



هيئة تنظيم الاتصالات  
Telecommunications Regulatory Authority  
Kingdom of Bahrain - مملكة البحرين

A public consultation document issued by the  
Telecommunications Regulatory Authority of the  
Kingdom of Bahrain

9 April 2015

CSD 0415 024

## **REPEALING REGULATION AND PROMULGATING THE REGULATION AND CONDUCTING A PUBLIC CONSULTATION**

A public consultation document issued by the Telecommunications Regulatory Authority of the Kingdom of Bahrain on the Requirement to Register SIM-Card Enabled Telecommunications Services Subscriber Details.

The address for responses to this document is:

The General Director  
Telecommunications Regulatory Authority  
PO Box 10353  
Manama  
Kingdom of Bahrain

Alternatively, e-mail responses may be sent to [CSD@tra.org.bh](mailto:CSD@tra.org.bh)

The deadline for responses is 23 April 2015

Purpose: to seek stakeholders' views on a proposed new Regulation on the Requirement to Register SIM-Card Enabled Telecommunications Services Subscriber Details (the "**SIM-Card Enabled Telecommunications Services Registration Regulation**").

## 1 INSTRUCTIONS FOR SUBMITTING A RESPONSE

1.1 The Telecommunications Regulatory Authority (the “**Authority**”) invites comments on this consultation document from all interested parties. Comments should be submitted no later than 4p.m of Thursday the 23<sup>rd</sup> April 2015..

1.2 Responses should be sent to the Authority preferably by email (either Word or PDF format) or by fax or post to the attention of:

The General Director  
CSD@tra.org.bh  
Telecommunications Regulatory Authority  
PO Box 10353  
Manama  
Kingdom of Bahrain

1.3 Responses should include:

- the name of the responding entity;
- the name of the principal contact person;
- full contact details (physical address, telephone number, fax number and email address);
- in the case of responses from individual consumers, name and contact details; and
- a brief statement explaining the interest of the responding entity.

1.4 The Authority seeks comments from stakeholders in the telecommunications industry, the business community and the general public on the proposed new SIM-Card Enabled Telecommunications Services Registration Regulation (the “**New Regulation**”), attached at Annex 1. All comments should be supported as much as possible by detailed explanation, including, where relevant, references to the specific provisions of the Telecommunications Law<sup>1</sup> or Licences that the respondent is relying upon.

1.5 Further, the Authority invites respondents to provide comments in response to each of the questions listed for reference at Annex 2.

1.6 Respondents are required to mark clearly any information included in their submission that is considered confidential. Where such confidential information is included, respondents are required to provide both a confidential and a non-confidential version of their submission (in soft copies and not scanned copies). If part or all of the submission is marked confidential,

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<sup>1</sup> The Telecommunications Law of the Kingdom of Bahrain, promulgated by Legislative Decree No. 48 of 2002

reasons should be provided. The Authority may publish or refrain from publishing any document or submission at its sole discretion.

## 2 STATUS OF THIS CONSULTATION DOCUMENT

- 2.1 This consultation document is issued pursuant to the Consultation Process Regulation issued by the Authority on 10 August 2003<sup>2</sup>.
- 2.2 The information contained in this document is intended to provide background on a new prepaid telecommunications services registration process that is currently being considered by the Authority. Interested parties should not take any actions in reliance on the information or proposals contained in this document. Any views set out in this document should be considered as indicative and will be subject to further consideration following the receipt of comments from interested parties.
- 2.3 This consultation document does not represent a decision of the Authority. The issues discussed in this document remain open to consideration and should not be construed as indicating that the Authority has formed any final opinion or decision on the registration of prepaid telecommunications services.
- 2.4 Once the Authority has received and considered responses to this consultation document, the Authority will decide whether to proceed to finalise the Prepaid Telecommunications Services Registration Regulation for publication in the Official Gazette. If appropriate, the Authority will prepare and publish a consultation report which summarises and responds to the comments received.

## 3 PROPOSED MEASURE

- 3.1 Under Article 3(c)(1) of the Telecommunications Law, the Authority has the power to issue regulations as may be necessary for the implementation of the Telecommunications Law.
- 3.2 The Authority now proposes to repeal the Regulation on the Requirement to Register Details of Prepaid Mobile Telecommunications Services Subscribers (Regulation 2 of 2008, as amended) (the “**Existing Regulation**”) and to issue the New Regulation.
- 3.3 The New Regulation will be issued pursuant to Article 3(c)(1) and Article 78 of the Telecommunications Law.

## 4 BACKGROUND

- 4.1 The following table summarises the background to the Existing Regulation and the New Regulation.

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<sup>2</sup> [http://www.tra.org.bh/media/document/Consultation\\_Process\\_ERU\\_RN\\_001\\_v1.0\[1\].PDF.pdf](http://www.tra.org.bh/media/document/Consultation_Process_ERU_RN_001_v1.0[1].PDF.pdf)

