



# Telecommunications Sector Liberalization Kingdom of Bahrain

Presentation to H. R. H. Prince Philippe – Crown Prince of  
Belgium  
5<sup>th</sup> November 2007

Telecommunications Regulatory Authority  
PO Box 10353  
Manama  
Bahrain  
Website : [www.TRA.org.bh](http://www.TRA.org.bh)  
[contact@tra.org.bh](mailto:contact@tra.org.bh)

**Alan Horne**  
**General Director**  
**Tel:+973 1752 000**

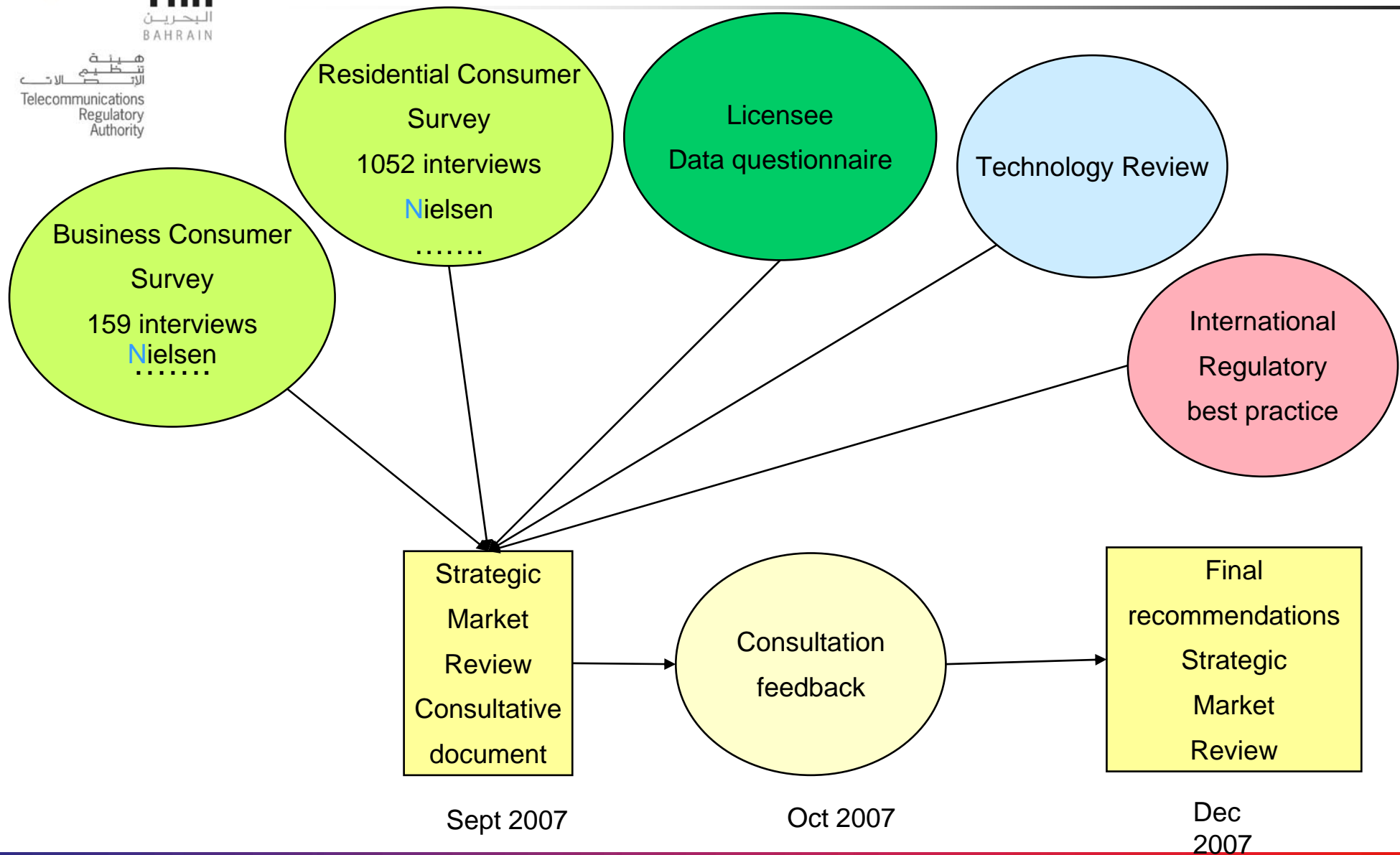
- Bahrain in perspective
- Bahrain Market
- Regulating the Market
- Work Programme
- Conclusions



	Belgium	Bahrain
<b>Total Area</b>		<b>735.8 Sq. Km.</b>
<b>Number of households</b>		<b>116,533</b>
<b>Total Population</b>	<b>10.51 m</b>	<b>742,562</b>
<b>GDP</b>	<b>364.7 \$ billion</b>	<b>\$ 9.25 billion (2005)</b>
<b>GDP per capita</b>	<b>\$ 34,700</b>	<b>\$ 12,763.76 (2005)</b>

