



Telecommunications Sector Liberalization Kingdom of Bahrain

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Telecommunications Regulatory Authority
PO Box 10353
Manama
Bahrain
Website : www.TRA.org.bh
contact@tra.org.bh

Alan Horne
General Director
Tel:+973 1752 000

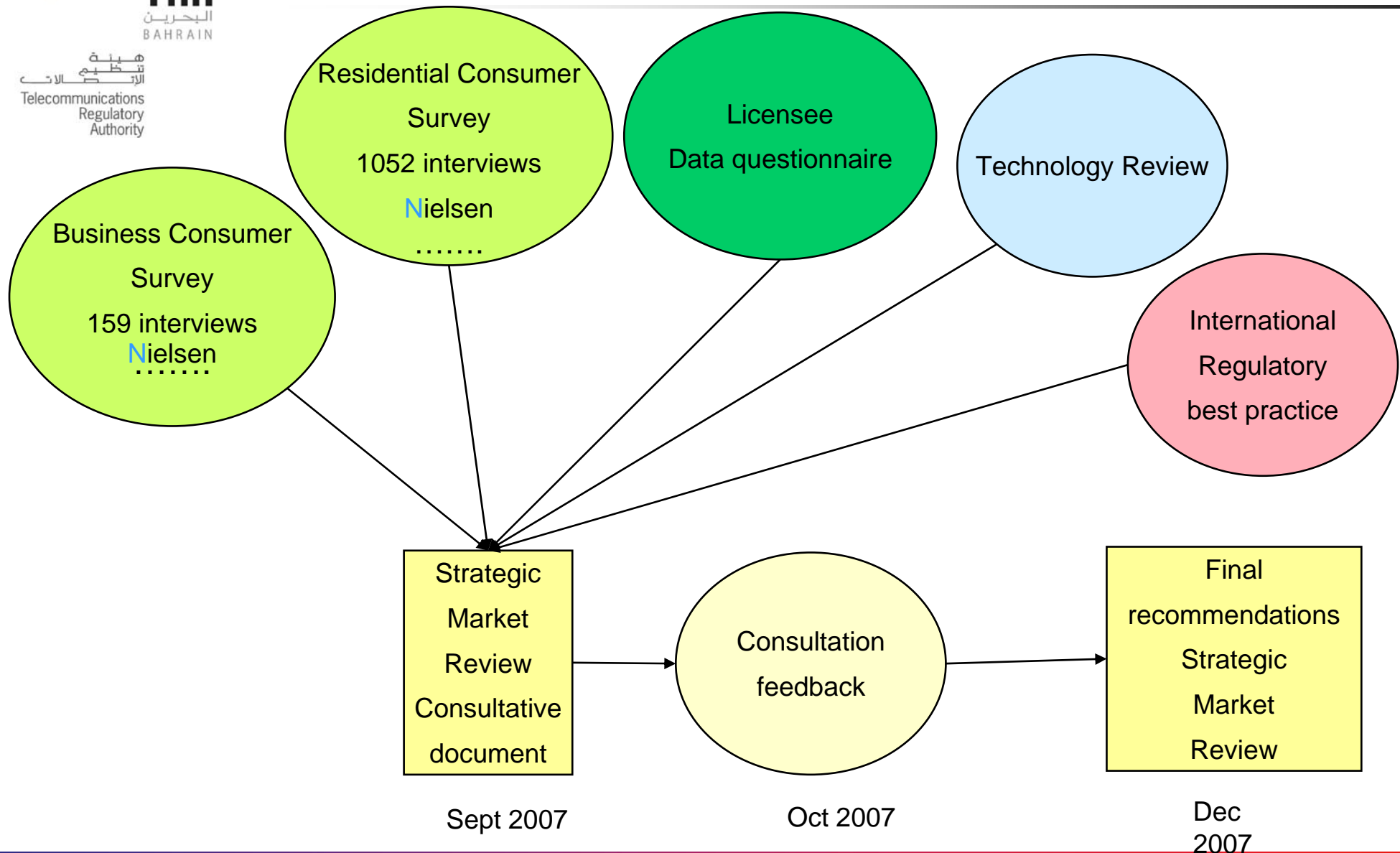
- Bahrain in perspective
- Bahrain Market
- Regulating the Market
- Work Programme
- Consumer approach
- Conclusions



	UK	Bahrain
Total Area	244,820 sq km	735.8 sq km.
Number of households		116,533
Total Population	59.67 million	742,562
GDP	\$ 2,192.6 billion	\$ 9.25 billion (2005)
GDP per capita	\$ 36,747	\$ 12,763.76 (2005)

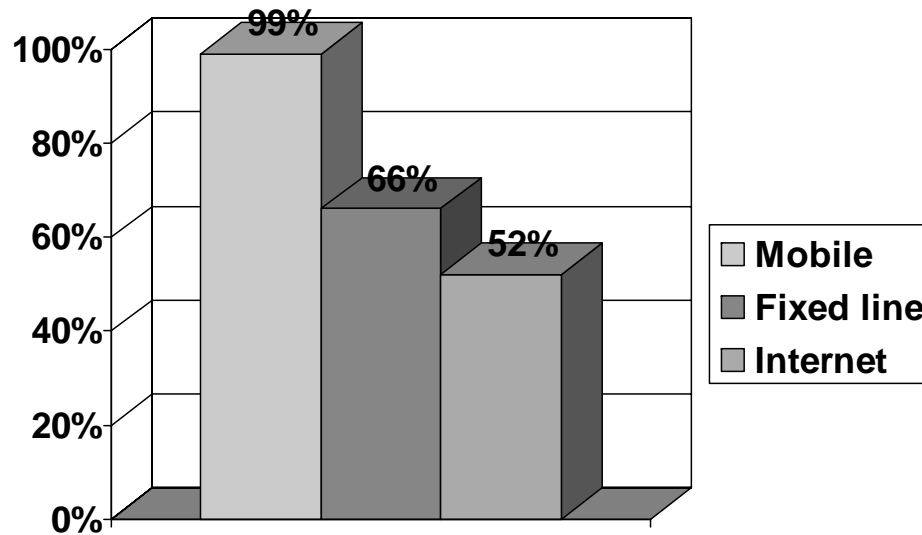
Sources: Central Informatics Organization
World information society report 2007