Summary of developments in relation to the requirement to register details of prepaid mobile telecommunications services subscribers	
Date	Measure
July 2008	<p>Following a consultation process, the Authority issued the Existing Regulation<sup>3</sup> on 31 July 2008. This requires Affected Licensees<sup>4</sup> to register “verifiable subscriber data” before activating prepaid mobile SIM Cards.</p> <p>Affected Licensees were given until 31 December 2008 to achieve a “Clean Subscriber Database<sup>5</sup>” (i.e. to register verifiable data of subscribers within a database) in accordance with the Existing Regulation.</p>
December 2008	The timeframe allowed for updating subscriber details under the Existing Regulation was extended on 24 December 2008 <sup>6</sup> due to the large number of incorrect registrations.
August 2010	Following complaints of non-compliance caused by loopholes <sup>7</sup> in the Existing Regulation, the Authority instructed Affected Licensees to undergo another cleansing exercise to ensure that their databases accurately reflected the details of the actual prepaid subscriber to the telecommunications service. Affected Licensees were also required to provide the Authority with a monthly update on the number of SIM Cards registered under their Commercial Registration numbers together with their top 100 subscribers.
July 2011	The Authority took direct enforcement action against an Affected Licensee for selling pre-activated SIM Cards, in breach of the Existing Regulation.
May 2012	In May 2012, the Authority issued a public consultation on the Requirement to Register Prepaid Telecommunications Services Subscriber Details (“ <b>Prepaid Telecommunications Services Registration Regulation</b> ”) which proposed certain changes to the Existing Regulation. However the Authority decided not to take forward the proposed amendments at that

<sup>3</sup> <http://www.tra.org.bh/media/document/LAU312-20080731-PrePaidSimCardRegistrationRegulation-English.pdf>

<sup>4</sup> Pursuant to the Existing Regulation, “Affected Licensees” means all Mobile Telecommunications Licensees and holders of other types of Licences that provide prepaid mobile telecommunications services in the Kingdom of Bahrain.

<sup>5</sup> Pursuant to the Existing Regulation, “Clean Subscriber Database” means [a] database containing verified subscriber registration information, with a minimum rate of 99% subscribers registered.

<sup>6</sup> <http://216.25.41.106/EN/pdf/LAU312-20081224-DecisionNo5of2008amendingRegulation2of2008-English.pdf>

<sup>7</sup> For example, the Authority received complaints from Affected Licensees that individuals and businesses were often able to purchase prepaid telecommunications services without any form of registration. Further, the Authority found that certain authorised (and non-authorised) resellers had large numbers of prepaid SIM Cards registered to their own Commercial Registration number, without any details of the Natural Person using the account in question. In addition, the Directorate of Public Prosecution and the Ministry of the Interior reported that their investigations involving the identification of suspects through the use of mobile numbers were hindered due to the lack of accurate subscriber registration information.

	stage.
February 2015	In February 2015 the Authority issued a further public consultation on the Prepaid Telecommunications Services Registration Regulation which proposed certain changes to the Existing Regulation (the “ <b>Previous Consultation</b> ”). The Authority received responses from Batelco, Zain, Viva, MenaTelecom and the Indian Embassy. Following a review of the responses to this consultation, and in conjunction with input from other interested Government stakeholders, the Authority has decided to propose further changes to the Existing Regulation and issue a second round of consultation on the Requirement to Register SIM Card-Enabled Telecommunications Services.

## 5 PROPOSED INTRODUCTION OF A NEW REGULATION AND CONSULTATION QUESTIONS

- 5.1 The Authority notes that there are still a large number of SIM Cards registered to individual Commercial Registration (“**CR**”) and Central Population Registration (“**CPR**”) numbers where it is unclear who is using the relevant service. The Authority also notes that the registration processes of some Affected Licensees may be lax and easily allow for incorrect registrations.
- 5.2 The New Regulation has taken into account the responses provided during the Previous Consultation as well as input from other relevant stakeholders.
- 5.3 In particular, concerns have been expressed to the Authority which suggest that, in some instances, the registration and verification of subscriber information is not being efficiently conducted by Authorised Parties (i.e. a distributor, reseller or seller authorised in writing by the Affected Licensee to sell or distribute SIM Cards on behalf of the Affected Licensee), or effectively enforced by Affected Licensees.
- 5.4 This has led to numerous instances of fraud where individuals have been signed up for SIM-Card Enabled Telecommunications Services using counterfeit CPR and passport copies which are then charged to individuals who have never taken out such services. In turn this can lead to individuals being travel banned due to non-payment of bills which they have never intended to take out but with limited ability to prove they are not, in fact, the genuine user of the offending Telecommunications Service.
- 5.5 In addition, it has been raised that a number of the security concerns in relation to the use of Prepaid Telecommunications Services addressed in the Previous Consultation apply equally presciently to post-paid SIM-Card Enabled Telecommunications Services.

- 5.6 As such the New Regulation has been expanded to cover any Telecommunications Service enabled by a SIM Card and to require that biometric scanning and electronic recording of relevant Registration data is taken by an Affected Licensee (or, if applicable, an Approved Reseller).
- 5.7 The New Regulation is intended to address these concerns and introduces several significant changes to the Existing Regulation as set out below. In particular the New Regulation insists that greater information is gained from not only individuals but also from Commercial and Government Entities than was required under the Existing Regulation. In relation to Commercial and/or Government Entities the New Regulation imposes a requirement that a senior individual from these respective entities takes responsibility for the dissemination of SIM Cards within their organisations by providing his/her personal Identification Credentials when Registering any Prepaid Telecommunications Service. As there are many significant changes, it is proposed that the Existing Regulation is repealed in its entirety and replaced with the New Regulation.
- 5.8 The following text outlines some of the major changes. However, the New Regulation should be reviewed in its entirety by stakeholders. The Authority welcomes responses on any aspect of the New Regulation.

