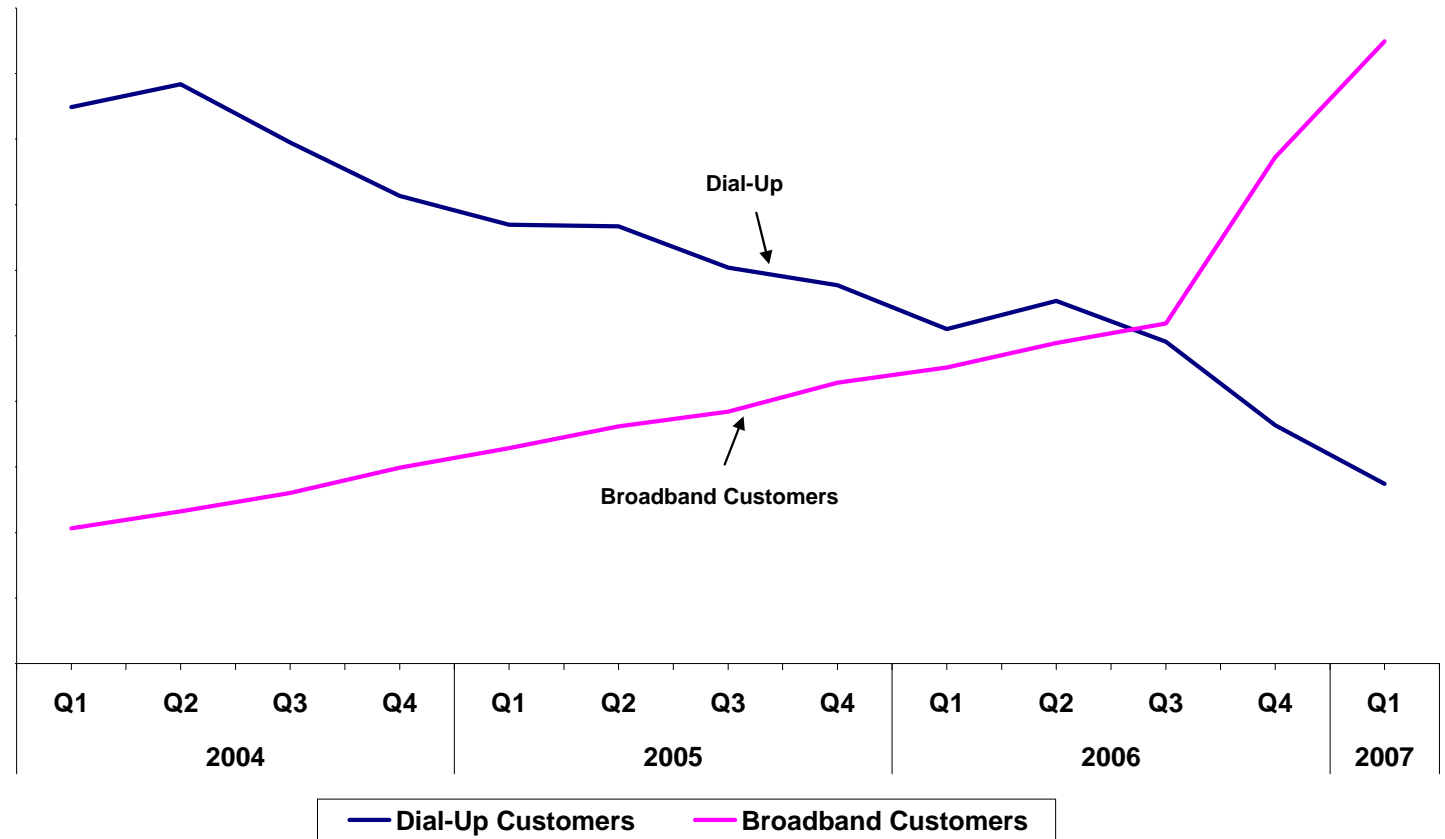
- Product Approvals - Circa 1000 products have been approved (287 in 2006) to be placed on the market over the last 4 years covering:
 - PBXs
 - Fixed and mobile Handsets
 - Routers and multiplexers
 - Anything which transmits
- Mergers and acquisitions