2007 Bahrain Market Review

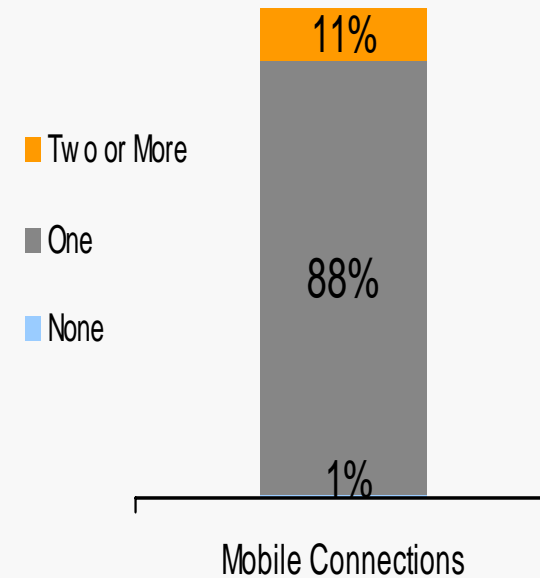


Usage of Residential Telecommunications services

Households with service



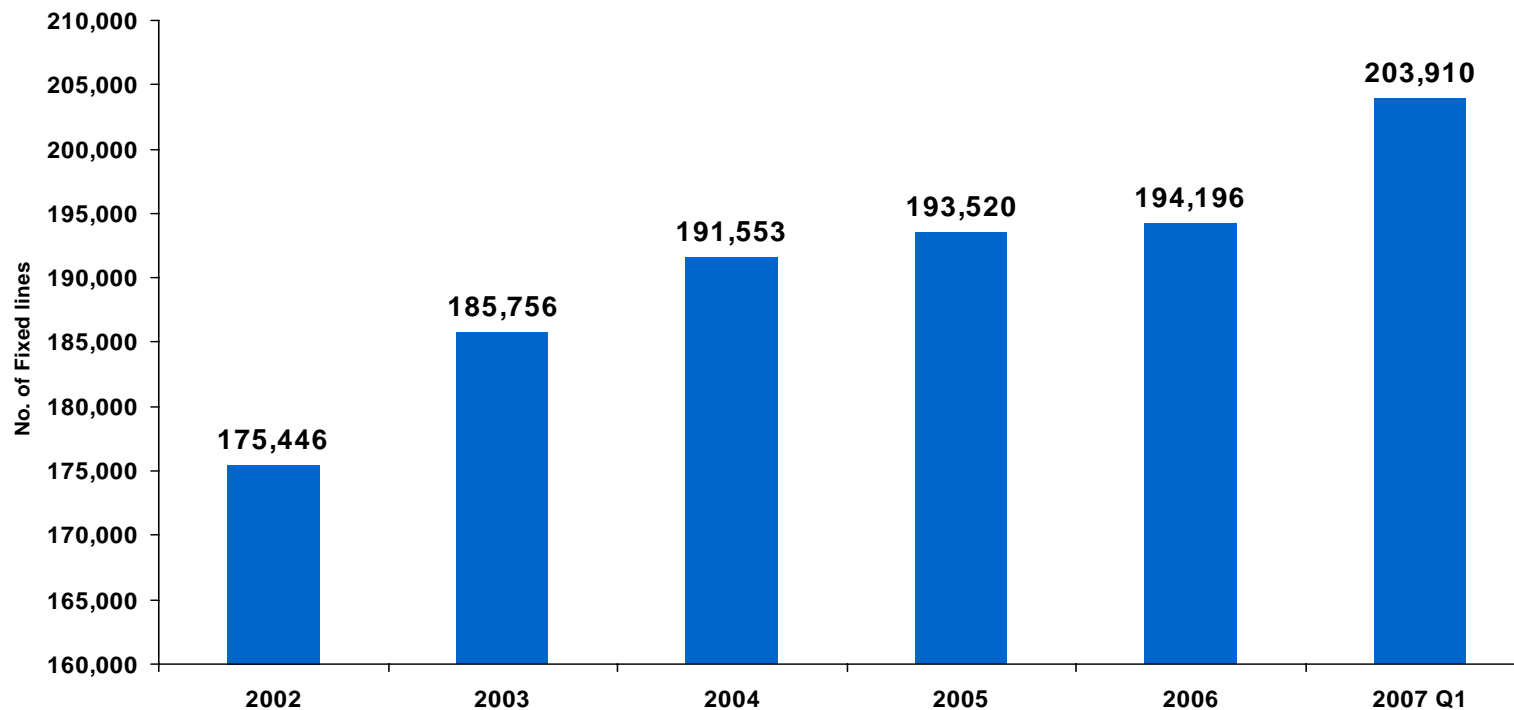
No of Mobile Connections



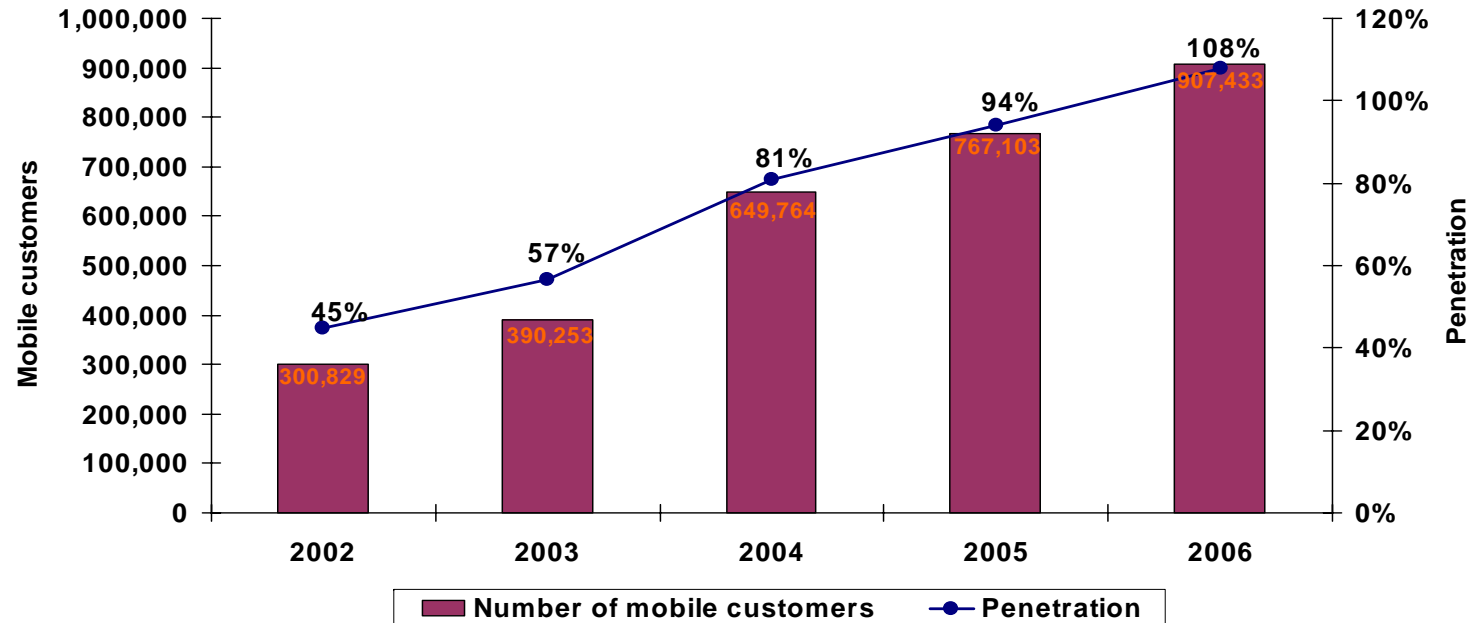


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Number of Telephone Lines (Res. and Bus.) in the Kingdom of Bahrain (2002 – 2007 Q1)