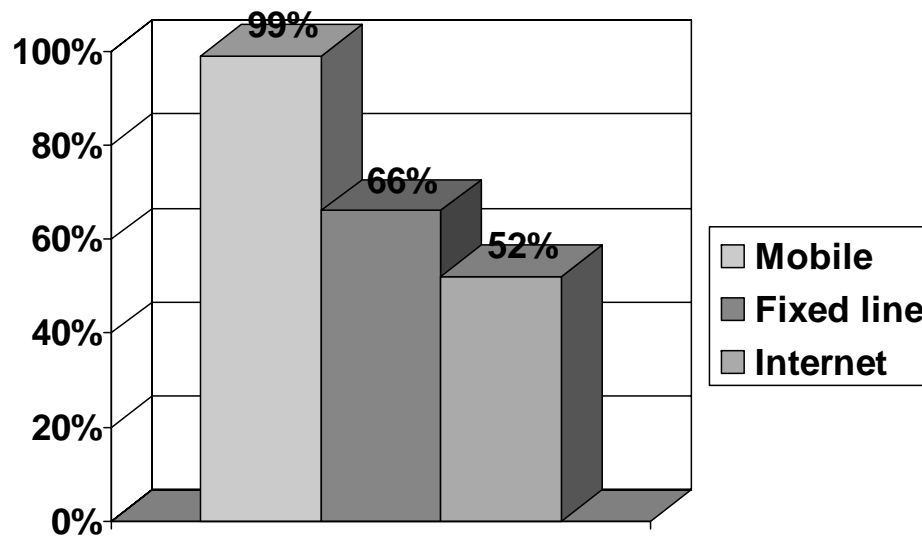
Sources: Central Informatics Organization  
World information society report 2007