## CONSULTATION QUESTIONS

### 1 ARTICLE 1: DEFINITIONS

- 1.1 Article 1 provides a list of definitions used within the New Regulation. A number of new definitions have been included within the New Regulation. The most notable are outlined below:
- 1.1.1 The definition of “Affected Licensee” now extends beyond providers of mobile services to include any Licensee<sup>8</sup> that provides SIM-Card Enabled Telecommunications Services. For the purposes of construing the remainder of this Consultation Document and responding to the questions herein, “Affected Licensee” shall have the definition given to it in the New Regulation and shall comprise any Licensee that provides a prepaid telecommunications service;
- 1.1.2 A definition of “Approved Reseller” has been included to allow Affected Licensees to apply to the Authority for approval for certain Resellers to be authorised to continue to supply Prepaid Telecommunications Services to Subscribers;
- 1.1.3 A definition of “Approved Reseller Application” has been included to provide Affected Licensees with clarity as to the application process to obtain approval for their Resellers;
- 1.1.4 A definition of “Authorised Signatory” has been included to reflect the amendments made to Articles 5 & 6 in relation to the Registration and Verification processes of Government and Commercial Entities;
- 1.1.5 A definition of “Biometric Scan” has been included to set out the biometric data that must now be obtained by Affected Licensees via an Electronic Device during the Registration, Verification and Activation processes which is then stored on the subscriber database;
- 1.1.6 A definition of “Electronic Device” has been added to assist with the new requirement for biometric data to be collected from Subscribers;
- 1.1.7 The definition of “Minor” has been amended to refer to a natural person who is under the age of sixteen years;
- 1.1.8 “Outlet” has been defined so as to ensure that Affected Licensees are aware of the points of sale through which they may provide Subscribers and/or End Users with a SIM-Card Enabled Telecommunications Service under the New Regulation;
- 1.1.9 “Prepaid Telecommunications Service” has been defined in Article 1 of the New Regulation as “*a Telecommunications service provided by an Affected Licensee to*

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<sup>8</sup> Licensee is defined in the Telecoms Law as a Person holding a Licence granted pursuant to the provisions of the Law.

*a Subscriber by means of a SIM Card on a prepaid billing basis*". The Existing Regulation only applies to mobile telecommunications services. The reason for this change is that Prepaid Telecommunications Services that are delivered over fixed or other non-mobile networks are increasingly available;

1.1.10 "Registration", "Verification" and "Activation" are defined so as to ensure that Affected Licensees (and their Authorised Parties) are aware of exactly what is expected in respect of each process;

1.1.11 A definition of "Revalidation" has been added to assist with the purpose of Article 10 and the revalidation of Subscriber Information stored on the Subscriber Database; and

1.1.12 "SIM-Card Enabled Telecommunications Service" has been defined to include all "*Telecommunications services provided by an Affected Licensee to a Subscriber by means of a SIM Card (including, unless specified to the contrary, a Prepaid Telecommunications Service)*". The new definition has been included to reflect the need to include all SIM-Card Enabled Telecommunications Services (be they prepaid or otherwise) to be captured by the improved registration, verification and activation processes set out under the New Regulation.

1.2 **Question:** *Do you consider the definitions of Article 1 of the New Regulation sufficient? If not, please give reasons and state which terms you think should be added or omitted.*

## 2 **ARTICLE 2: SCOPE**

2.1 The New Regulation applies to all Affected Licensees. The New Regulation makes clear that Affected Licensees shall be responsible for conducting all Registration, Verification and Activation processes and that under the New Regulation Affected Licensees may only offer SIM-Card Enabled Telecommunications Services via their Outlets or via a Reseller, if such Reseller is approved by the Authority under the terms set out in Article 12 of the New Regulation.

2.2 **Question:** *Do you agree with the provisions of Article 2 of the New Regulation? If not, please provide reasoning as to what you do not agree with and why.*

## 3 **ARTICLE 3: REGISTRATION OF SUBSCRIBERS WHO ARE NATURAL PERSONS**

3.1 Article 3 outlines the process that must be followed in respect of the Registration of subscribers that are Natural Persons.

3.2 Articles 3.2 and 3.3 set out the Natural Person Identification Credentials that must be procured by the Affected Licensee in order to commence the Registration process where the Natural Person is a GCC National or non GCC National respectively. The New Regulation stipulated



that Affected Licensees must begin to comply with the new Registration protocols within three (3) months of the New Regulation coming into effect.

- 3.3 Article 3.4 outlines the information that the Affected Licensee must capture and record in the Subscriber Database. A number of details are required to be captured to ensure, as far as is possible, that the Authority (and National Security Agencies) are able to ascertain which SIM-Card Enabled Telecommunications Service is being used by which user, should the need to do so arise.
- 3.4 Article 3.5.1 of the New Regulation provides that an Affected Licensee may register a maximum number of ten (10) Prepaid Telecommunications Services per natural person.
- 3.5 Article 3.5.2 of the New Regulation provides that an Affected Licensee must obtain the Natural Person Identification Credentials required for the purposes of Registration and Verification each time a Subscriber applies for a new or additional SIM-Card Enabled Telecommunications Service. .
- 3.6 The limit set in Article 3.5.1 has been introduced so as to mitigate the possibility of individuals circumventing the Regulation's objectives by mass-registering SIM-Card Enabled Telecommunications Services for resale or other purposes. In addition, it is hoped that this Article will assist security and judicial organs in determining the identity of suspects in criminal investigations.
- 3.7 **Question:** *Do you agree with the provisions of Article 3? In particular:*
- 3.7.1 *Do you agree with expanding the list of Natural Person Identification Credentials for natural persons?*
- 3.7.2 *Do you consider that any of the Natural Person Identification Credentials should be omitted from Articles 3.2, 3.3 and/or 3.4? If so, why?*
- 3.7.3 *Do you consider the implementation period of three (3) months for Affected Licensees sufficient? If not, please state why.*
- 3.7.4 *Do you consider that any other form of document should be included within the scope of Articles 3.2, 3.3 and/or 3.4? If so, which documents would you wish to include and why?*
- 3.7.5 *Do you agree with the limit on the number of SIM-Card Enabled Telecommunications Services? If not, please state why.*

#### **4 ARTICLE 4: VERIFICATION OF SUBSCRIBERS THAT ARE NATURAL PERSONS**

- 4.1 Article 4 outlines the process that must be followed in respect of the verification of Subscribers that are natural persons. Unlike the Existing Regulation, it not only provides for manual (visual)

confirmation of the identification credentials at the point of sale but also that the information obtained as part of the Registration process be recorded electronically.