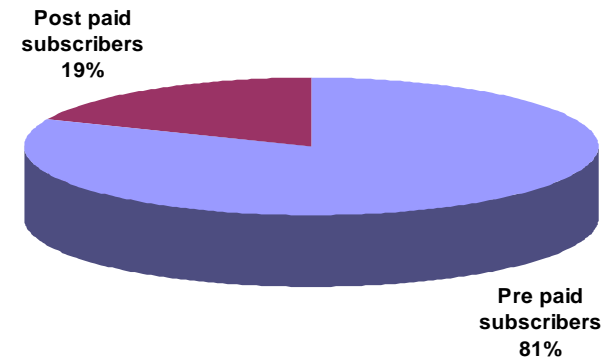


Mobile subscribers Growth in Kingdom of Bahrain (2002 - 2006)



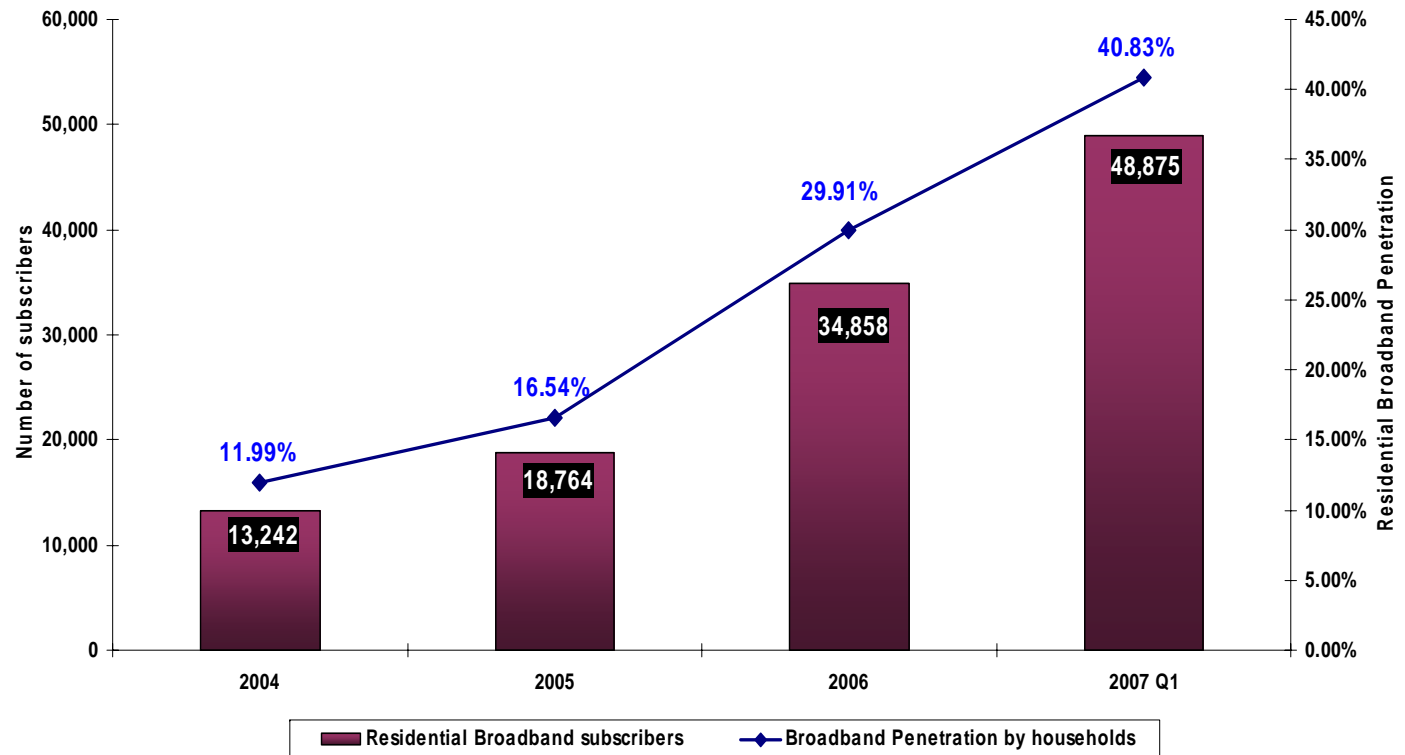
□ The mean monthly bill for fixed line services for consumers in Bahrain is BD29 per month (including national, international calls and line rental charge).