# 2007 Bahrain Market Review

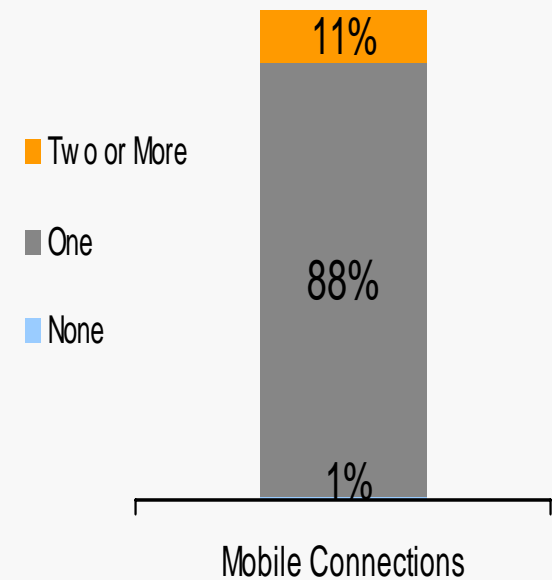


# Usage of Residential Telecommunications services

Households with service



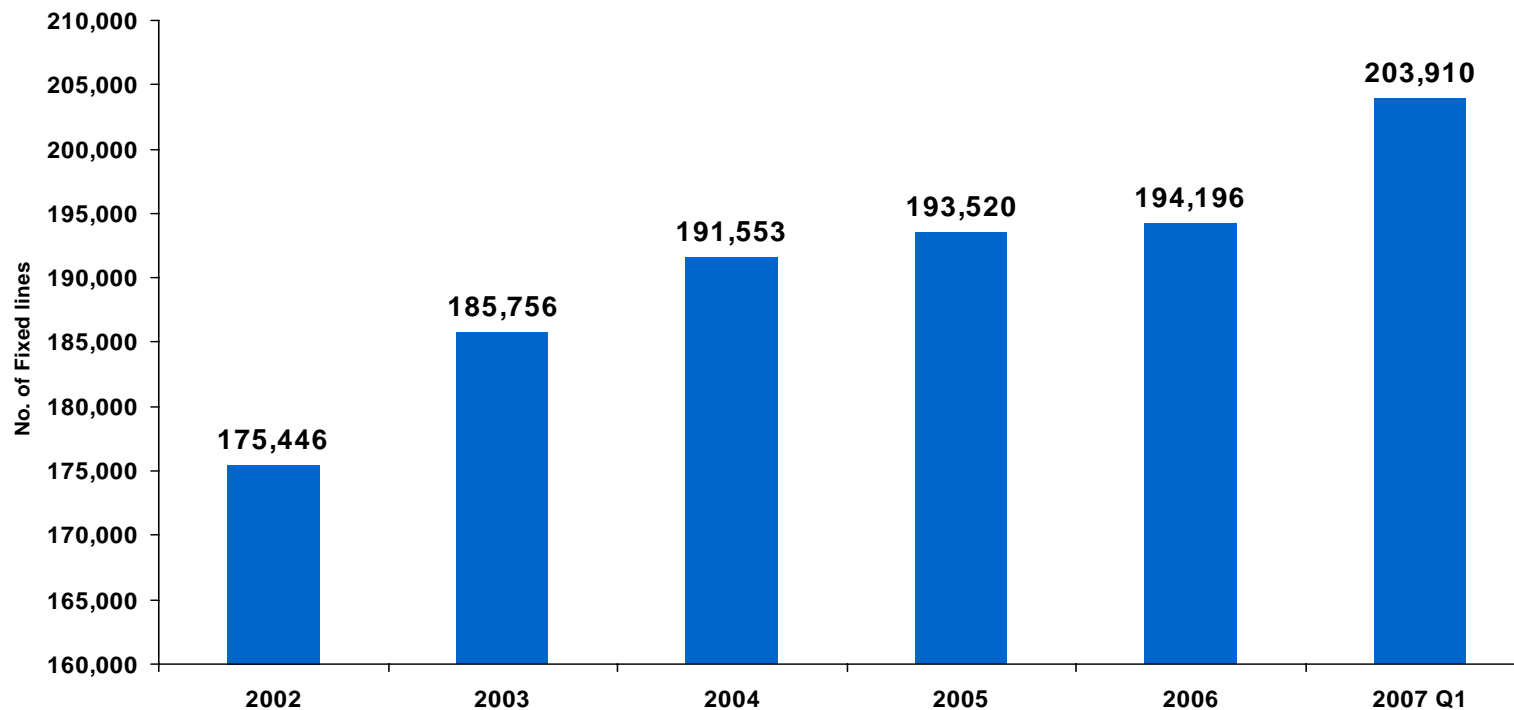
No of Mobile Connections





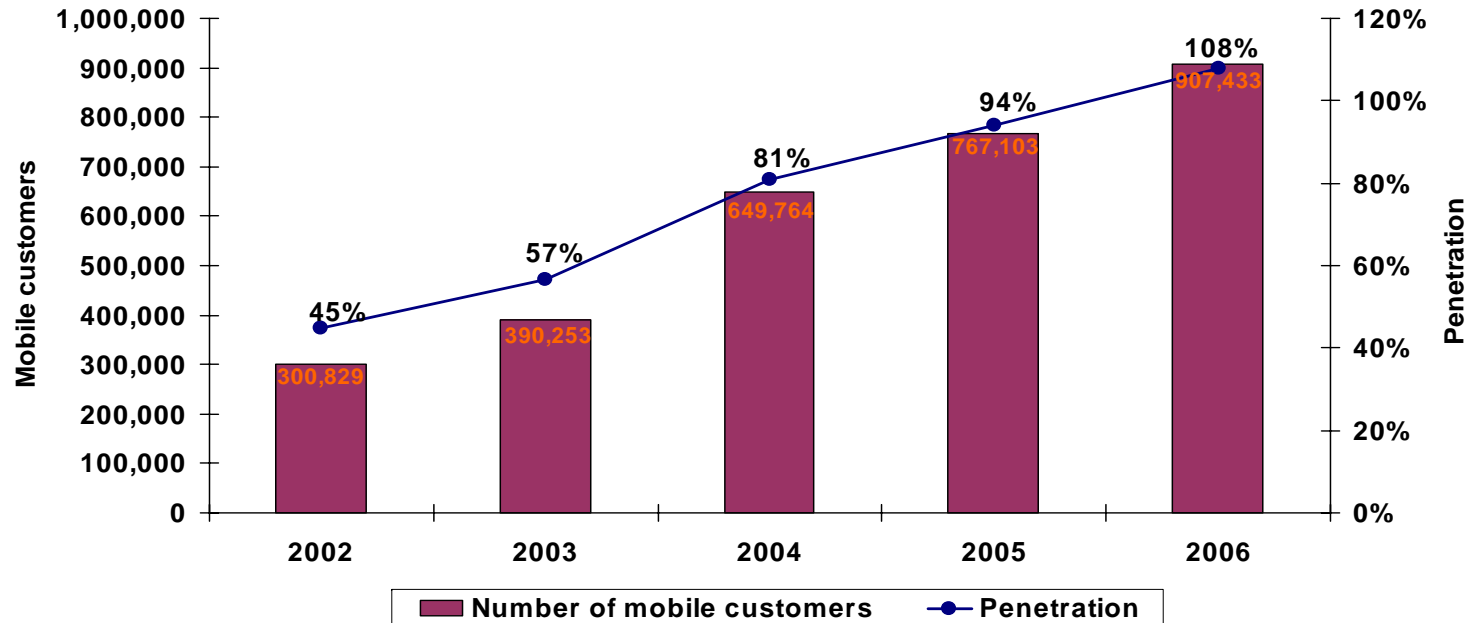
هيئة  
تنظيم  
الاتصالات  
Telecommunications  
Regulatory  
Authority

## *Number of Telephone Lines (Res. and Bus.) in the Kingdom of Bahrain (2002 – 2007 Q1)*



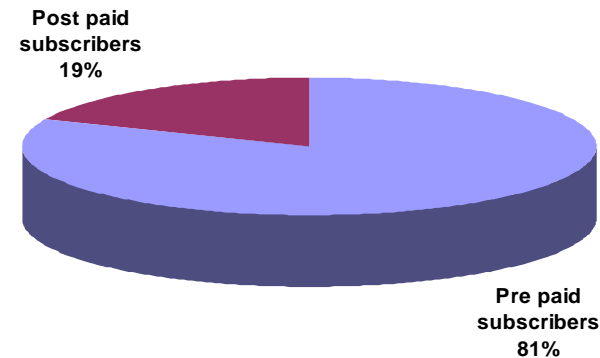
# Mobile subscribers Growth in Kingdom of Bahrain ( 2002 - 2006 )