International retail charges have fallen where there is competition

International Call Prices - 5 Major Destinations



Broadband and Dial-up subscribers - Q1 2004 to Q1 2007



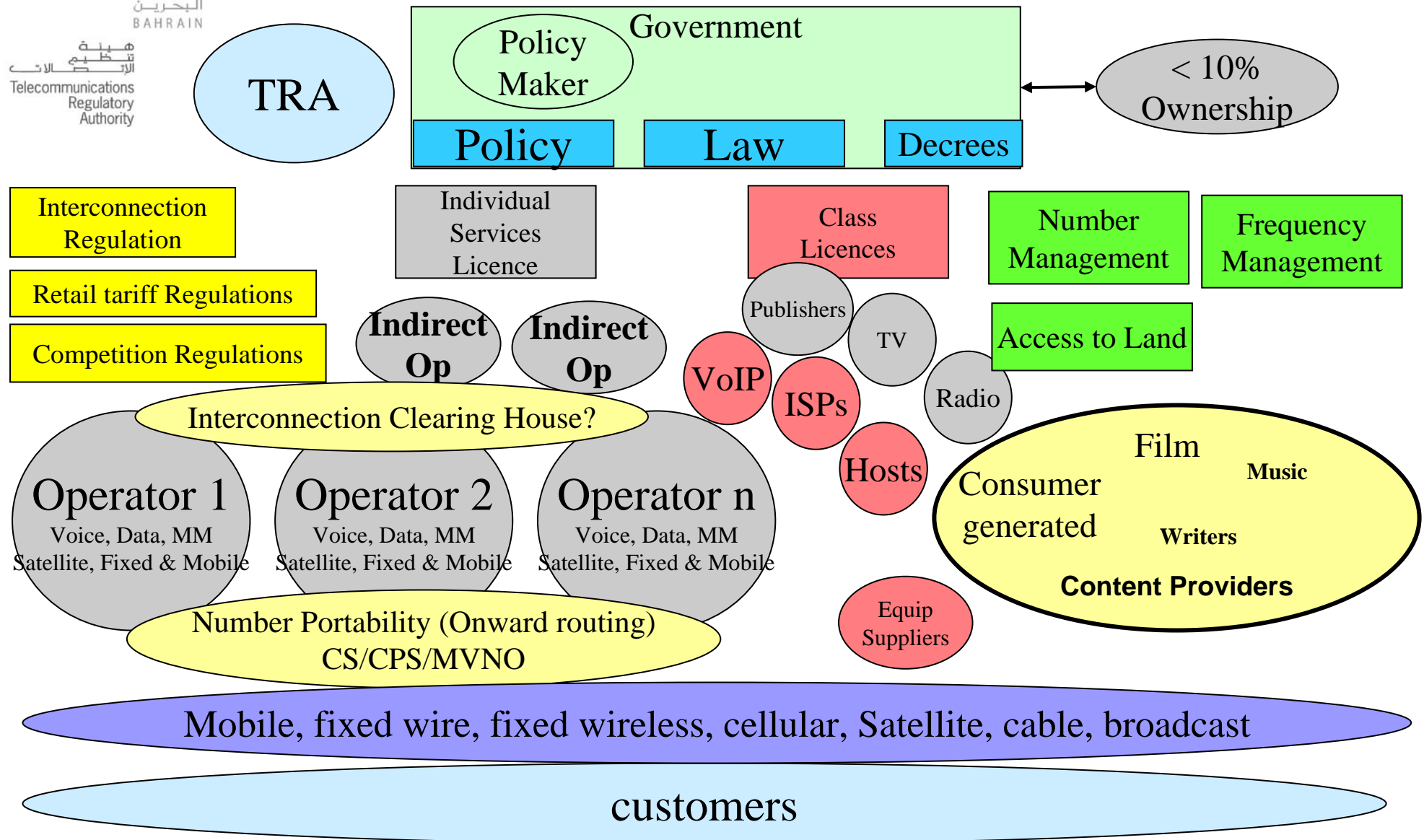
Consultations:

- Are issued in Arabic and English
- Are published Via the TRA's website and the media
- Highlight particular questions that the TRA welcomes the public to comment on
- Publish TRA's position on the input received
- Provide time frame and specify the outcome of the process – regulation, determination etc