About 11% have more than 1 connection

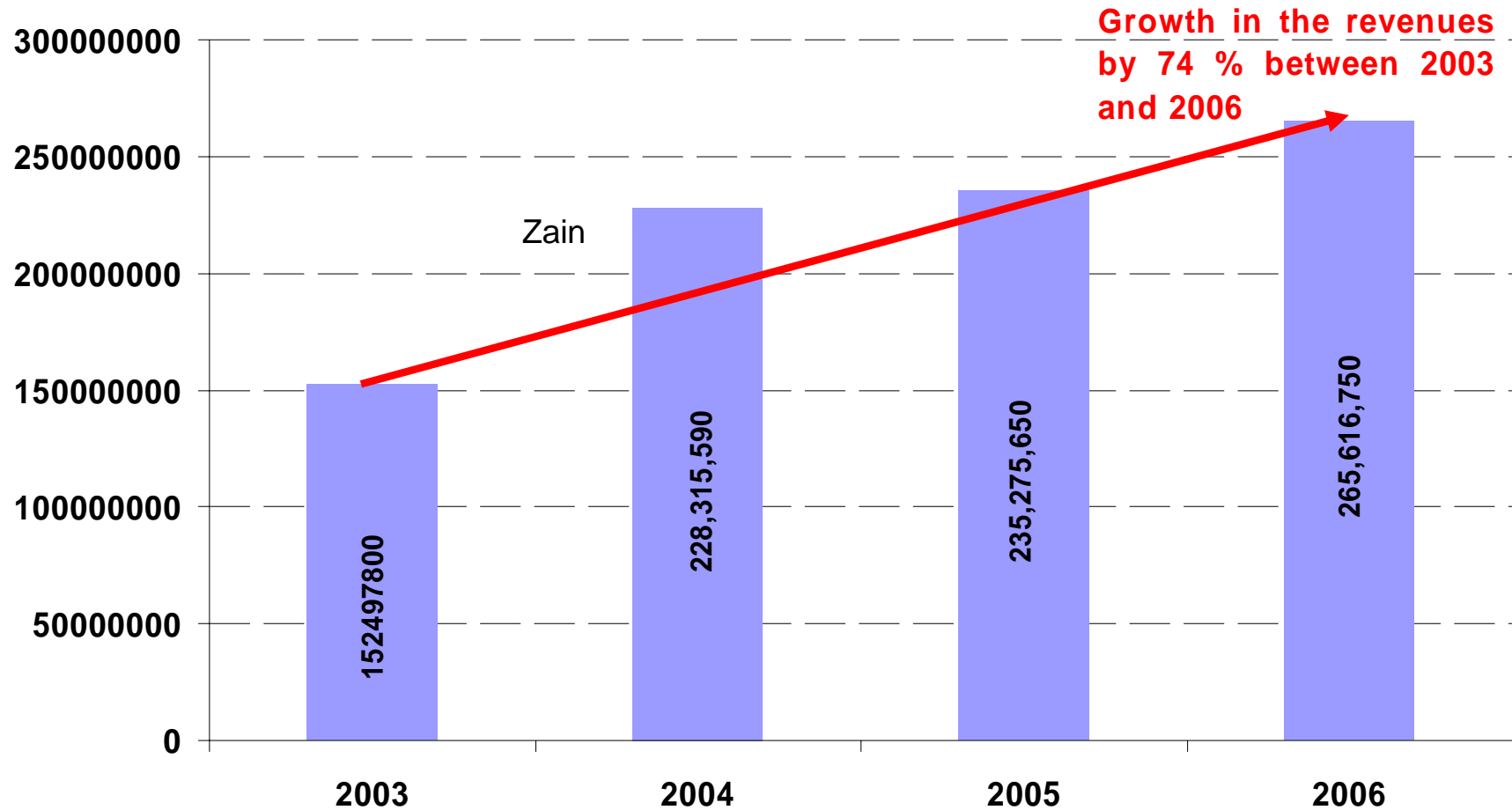


Residential Broadband subscribers in Kingdom of Bahrain (2004 - 2006)

120,000 households (CIO)