4.2 **Question:** *Do you agree with the provisions of Article 4? If not, please give reasons as to why.*

5 **ARTICLE 5: REGISTRATION OF SUBSCRIBERS THAT ARE COMMERCIAL ENTITIES AND GOVERNMENT ENTITIES**

5.1 Article 5 outlines the process that must be followed in respect of the Registration of Subscribers that are Commercial Entities or Government Entities.

5.2 The New Regulation includes a specific distinction between Commercial Entities and Government Entities and sets out more stringent Registration and Verification requirements than those under the Existing Regulation. The more stringent procedures have been introduced so as to mitigate the possibility of individuals circumventing the Regulation's objectives by mass-registering SIM-Card Enabled Telecommunications Services for resale or other purposes.

5.3 Article 5.1.1 outlines the process that must be followed in respect of the Registration of Subscribers that are Commercial Entities. In particular, it amends the Existing Regulation by providing a requirement on Affected Licensees to obtain not only the Commercial Entity's Commercial Registration number, but also the Natural Person Identification Credentials of the Authorised Signatory assuming responsibility for and on behalf of the Commercial Entity for the purposes of the New Regulation and a signed declaration form signed by the Authorised Signatory confirming his acceptance to assume responsibility for and on behalf of the Commercial Entity.

5.4 Article 5.1.2. outlines the process that must be followed in respect of the Registration of Subscribers that are Government Entities. In particular, it extends the Existing Regulation by providing a requirement on Affected Licensees to obtain a declaration signed by the Minister or the head of the relevant Government Entity (or equivalent individual), and stamped by the Ministry's or Government Entity's official seal authorising the Public Officer to represent the Government Entity for the purpose of Registration and Verification. In addition to the Natural Person Identification Credentials of the Public Officer who will assume responsibility for and on behalf of the Government Entity for the purposes of the New Regulation a signed declaration form signed by the Public Officer confirming his acceptance to assume responsibility for and on behalf of the Commercial Entity is required.

5.5 Article 5.2. sets out the information that must be recorded by the Affected Licensee in the Subscriber Database for Commercial Entities (Article 5.2.1.) and Government Entities (Article 5.2.2) respectively.

5.6 Article 5.3 of the New Regulation provides a limit on the number of SIM-Card Enabled Telecommunications Services that can be registered to each Commercial Entity or

Government Entity by the same Affected Licensee to one (100) hundred. These limits have been introduced so as to mitigate the possibility of individuals working within Commercial and/or Government Entities circumventing the New Regulation's objectives by mass-registering SIM-Card Enabled Telecommunications Services for resale or other purposes. In addition, it is hoped that this Article will assist security and judicial organs in determining the identity of suspects of criminal investigations.

5.7 Article 5.4 reserves the right of the Authority to amend the process, procedures and requirements of Registration from time to time. This is to ensure flexibility in the future with regards to amending the Registration process for the benefits of Subscribers and/or to reflect input from national security organs.

5.8 **Question:** *Do you agree with the provisions of Article 5? In particular:*

5.8.1 *Do you agree with the requirement for Affected Licensees to secure the proposed details of the Commercial or Government Entities? If not, please give your reasons.*

5.8.2 *Do you agree with the limits on the number of Prepaid Telecommunications Services that can be registered to one and the same Commercial Entity and/or Government Entity? If not, please give your reasons.*

## 6 **ARTICLE 6: VERIFICATION OF SUBSCRIBERS THAT ARE COMMERCIAL OR GOVERNMENT ENTITIES**

6.1 Article 6 outlines the process that must be followed in respect of the Verification of Subscribers that are Commercial or Government Entities. In particular, it provides for visual confirmation of the [and electronic record taken as per Article 4.1?] identification credentials at the point of sale.

6.2 **Question:** *Do you agree with the provisions of Article 6? If not, please give reasons as to why.*

## 7 **ARTICLE 7: ELECTRONIC SOLUTION**

7.1 Article 7.1 requires Affected Licensees to, within three (3) months from the date of coming into force of the New Regulation, have in place an electronic solution that is capable of conducting a Biometric Scan which must be approved by the Authority prior to its implementation.

7.2 Article 7.2 stipulates that the Authority may, in future, prescribe an alternative electronic solution for Affected Licensees to conduct the Biometric Scans provided that the Authority shall give interested parties the opportunity to give their opinions as to such measures within a reasonable period of time prior to their introduction.

7.3 **Question:** *Do you agree with the provisions of Article 7? If not, please give reasons as to why.*

8 **ARTICLE 8: ACTIVATION**

8.1 Article 8 provides that Affected Licensees should not Activate a SIM-Card Enabled Telecommunications Service until after Registration and Verification have been carried out. Accordingly, there is no scope (in particular) for the sale of pre-activated Prepaid Telecommunications Services to end-users.