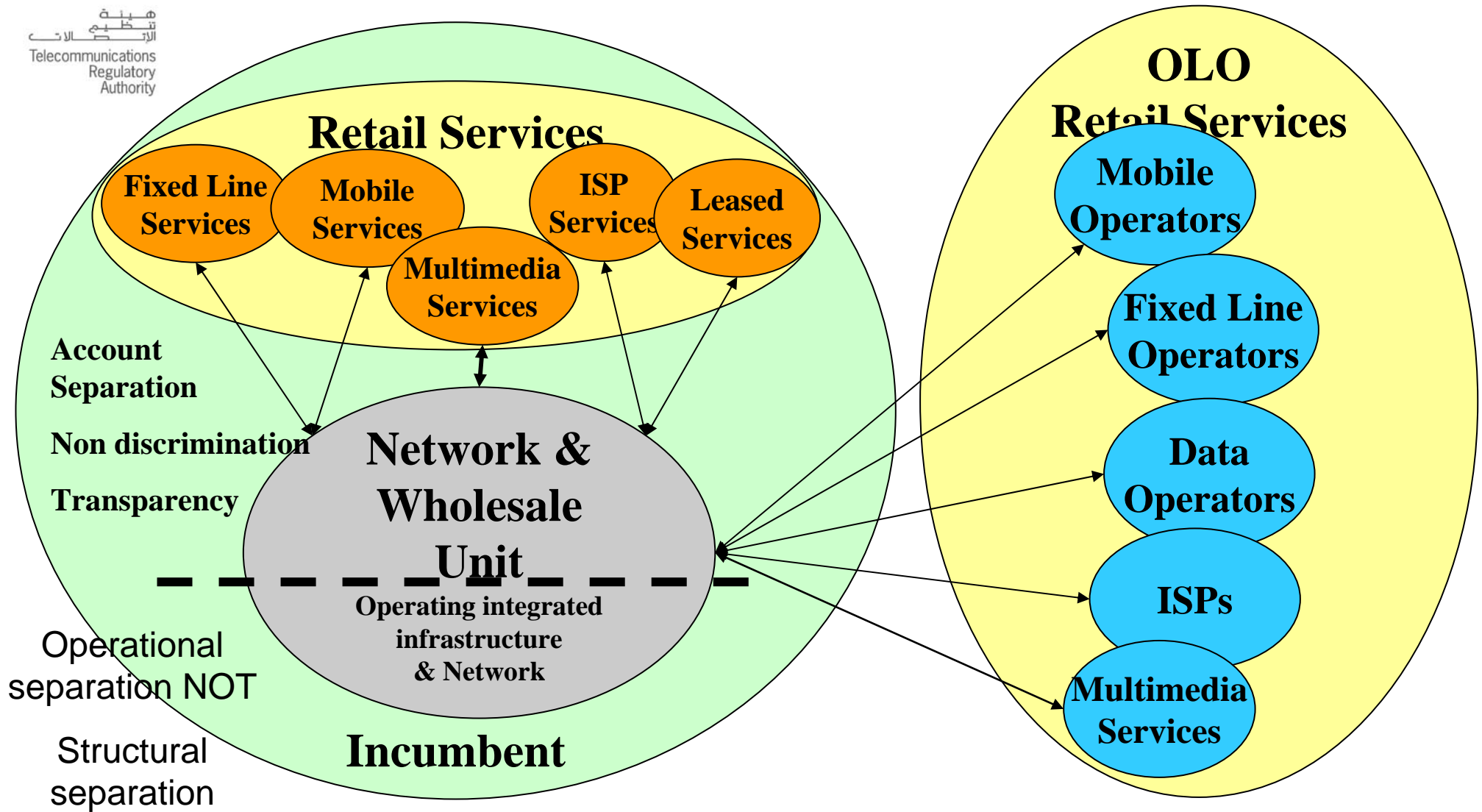
Public hearings



Future - 2007 - 2009



Incumbent - Network/Carrier Services



TRA work Plan and Strategy – The next phase

- Assist current licensees realise expectations through tackling barriers to success
- Increase dialog with all TRA stakeholders in particular consumers and enterprises
- Top work priorities
 - Strategic Market Review
 - Consumer Protection issues;
 - Wholesale prices
 - Access to international capacity
 - Spectrum availability and price
 - Number portability
 - Unified Licence
 - Retail Price Controls;
 - Quality of Service;
 - Local loop and related facilities and services;
 - Amendments to National Numbering Plan;
 - Construction of ducts

- Convergence of Services
 - Fixed & mobile
 - VoIP and internet access
 - Data roaming
 - Broadcast TV over IP
 - Financial transaction services
 - IPR
 - Security
- Major new public and private developments
- Advances in technology

- Staffing
- Approval of M&A share transfers
- Regionally ARNET

- Never has there been a more exciting time in our industry
- In reviewing and developing the next phase of regulation we need:
 - to have open and frank dialogue;
 - the interests of the Nation need to be put first;
 - to take advantage of new technologies to improve the customer experience
 - Understand how can we assist in the growth in the economy
 - TRA and regulations must assist and not hinder in investment
- A well informed media will assist in communication of the issues and developments in the sector to the benefit of the Kingdom