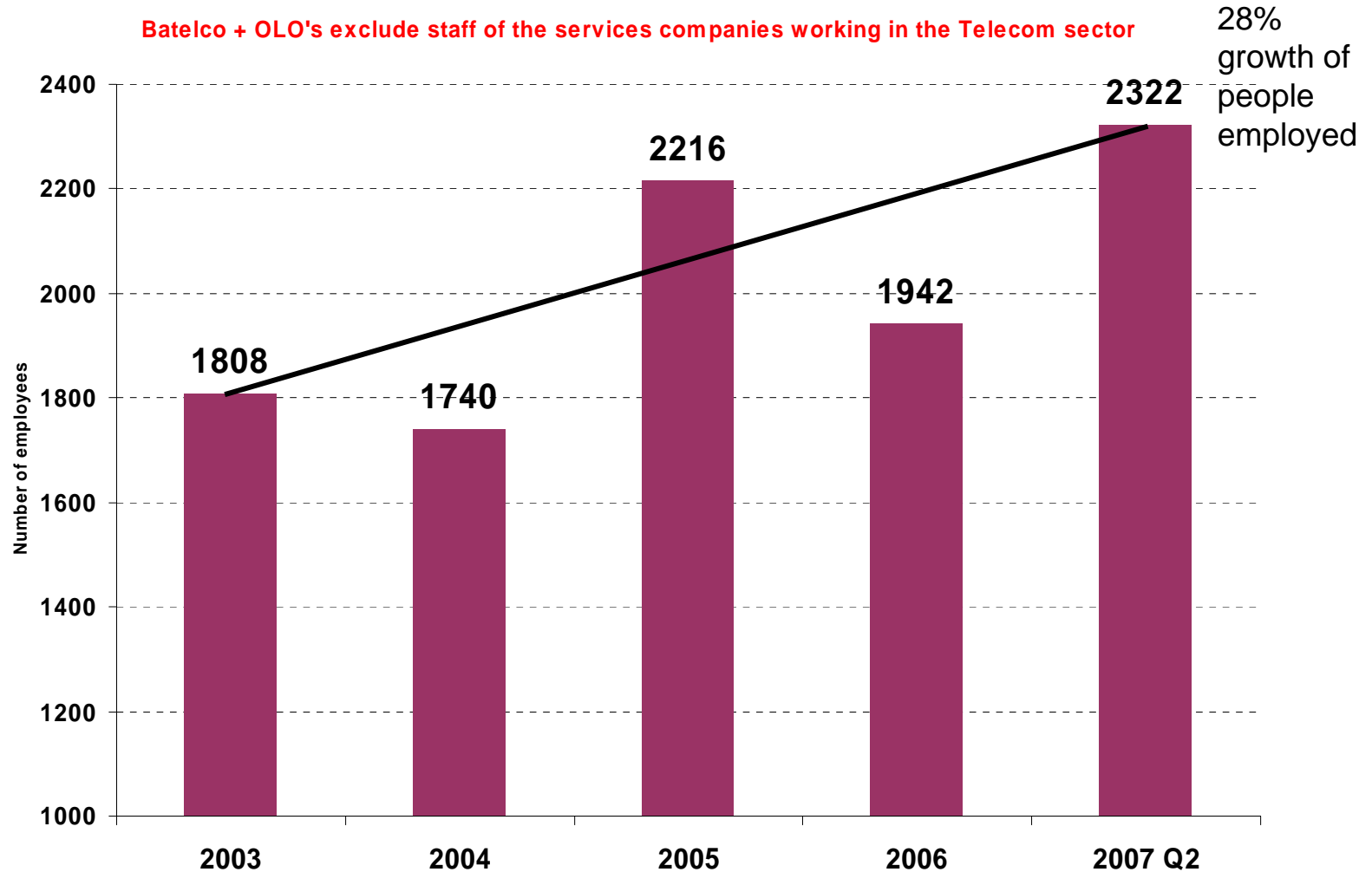


Growth in the telecommunications markets revenue



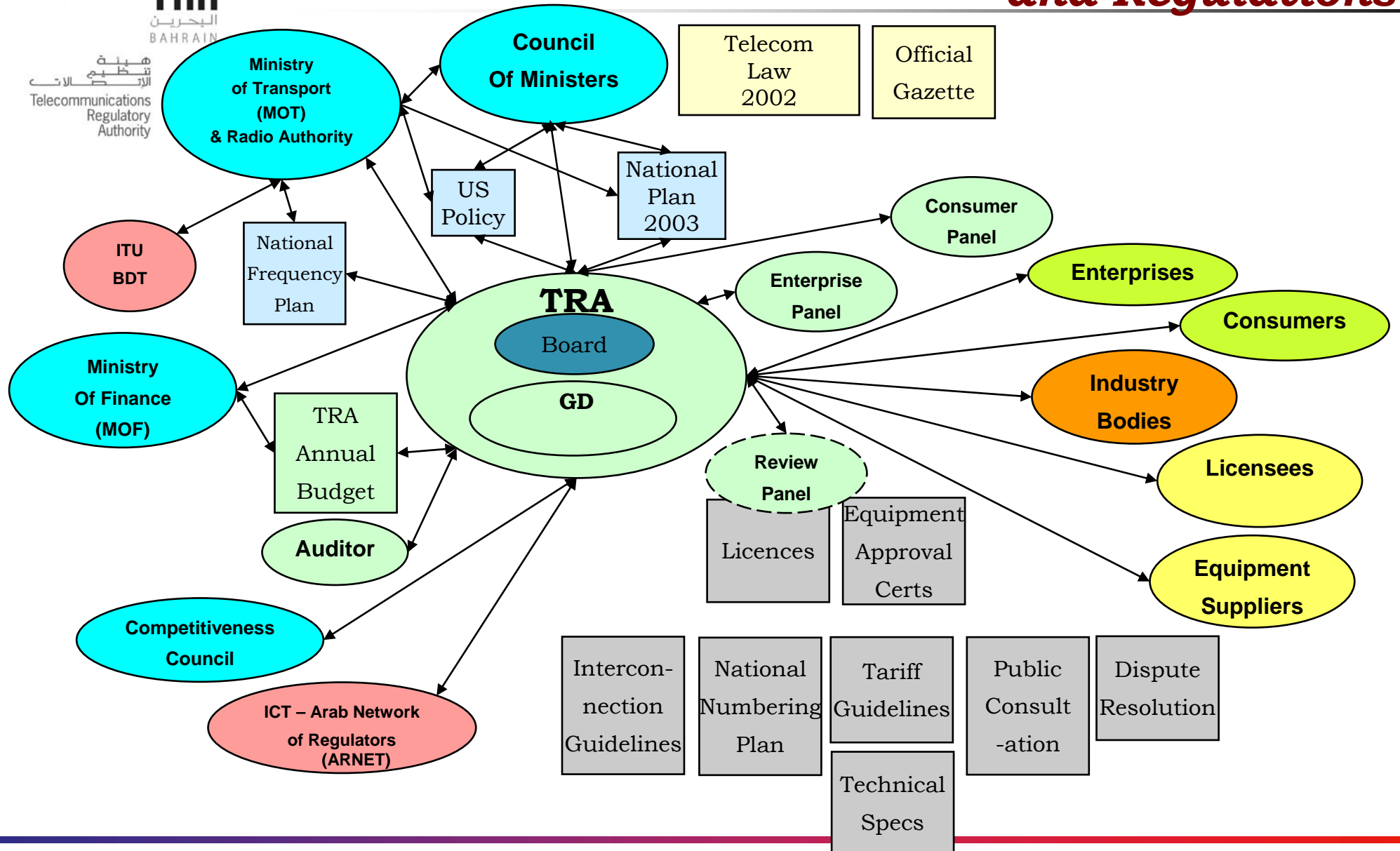
Man power growth in Telecommunications Market