8.2 **Question:** *Do you agree with the provisions of Article 8? If not, please give reasons as to why.*

9 **ARTICLE 9 : REGISTRATION RENEWAL**

9.1 Article 9 requires Affected Licensees to complete a Registration Renewal procedure of all existing Subscribers within a set time period, which the Authority has determined is reasonable for the Affected Licensee to complete the required process. The purpose of Article 9 is to ensure that the Subscriber Database is updated to include historic sales of SIM-Card Enabled Telecommunications Services and to Suspend and (if necessary) Deactivate the SIM-Card Enabled Telecommunications Services of those natural persons and/or Commercial and/or Government Entities that cannot be Verified.

9.2 Article 9.1 outlines the requirement on Affected Licensees to renew the Registration Process for existing Subscribers of Prepaid Telecommunications Services who are natural persons, Government Entities or Commercial Entities. This is to ensure that both new and existing Prepaid Telecommunications Services are standardised to comply to the requirements of the New Regulation. The New Regulation requires that the Registration Renewal Process for those services stipulated under Article 9.1 is completed with twelve (12) months of the New Regulation coming into force.

9.3 Article 9.2 outlines the requirement on Affected Licensees to the Registration Renewal Process for existing Subscribers of all SIM-Card Enabled Telecommunications Services which are not Prepaid Telecommunications Services who are natural persons, Commercial Entities or Government Entities. This is to ensure that both new and existing Prepaid Telecommunications Services are standardised to comply to the requirements of the New Regulation. The New Regulation requires that the Registration Renewal Process for those services stipulated under Article 9.1 is completed within twenty four (24) months of the New Regulation coming into force.

9.4 Article 9.3 requires that where the Affected Licensee cannot successfully complete the Registration Renewal Process within the time periods set out in Article 9.1 the Affected Licensee shall suspend the respective Prepaid Telecommunications Service until such time as the Registration Renewal Process has been completed and shall record such suspension on the Subscriber Database.

9.5 Article 9.4 requires that, with respect to Subscribers to a Prepaid Telecommunications Service, if the Affected Licensee cannot successfully complete the Registration Renewal

Process within fifteen (15) months of the date of the New Regulation, that the Affected Licensee shall deactivate its Prepaid Telecommunications Service. This is to ensure that only a Prepaid Telecommunication Service registered and recorded in accordance with the New Regulation is available to end users.

9.6 Article 9.5 requires that, with respect to Subscribers to a SIM-Card Enabled Telecommunications Service other than a Prepaid Telecommunications Service, if the Affected Licensee cannot successfully complete the Registration Renewal process within twenty seven (27) months of the date of the New Regulation, the Affected Licensee shall deactivate such SIM-Card Enabled Telecommunications Service.

9.7 Article 9.7 allows the Authority to amend the Registration Renewal Process from time to time.

9.8 Do you agree with the provisions of Article 9? In particular:

9.8.1 *Do you agree with the time limits within which the Affected Licensees are required to secure the proposed details of the natural person, Commercial and/or Government Entities? If not, please give your reasons.*

9.8.2 *Do you agree with the time limits relating to the deactivation of a Prepaid Telecommunication Service and/or a SIM-Card Enabled Telecommunications Service if the Registration Renewal Process is not successfully completed?*

## 10 **ARTICLE 10: REVALIDATION OF NATURAL PERSON, GOVERNMENT ENTITY AND COMMERCIAL ENTITY SUBSCRIBER INFORMATION**

10.1 Article 10 introduces a requirement on Affected Licensees to revalidate the Subscriber Information that is held within the Subscriber Database on an annual basis starting from eighteen (18) months of coming into effect of the New Regulation. This is to ensure that the Subscriber Database is kept accurate with up to date information and that SIM-Card Enabled Telecommunications Services do not remain Activated unnecessarily (for example, in respect of lost/stolen SIM Cards).

10.2 **Question:** *Do you agree with the provisions of Article 10? If not, please give reasons as to why.*

## 11 **ARTICLE 11: THE SUBSCRIBER DATABASE**

11.1 Article 11 introduces a requirement on Affected Licensees to retain Subscriber Information for the period during which the SIM-Card Enabled Telecommunications Service is provided to the Subscriber and for one year after termination of the service. Affected Licensees must maintain and regularly update the Subscriber Database and allow the Authority access to it within twenty four (24) hours as and when required. The Authority may audit the Subscriber Database at any time to ensure its accuracy.

- 11.2 Article 11 is intended to incentivise Affected Licensees to keep up to date records of Subscriber Information, such that the Authority and relevant National Security Agencies are able to access accurate information should the need arise.
- 11.3 Article 11.4 sets out the specific details recorded on the Subscriber Database which the Affected Licensee is required to submit to the Authority upon request.
- 11.4 **Question:** *Do you agree with the provisions of Article 11? If not, please give reasons as to why.*