هيئة  
تنظيم  
الاتصالات  
Telecommunications  
Regulatory  
Authority



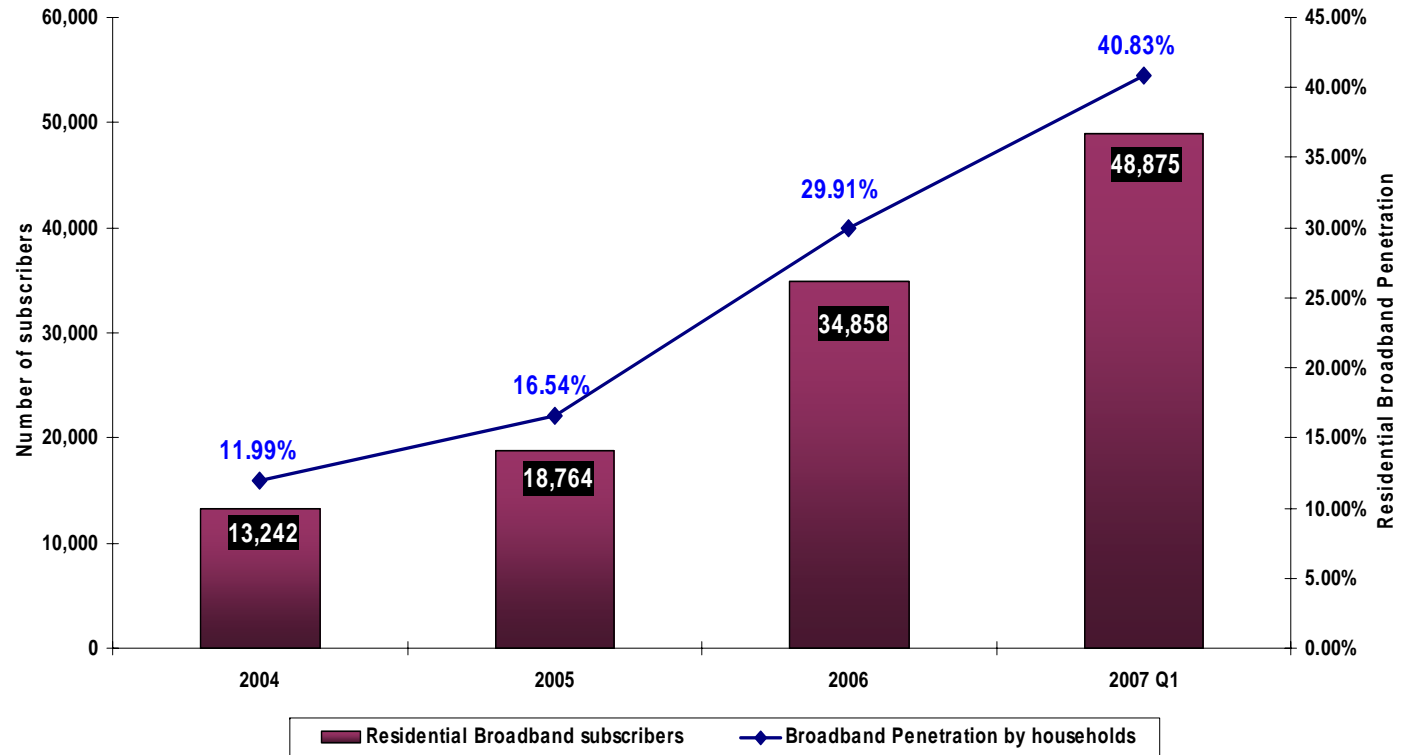
□ The mean monthly bill for fixed line services for consumers in Bahrain is BD29 per month (including national, international calls and line rental charge).