Man power details in Telecommunications Market





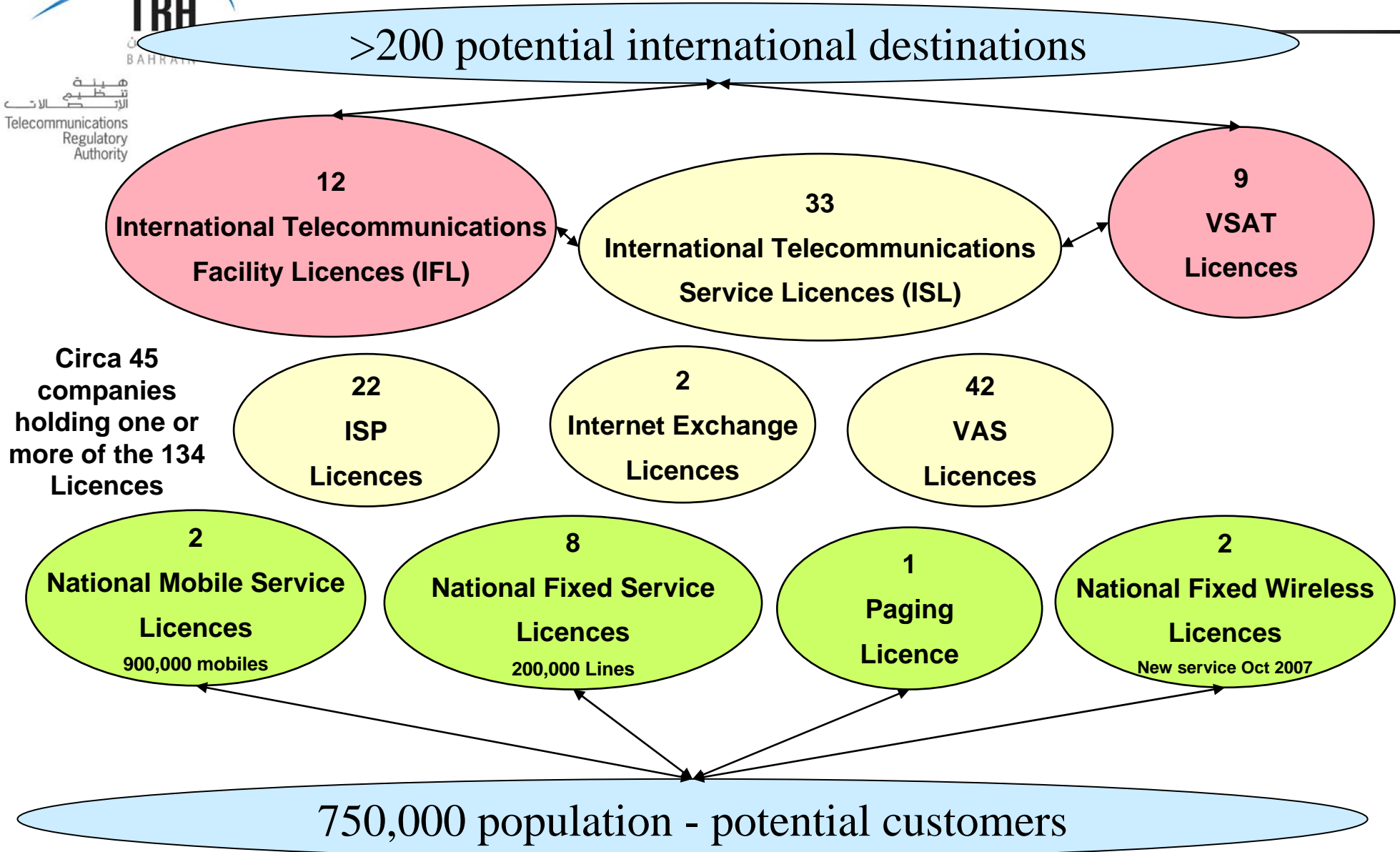
Bahrain Telecommunications - Institutions and Regulations