12 **ARTICLE 12: RESTRICTIONS ON THE SALE OF PREPAID TELECOMMUNICATIONS SERVICES**

- 12.1 Article 12.1 introduces the new requirement that no Prepaid Telecommunications Service shall be sold, offered for sale or subscription save through Outlets or Approved Resellers (as defined under the New Draft Regulation). This is intended to enable the Affected Licensees and the Authority to more closely monitor and regulate the sale of SIM-Card Enabled Services and their disbursement.
- 12.2 Article 12.2 introduces the requirement that the Affected Licensee shall recover or destroy any SIM Cards that are in the possession of a Reseller.
- 12.3 Article 12.3 requires that the Affected Licensee shall provide the Authority with a detailed record of the SIM Cards that have been recovered or destroyed.
- 12.4 Article 12.4 allows the Authority to, by virtue of a decision, approve a Reseller that has satisfied the requirements that may be determined by the Authority from time to time, for the purposes of selling or offering for sale Prepaid Telecommunications Services. This measure is to allow some flexibility to the Authority to allow the appointment of Resellers once Affected Licensees have implemented the electronic solution required by Article 7 should the Authority believe that Subscriber Identification can be recorded by Approved Resellers in a manner commensurate with the overall objectives of this Regulation.
- 12.5 Article 12.5 confirms that an Approved Reseller may offer no other SIM-Card Enabled Telecommunications Services other than a Prepaid Telecommunications Services and then only to Subscribers who are natural persons: all other SIM-Card Enabled Telecommunications Services offered to Subscribers must be provided by Outlets.
- 12.6 Article 12.6 allows the Authority to revoke its Approval of an Approved Reseller should the Authority find that the Approved Reseller has breached any of the obligations under this New Draft Regulation or the Guidelines.
- 12.7 Article 12.7 details the action that an Affected Licensee must take should the Authority revoke its approval of any of its Resellers under Article 12.6.

12.8 **Question:** *Do you agree with the provisions of Article 12? If not, please give reasons as to why.*

### 13 **ARTICLE 13: TRANSFER OF MOBILE SUBSCRIPTION CONTRACTS**

13.1 Article 13 introduces the requirement that an Affected Licensee shall consent and allow the transfer of a SIM-Card enabled Telecommunications Service contract (including the MSISDN) from one Subscriber to another under certain circumstances.

13.2 **Question:** *Do you agree with the provisions of Article 13? If not, please give reasons as to why.*

### 14 **ARTICLE 14: CONFIDENTIALITY OF SUBSCRIBER INFORMATION**

14.1 Article 14 is intended to ensure that all subscriber information is kept confidential and disclosed only in accordance with the Laws of the Kingdom of Bahrain.

14.2 **Question:** *Do you agree with the provisions of Article 14? If not, please give reasons as to why.*

### 15 **ARTICLE 15: ENFORCEMENT, SUSPENSION AND DEACTIVATION**

15.1 Article 15 sets out the way in which the Authority shall ensure compliance with the terms of the New Regulation.

15.2 Under Article 15.2 without prejudice to the Authority's powers to ensure compliance with the New Regulation pursuant to the powers conferred on it by the Telecommunications Law, Affected Licensees shall be required to comply immediately with any emergency order issued by the Authority to take remedial action to ensure compliance with the provisions of the New Regulation, including but not limited to an order to Suspend or Deactivate any Subscriber(s) for any reason whatsoever provided that the Authority shall use such powers in a non-discretionary manner and such emergency order shall be based on the written signed request of a high ranking officer, not below the rank of a director, of a law enforcement agency of the Kingdom of Bahrain.

15.3 Under Article 15.6 where the Authority finds that an Affected Licensee has incorrectly Registered, Verified or Activated a SIM-Card Enabled Telecommunications Service (in breach of the New Regulation), it may impose a fine and/or other sanction, for every incorrect Registration, Verification, Activation or other error.

15.4 This is to incentivise Affected Licensees to comply with the New Regulation and to maintain accurate and up to date subscriber information.

15.5 **Question:** *Do you agree with the provisions of Article 15? If not, please give reasons as to why.*

16 **ARTICLE 16: ENTRY INTO FORCE**

16.1 Article 16 confirms the date on which the New Regulation shall come into force.

16.2 **Question:** *Do you agree with the provisions of Article 16? If not, please give reasons as to why.*

17 **ADDITIONAL DOCUMENT: RESELLER GUIDELINES**

17.1 The Reseller Guidelines to be issued by the Authority are intended to provide clarity as to the types of Entity that the Authority would be willing to consider pursuant to an Approved Reseller Applications submitted by an Affected Licensee.

17.2 **Question:** *Do you agree with the provisions of the Reseller Guidelines? If not, please give reasons as to why.*



ANNEX 1

**The SIM-Card Enabled Telecommunications Services Registration Regulation**

**1 DEFINITIONS**

1.1 Unless the context otherwise requires, any word, phrase or expression used in this Regulation shall have the meaning given to it in the Telecommunications Law<sup>1</sup>, and the following terms and expressions shall have the following meanings:

Term	Definition
Affected Licensee:	A Licensee that provides SIM-Card Enabled Telecommunications Services.
Activation:	The process by which a SIM-Card Enabled Telecommunications Service is enabled. The term "Activated" shall be construed accordingly.
Approved Reseller:	A Reseller approved by the Authority in accordance with clause 12 to assume the Affected Licensee's obligations under this Regulation solely in relation to offering Prepaid Telecommunications Services to Subscribers who are natural persons.
Approved Reseller Application:	Means an application submitted by an Affected Licensee in relation to a prospective Approved Reseller and containing at a minimum the information set out in the Approved Reseller Guidelines to be issued by the Authority.
Authorised Signatory:	A natural person who is identified as an authorised signatory of a Commercial Entity pursuant to its Memorandum and/or Articles of Association.
Biometric Scan:	A scan conducted through an Electronic Device for the purposes of determining a natural person's identity through that person's physical features including but not limited to the fingerprints. The scan should capture, as a minimum, the readings of the index finger.
Clear Scanned Copy:	A scan from an original Identification Document that ensures that all the details contained in that Identification Document are legible. For the avoidance of doubt a photocopy of an original Identification Document does not qualify as an original Identification Document.
Commercial Entity:	Any entity which has been issued with a Commercial Registration Number and which has submitted a Company's Memorandum and

<sup>1</sup> The Telecommunications Law of the Kingdom of Bahrain, promulgated by Legislative Decree No. 48 of 2002