About 11% have more than 1 connection

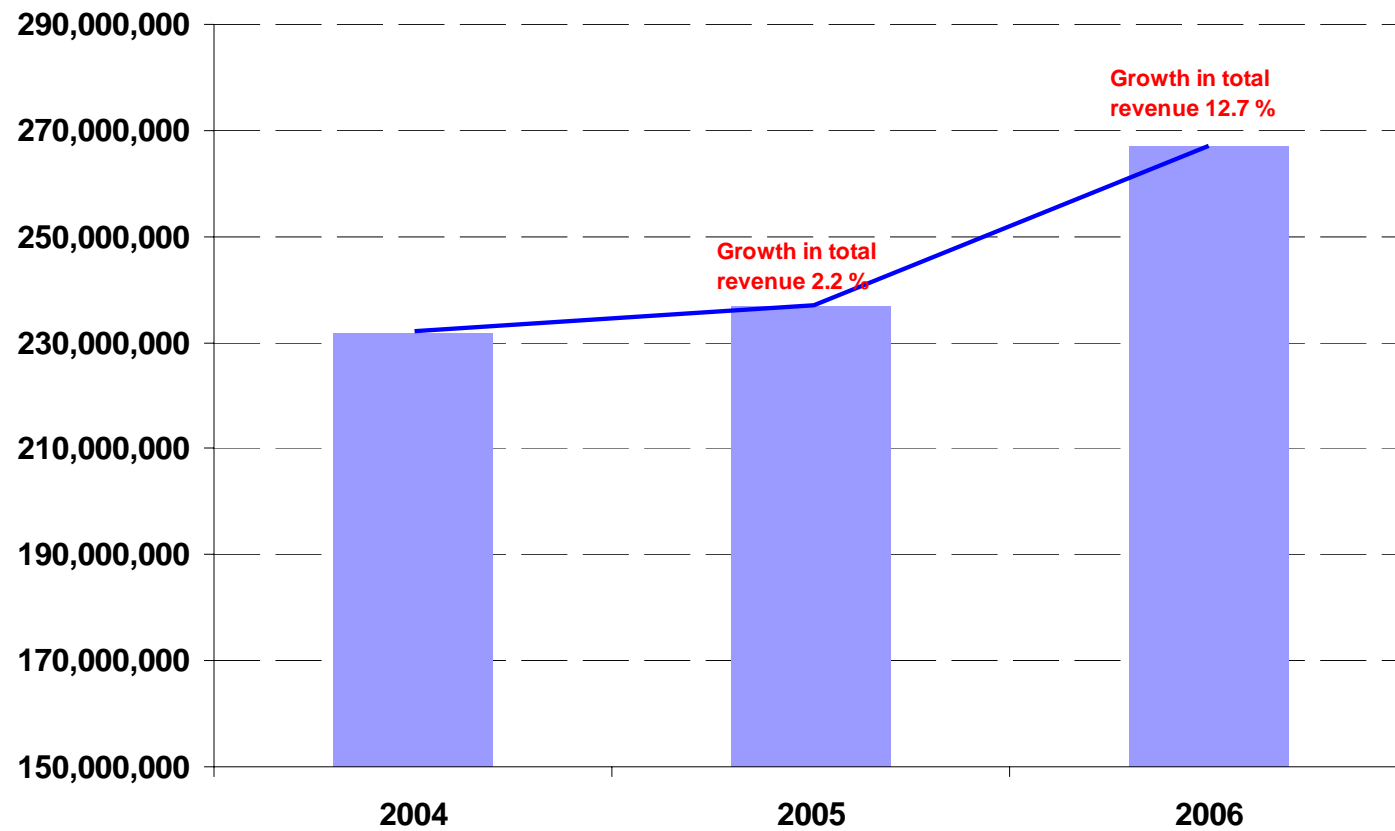


# Residential Broadband subscribers in Kingdom of Bahrain ( 2004 - 2006 )

120,000 households (CIO)

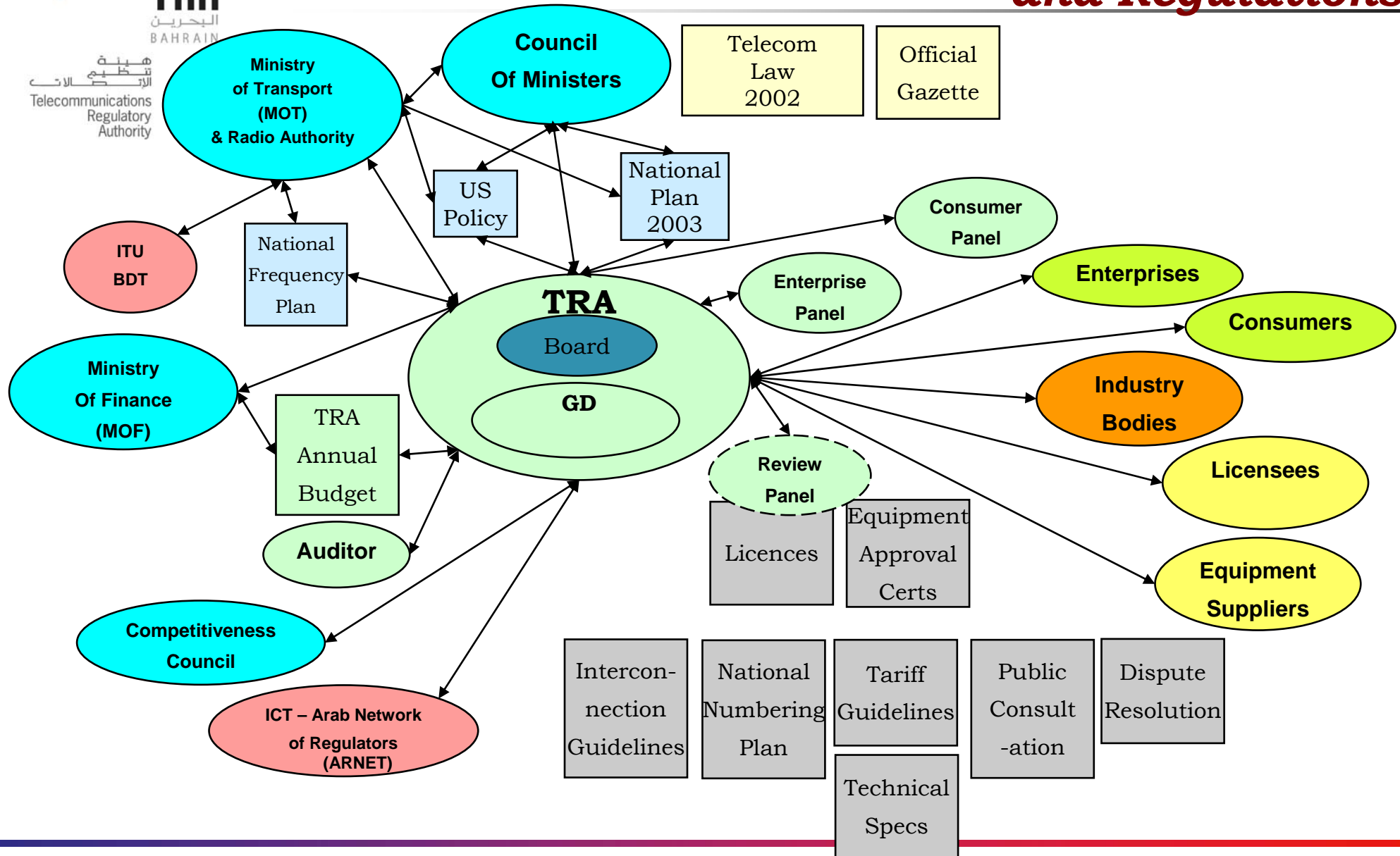


Growth in the telecommunications market revenue (From all Operators)