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Licences



Services being offered by Licensees

Retail Services

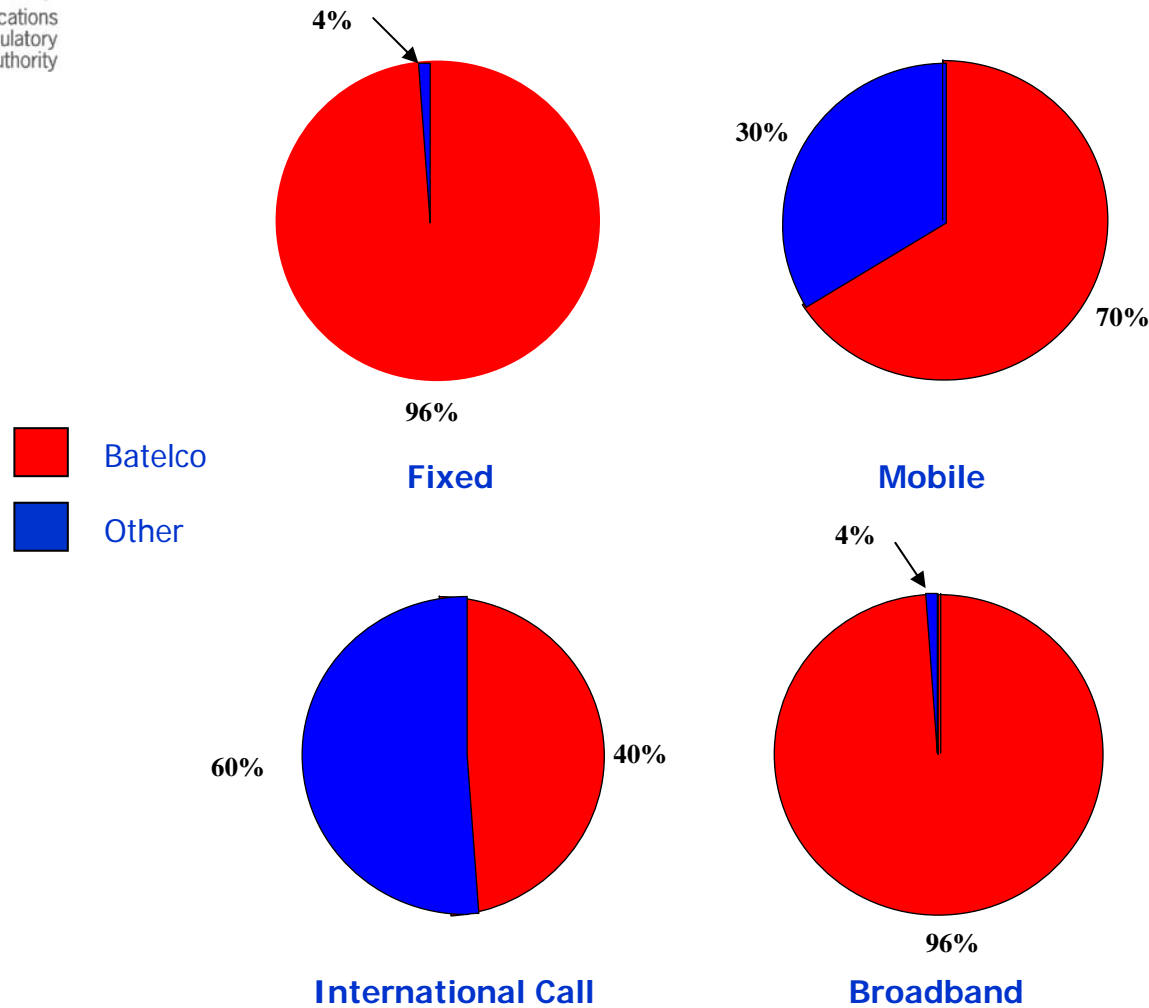
Licensee

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			
Total	16	7	2	14	16	16	1	2
Offering Services	16	2	2	6	16	10	1	0