	Articles of Association to the Ministry of Industry and Commerce.
Commercial Registration Number:	The unique number on a Commercial Entity's Commercial Registration, as issued by the Ministry of Industry and Commerce pursuant to the Commercial Register Law (Legislative Decree Number 1 of 1961 as amended).
Commercial Entity Identification Credentials:	Those documents listed in Article 5.1.1.
Commercial Entity Subscriber Information:	The information recorded in the Subscriber Database in relation to a Subscriber that is a Commercial Entity, more particularly described at Article 5.2.1.
Deactivate:	The process by which a SIM-Card Enabled Telecommunications Service is disabled such that the Subscriber cannot access any SIM-Card Enabled Telecommunications Services. The term "deactivation" shall be construed accordingly.
Electronic Device:	A device capable of storing and recording the data recorded via a Biometric Scan and as part of the Registration and Verification processes and transferring such information to the Subscriber Database in a manner that discharges the Affected Licensee's obligations under this Regulation.
GCC National:	A natural person who holds a valid passport or valid identity card issued by a country which is a member of the Gulf Co-operation Council.
Government Entity:	Includes a ministry, a Governmental organisation or authority.
Government Entity Identification Credentials:	Those documents listed in Article 5.1.2.
Government Entity Subscriber Information:	The information recorded in the Subscriber Database in relation to a Subscriber that is a Government Entity, more particularly described at Article 5.2.2.
ICCID:	Integrated Circuit Card Identity.
IMSI Number:	The International Mobile Subscription Identity number.
Identification Credentials:	The Natural Person Identification Credentials, the Commercial Entity Identification Credentials and the Government Entity Identification Credentials.
MSISDN:	The Mobile Subscriber Integrated Services Digital Network Number.
Minor:	A natural person who is under sixteen years of age.
Natural Person Identification Credentials:	The original of the documents set out in Articles 3.2 and 3.3 of this Regulation.
Natural Person Subscriber Information:	The information recorded in the Subscriber Database in relation to a Subscriber that is a natural person, more particularly described at Article 3.4.
Outlets:	The retail stores, shops, point of sale or outlets, whether of a temporary

	or permanent nature that are owned, leased or rented directly by the Affected Licensees and which are directly connected and utilise the internal electronic systems of the Affected Licensee for the purposes of conducting Registration, Verification and the Registration Renewal Process for SIM-Card Enabled Telecommunications Services.
Prepaid Telecommunications Service:	A Telecommunications service provided by an Affected Licensee to a Subscriber by means of a SIM Card on a prepaid billing basis including (but not limited to) making outgoing calls; receiving incoming calls; sending or receiving SMS and MMS messages.
Public Officer:	A high ranking Government official, not below the level of manager who is appointed by the Government Entity as the natural person authorised to represent the same for the purposes of this Regulation.
Registration:	The process by which the Subscriber Information is recorded within the Subscriber Database. The terms "Register" and "Registered" and any other derivative thereof shall be construed accordingly.
Registration Renewal Process:	The process set out in Article 9 below for the purposes of confirming the Identification Credentials of Subscribers.
Reseller:	Any distributor, reseller or seller of SIM-Card Enabled Telecommunications Services other than the Outlets.
Revalidation:	The process set out in Article 10 below for the purposes of revalidating the Subscriber Information stored on the Subscriber Database.
SIM Card:	A subscriber identity module smart card containing the telephone number of a Subscriber, encoded network identification details, the personal identification number and other user data such as the phone book.
SIM-Card Enabled Telecommunications Service(s):	All Telecommunications services provided by an Affected Licensee to a Subscriber by means of a SIM Card (including, unless specified to the contrary, a Prepaid Telecommunications Service).
SMS:	The short messaging service provided by an Affected Licensee used to transmit and receive short text messages to and from short messaging service enabled devices.
Subscriber:	The natural person, Commercial Entity or Government Entity that purchases or has an existing SIM-Card Enabled Telecommunications Service.
Subscriber Database:	The database containing the Subscriber Information, maintained by the Affected Licensee and made accessible to its Authorised Parties, more particularly described in Article <u>11</u> 44.
Subscriber Information:	The Natural Person Subscriber Information and/or the Commercial Entity Subscriber Information and/or the Government Entity Subscriber Information.

Suspension:	The process by which a SIM-Card Enabled Telecommunications Service is temporarily disabled, except to allow access to emergency service numbers, as defined in the National Numbering Plan and the Affected Licensee customer care numbers. For the avoidance of doubt during the period of suspension no calls, SMS messages or MMS messages may be received. The term "Suspend" shall be construed accordingly.
Telecommunications Law:	Legislative Decree No. 48 of 2002 of the Kingdom of Bahrain.
Verification:	The process for confirming that the Identification Credentials accurately identify the Subscriber, more particularly described in Article 4 for natural persons and Article 6 for Corporate and Government Entities. The term "Verified" and any other derivative thereof shall be construed accordingly.

## 2 SCOPE

- 2.1 Unless otherwise stated, the provisions of this Regulation apply to all Affected Licensees.
- 2.2 All Affected Licensees are required to ensure that, in relation to every SIM-Card Enabled Telecommunications Service, Registration, Verification and Activation is carried out in accordance with the provisions of this Regulation.
- 2.3 No Affected Licensee shall provide a SIM-Card Enabled Telecommunications Service to a Subscriber who is not Registered, Verified and Activated in accordance with the provisions of this Regulation or who is, at the date of Registration, a Minor.