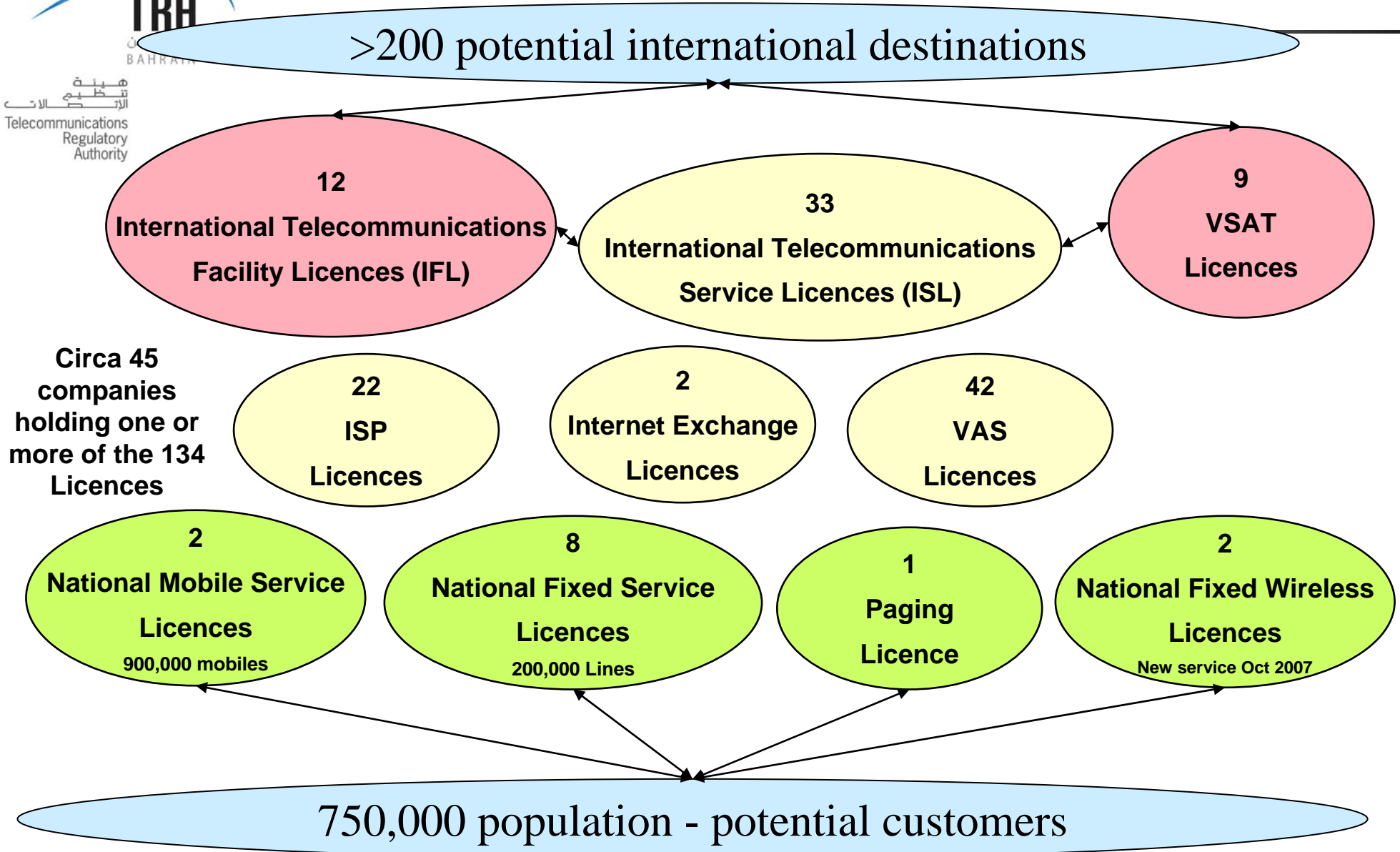
# Bahrain Telecommunications - Institutions and Regulations





هيئة  
تنظيم  
الاتصالات  
Telecommunications  
Regulatory  
Authority

# Licences



## Services being offered by Licensees

### Retail Services

Licensee

y = currently offering services

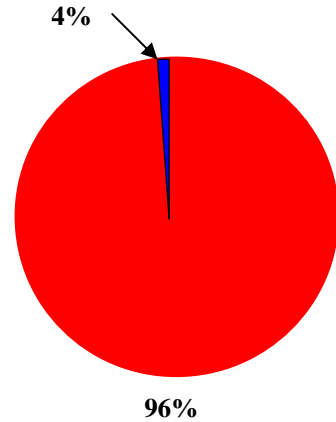
Licensee	Fixed Access	Fixed Calls	Mobile	ISP	Inter Service	VAS	Paging	NFWS
2Connect					y			
Neutel Telecom	y	y		y	y			
ANIS					y	y		
Batelco	y	y	y	y	y	y	y	
Business Communication Networks					y			
Etisalcom W.L.L		y			y			
Fakhro					y	y		
Kalaam Telecom				y	y			
Light Speed		y		y	y	y		
Mena Broadband services WLL					y	y		
MTC - Vodafone Bahrain			y	y	y	y		
North Star					y	y		
Orbit				y	y	y		
Swiftel International					y	y		
TeleGulf					y	y		
Viacloud WLL					y			
<b>Total</b>	<b>16</b>	<b>7</b>	<b>2</b>	<b>14</b>	<b>16</b>	<b>16</b>	<b>1</b>	<b>2</b>
<b>Offering Services</b>	<b>16</b>	<b>2</b>	<b>2</b>	<b>6</b>	<b>16</b>	<b>10</b>	<b>1</b>	<b>0</b>