Batelco is still dominant

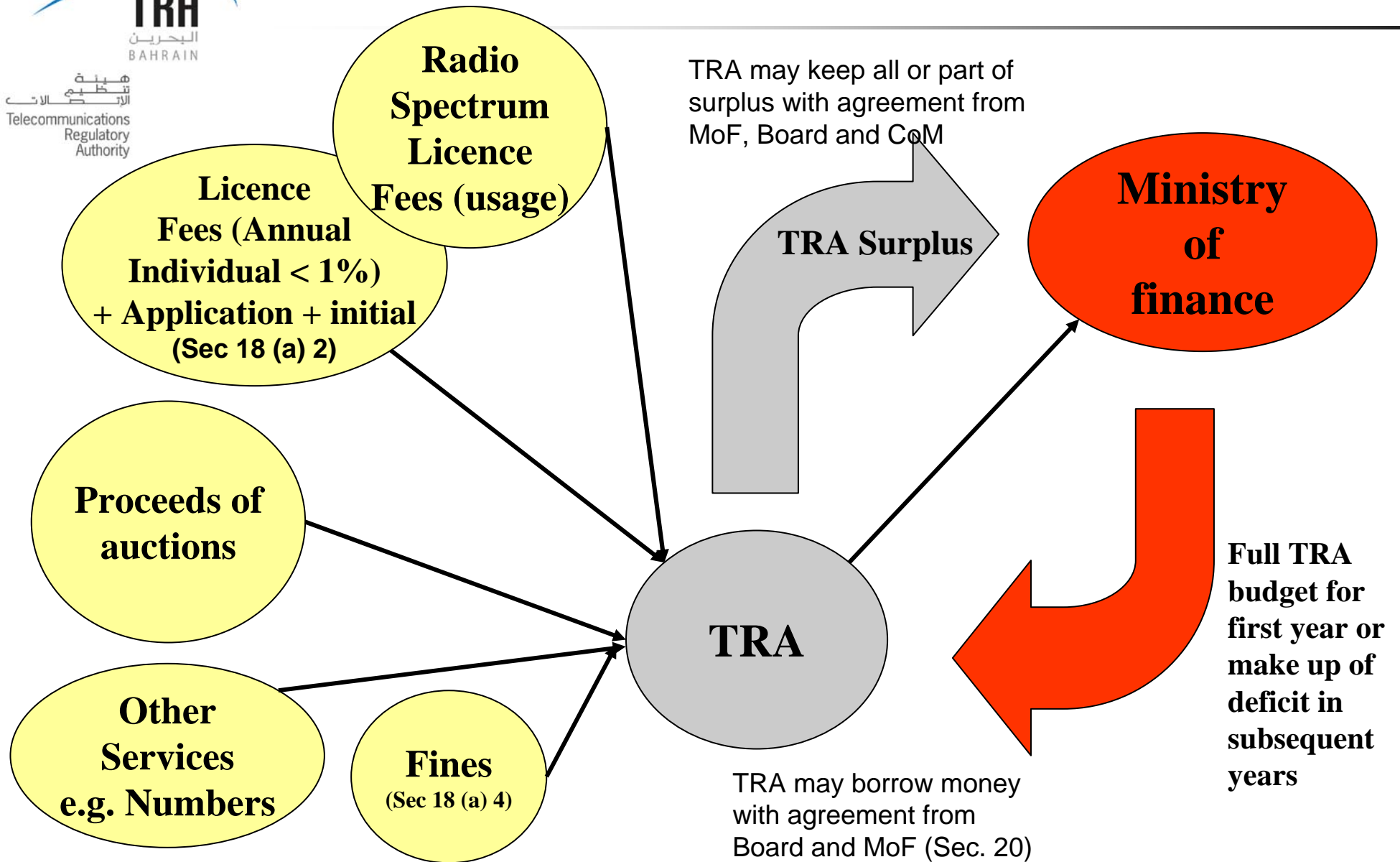
The following pie charts present market shares for selected high level markets (approximated market shares only)



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.

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
- GSM Guard Band

Make sure you inform yourself of:

- your bills,
- your rights and obligations in your contract or terms and conditions of sale,
- your options



Keep a record of all correspondence
Bring your concerns to your provider
If you are not satisfied contact TRA by:

- phone
- Email
- fax



Participate in Consumer Panel and surveys

- Information is an essential component of effective management across all parts of an organisation and as well as supporting communication with customers and all stakeholders
- The availability of high-quality, timely, authoritative information to decision makers supports effective development of the organisation and in turn profitability:
- The objective of the policy is to achieve:
 - efficient and effective information management and dissemination to support program and service delivery;
 - foster informed decision making;
 - facilitate accountability, transparency, and collaboration;
 - preserve and ensure access to information and records for the benefit of present and future employees and stakeholders.

- Request providers to review your business and offer a range of solutions to your own particular needs
- Go out to tender for systems and services
- Seek contract with defined quality of service parameters
- Seek ways to achieve least cost routing of calls
- Review bills against circuits, equipment, voice and data calls
- Request comparative quotations for circuits and calls
- Plan in diversity of communications to ensure business continuity
- Manage fraud and security
- Plan for Mobility and unified communications
- Use Interactive Voice Response (IVR) systems and call centers wisely
- Participate in Business Panel and surveys



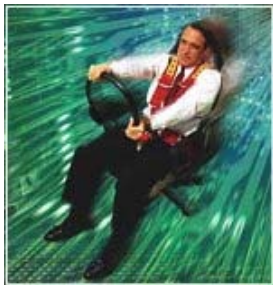
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Broadband Choice

what is the most suitable package for you?

High Speed Broadband
lower download

e.g. 2 Mbps speed/ 2 GB
threshold



High Speed Broadband
heavy download

e.g. 2 Mbps speed/ 30
GB or unlimited threshold



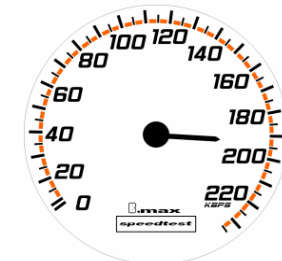
Lower Speed Broadband
heavy download

e.g. 512 Kbps speed/
30 GB or unlimited threshold



Lower Speed Broadband
lower download

e.g. 256 Kbps speed/
2 GB threshold



Established who are the providers, Clarify what packages they offer and what conditions you sign for e.g.:

- Quality (Average Speed)
- Contract Period
- After reaching threshold limit (Lower Speed, or payment for additional usage)

Monitor Usage

If Required

Change to optimise price

- Convergence of Services – ICT Policy & Plan
- Advances in technology
- Staffing
- Anti competitive behaviour
- Local access to ducts
- Cost based wholesale services
- International access at international best 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.
- Batelco investment in NGN to support provision of new services
- New causeway to Qatar agreed
- 34th General Conference of UNESCO – UN Education & Science Commission establishing an ICT Regional Centre in Bahrain, the first of its kind in the World

- 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

- Liberalisation has greatly assisted in directly growing the telecommunications market in terms of revenues and employment as well as supported economic development in all other sectors
- 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



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Telephone 17 52 0000

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