



Press Release

TRA Approves 50 per cent Reduction in Broadband tariffs for Businesses

Thursday 5/7/2007:

The Telecommunications Regulatory Authority (TRA) has approved today Batelco's proposed 50% reduction of 256 kbps internet broadband tariff for business users, as well as the proposed promotional 50% tariff reduction for higher rates.

In order to ensure that implementation of the proposals do not hinder competition in the telecommunications sector, TRA requested that the wholesale access price, which other operators pay to Batelco, for 256 kbps product is reduced, in order to allow sufficient possibility for operators' to cover their retail costs, and therefore enable other operators to provide competitive internet services.

In order to ensure that customers understand the conditions of the new offers, TRA also requested that all advertising and promotional material, of the promotional 50% reduction offer for broadband business users, should carry clear information on the offer conditions and its time period. TRA also made clear that offers should not lock customers in one year contracts.

Mr. Alan Horne, General Director of TRA commented: "TRA welcomes Batelco's move to lower prices of broadband telecommunications services. We are happy that efforts to liberalize telecommunications market are delivering the results by offering more affordable telecommunications services to the customers. However, we consider this reduction to be just a step in the right direction and TRA will continue making efforts aimed at bringing prices of telecommunications services, important for citizens and businesses of the Kingdom, down to internationally acceptable levels". He also added: "We believe, that a reduction in broadband tariffs will encourage the small business enterprises to take up higher speed internet services, which will better support their businesses, and in turn support economic growth".

About the TRA

The Telecommunications Regulatory Authority (TRA) was established by Legislative Decree No. 48 of 2002 promulgating the Telecommunications Law. The TRA is an independent body and its duties and powers include protecting the interests of subscribers and users, and promoting effective and fair competition among established and new licensed operators. More information regarding the TRA can be viewed at www.tra.org.bh