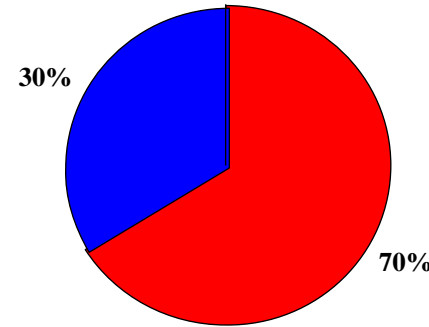
هيئة  
تنظيم  
الاتصالات  
Telecommunications  
Regulatory  
Authority

# Batelco is still dominant

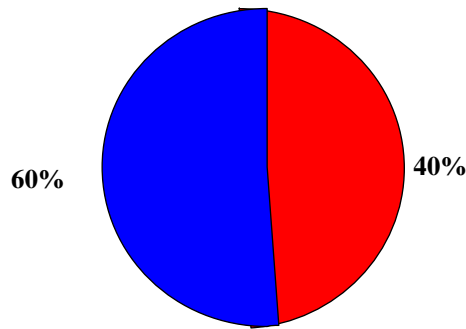
The following pie charts present market shares for selected high level markets (approximated market shares only)



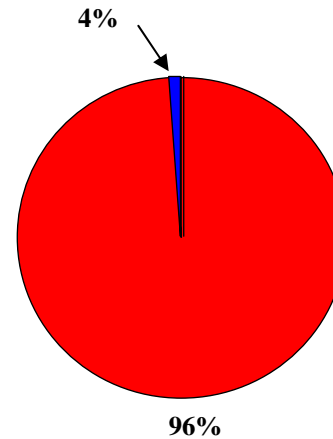
Fixed



Mobile

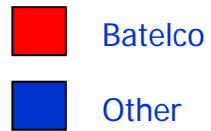


International Call



Broadband

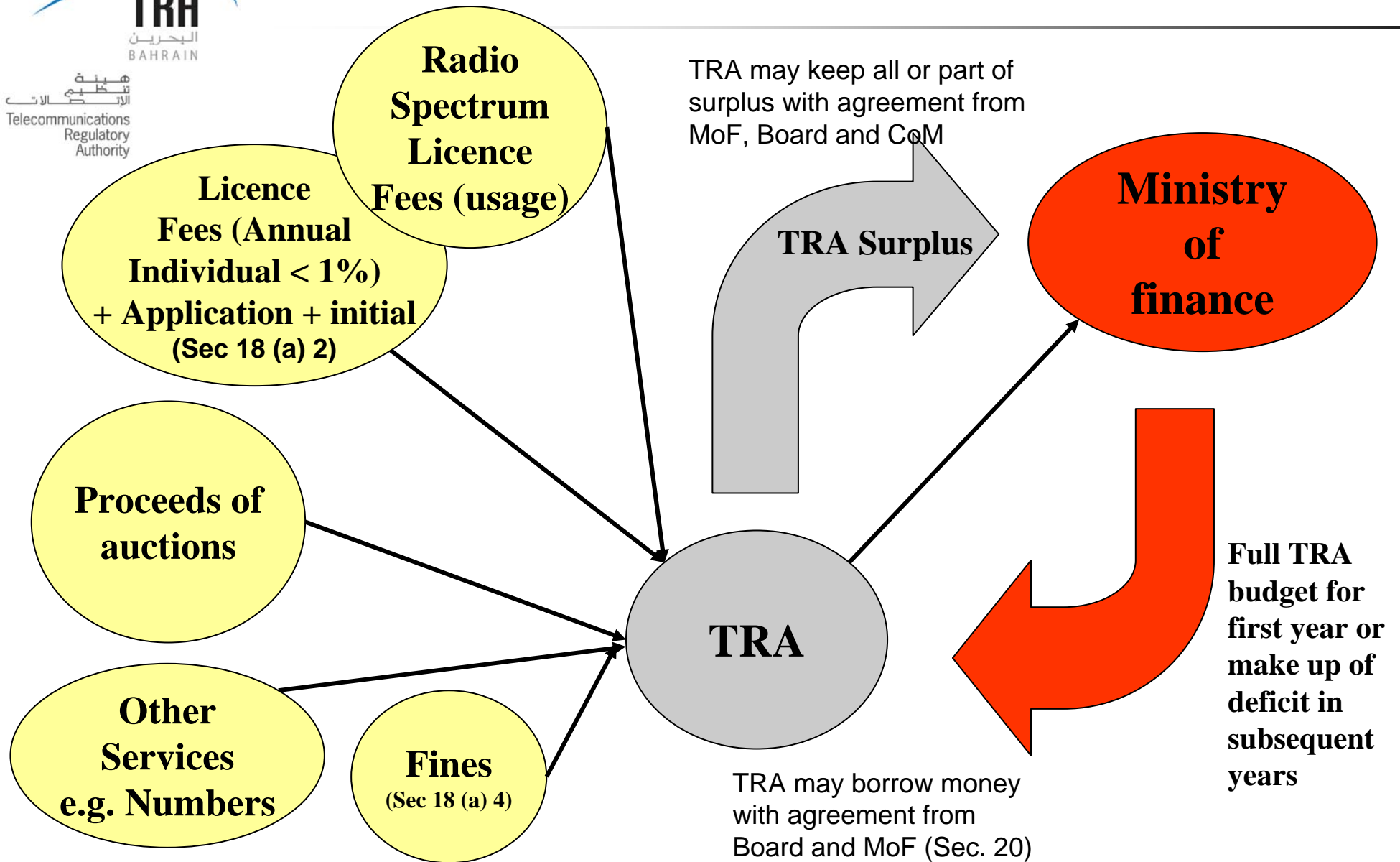
Overall market growing circa 5% in terms of revenue



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 or any Person to whom any such service falls to be provided, shall be able to provide those services.

1. issue regulations, orders and determinations as may be necessary for the implementation of the provisions of this Law,
2. monitor and investigate compliance with the provisions of this Law and any regulations, orders and determinations
3. give final decisions as to applications for Licences in accordance with the provisions of this Law;
4. monitor and enforce compliance with Licence terms by Licensees;
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 with the competent authorities of other countries in accordance with the applicable requirements of the International Telecommunications Union;
7. examine complaints and resolve disputes arising between Licensees, Subscribers and any other Person involved in the Telecommunications industry,

## Sources of fund (Sec. 18)



# ***TRA's relationship with Ministry***

---



- The Minister has the responsibility (Sec. 15) for:
  - Preparation of the National Telecommunications Plan (NTP) in coordination with the TRA;
  - Supervision of the implementation of the NTP;
  - Follow up on the implementation of the Universal Service Policy and seeking approval of any amendments to the CoM;
  - Promoting investment in the telecommunications sector and creation of a competitive environment to enable customers to have access to modern telecommunications services at suitable prices;
  - Follow up the fulfillment of obligations under the international telecommunications conventions
  - Representing and coordinating participation at international telecommunications events
  - Laws related to Telecommunications in coordination with the TRA

## 2007 – 2009

- Enable sustainable competition through all the services – make what has been started a reality;
- Open dialog with all TRA stakeholders;
- TRA detailed work plan drafted after comprehensive discussions with all TRA stakeholders and TRA shall consult on the priority of the projects.

# Indicative Action Plan (3)

Task Name	2008															
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Strategic market review	█															
Ensuring equal access to public land	█															
Review of duct rental prices				█	█	█	█	█	█							
Review of international links (IPLC) tariffs				█	█	█	█	█	█							
Review of bitstream charges	█				█	█	█	█	█							
Review of weighted average cost of capital									█	█	█	█	█	█	█	█
Local loop unbundling (feasibility analysis)	█				█	█										
Market data collection and publishing	█															
New framework for radio spectrum	█				█	█										
Licensing of new radio spectrum							█	█	█	█	█	█	█	█	█	█
Decision on introduction of MNO/MVNO	█															
Number portability		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
-> Trial (Number Portability)														█	█	█
Consumer rights protection framework	█															
Reform of retail price control	█				█	█	█	█	█	█	█	█	█	█	█	█
-> Relaxation of mobile tariff approval	█															
Framework for unified licensing	█															
Review of the numbering plan	█															
Review of the type approvals regime	█				█	█	█	█	█							

Subject to finalisation of consultation

The following consultations have already taken place and are in different stages of progress

- Strategic Market Review
- The Possibility of issuing Additional Mobile licenses;
- Consumer Protection issues;
- Retail Price Controls;
- Quality of Service;
- Local loop and related facilities and services;
- Amendments to National Numbering Plan;
- Construction of ducts
- VoIP
- GSM Guard Band

- Convergence of Services – ICT Policy & Plan
- Advances in technology
- Staffing
- Anti competitive behaviour
- Local access to ducts
- Cost based wholesale services
- International access at affordable prices
- Revise retail price controls
- Monthly rental costs and low user schemes

- Orange (Jordan Telecom) entry into market
- Zain moving its of International HQ to Bahrain (Operating in 22 countries)
- Continued growth of the Financial sector as a regional hub – 25% contribution to GDP
- Major new development (Bahrain Bay, Financial Harbour, Amwaj, Durrat, Northen Town etc) 20% growth in houses major growth in Offices.
- New causeway to Qatar agreed
- 34<sup>th</sup> General Conference of UNESCO – UN Education & Science Commission establishing an ICT Regional Centre in Bahrain, the first of its kind in the World

## ***Belgium ICT – Sharing experience?***

---

- ICT in Government eGovernment, eHealth etc experiences
- ICT in Belgium growing faster than the growth in the National economy
- i2010 has three pillars:
  - A European information space that promotes a competitive digital economy
  - Increasing investment in information and communication technologies research
  - Fostering social inclusion, public services and quality of life through the use of ICT
- Belgium is following the EU's lead and, to a degree, preempted i2010 by implementing several e-government programs and promoting PC and Internet access to schools and modest-income households. Over the past three years Belgium has been sowing seeds for future growth.

- TRA's roles and responsibilities – to support fair competition and protect consumer rights – International best practice tuned to Bahrain market
- Current state of the telecommunications market in Bahrain – come a long way but much more can be done – choice & growth in services and usage
- Actions are being taken by TRA to improve services – Greater choice and lower barrier to change
- Consumers and business users being made aware – use the power to choose to stimulate competition

- The Bahrain market is far from saturated when it comes to communications usage
- We have a growing choice in electronic highways
- Now we have to grow our use of them for social and economic benefit
- We have to increase the use of ICT in all walks of life
- We have to educate consumers to use the electronic highways to support economic growth



***[www.tra.org.bh](http://www.tra.org.bh)***