## 3 REGISTRATION OF SUBSCRIBERS WHO ARE NATURAL PERSONS

- 3.1 This Article applies to Subscribers that are natural persons.
- 3.2 Within three (3) months from the date of entry into force of this Regulation, Affected Licensees shall procure that every new Subscriber who is a GCC National must, as a minimum, submit the following Natural Person Identification Credentials for the purposes of commencing the Registration Process:
- (i) a valid passport or a valid national identity card issued by any country which is a member of the Gulf Co-operation Council; and
  - (ii) a Biometric Scan.
- 3.3 Within three (3) months from the date of entry into force of this Regulation, Affected Licensees shall procure that every new Subscriber who is not a GCC National, must, as a minimum, submit the following Natural Person Identification Credentials for the purposes of commencing the Registration Process:

- (i) a valid national identity card issued by the Kingdom of Bahrain together with a Biometric Scan; or
- (ii) a valid passport together with a Biometric Scan, and either a valid driver's licence or a valid national identity card issued by a country other than by the Kingdom of Bahrain.

3.4 Upon receipt of the Natural Person Identification Credentials, the following information must, as a minimum, be recorded by the Affected Licensee in the Subscriber Database:

- (i) the full name of the Subscriber as shown in the national identity card or passport, including the gender;
- (ii) a Clear Scanned Copy of the passport or national identity card;
- (iii) the unique identification number of the passport or national identity card;
- (iv) solely in relation to a natural person who is not a GCC National and who submits a passport for the purposes of Registration, the type of identification document submitted other than the passport together with a Clear Scanned Copy of that document;
- (v) the issuance date of the passport, where the passport is submitted for the purposes of Registration;
- (vi) the expiry date of the passport or, the national identity card. Solely in relation to a natural person who is not a GCC National, the expiry date is deemed to be the expiry date of the natural person's visa or residence permit or the expiry date of the passport or the national identity card whichever comes sooner;
- (vii) a Clear Scanned Copy of the SIM-Card Enabled Telecommunications Services registration form showing the Subscriber's signature;
- (viii) the data collected from the Biometric Scan;
- (ix) the ICCID number attributed to the SIM Card;
- (x) the nationality of the Subscriber;
- (xi) the IMSI number attributable to the SIM Card;
- (xii) the MSISDN attributable to the SIM Card; and
- (xiii) the full name and job title of the person conducting Registration and Verification.

3.5 Each Affected Licensee shall at all times ensure that:

- 3.5.1 no natural person is Registered for more than ten (10) pre-paid SIM Cards with the Affected Licensee (or any other cap which may be introduced by the Authority from time to time); and
  - 3.5.2 the Natural Person Identification Credentials required for the purposes of Registration are presented and Verified each time a Subscriber applies for a new or additional SIM-Card Enabled Telecommunications Service.
- 3.6 The Authority reserves the right to amend the process, procedures and requirements of Registration from time to time.

#### **4 VERIFICATION OF SUBSCRIBERS WHO ARE NATURAL PERSONS**

- 4.1 In relation to every Subscriber who is a natural person, the identity of the Subscriber must be confirmed by the Affected Licensee both manually against the original Natural Person Identification Credentials and electronically at the point of sale in the presence of the Subscriber at least through:
- 4.1.1 visual confirmation of the Subscriber against all photographic identification on each of the Natural Person Identification Credentials that contains such information;
  - 4.1.2 where the biometric data is captured in the national identity card, verifying the Biometric Scan against the biometric data stored in the national identity card;
  - 4.1.3 verifying that the Subscriber's signature is identical to the signature on the passport or the national identity card that has been submitted for the purposes of Registration, and that the signature is consistent throughout all documents signed by the Subscriber for the purposes of the Registration;
  - 4.1.4 in the case of Registration pursuant to section 3.2(ii) above, cross-checking the information contained in the valid passport against the driver's licence or the national identity card issued by a country other than by the Kingdom of Bahrain to verify the identity of the natural person;
  - 4.1.5 visual confirmation to ensure the correctness of the Natural Person Identification Credentials in relation to their authenticity and accuracy; and
  - 4.1.6 verification that the Natural Person Identification Credentials are not expired.
- 4.2 If the Affected Licensee cannot verify the Natural Person Identification Credentials submitted by the Subscriber for Registration in accordance with the steps described in Article 4.1, then Verification is deemed to have failed.
- 4.3 The Authority reserves the right to amend the process, procedures and requirements of Verification from time to time.

**5 REGISTRATION OF SUBSCRIBERS THAT ARE COMMERCIAL ENTITIES AND GOVERNMENT ENTITIES**

5.1 Within three (3) months from the date of entry into force of this Regulation, Affected Licensees shall procure that in relation to every Subscriber that is:

5.1.1 a Commercial Entity, the following documents must, as a minimum, be obtained by the Affected Licensee at the point of sale for the purposes of commencing Registration:

- (i) a valid Commercial Registration certificate that has been issued to the Commercial Entity by the Ministry of Industry and Commerce which clearly shows the Authorised Signatories of that Commercial Entity;
- (ii) a declaration form signed by the Authorised Signatory confirming his acceptance to assume responsibility for and on behalf of the Commercial Entity for the purposes of this Regulation; and
- (iii) the Natural Person Identification Credentials of the Authorised Signatory.

5.1.2 a Government Entity, the following documents must, as a minimum, be obtained by the Affected Licensee at the point of sale for the purposes of commencing the Registration Process:

- (i) a declaration signed by the Minister or the head of the Government organisation or equivalent, and stamped by the Ministry's or Government organisation's official seal authorising the Public Officer to represent the Government Entity for the purposes of this Regulation. This declaration must include, as a minimum, the legal name of the Government Entity, the mailing address of the Government Entity, the issuance date of the declaration and the name of the person acting on behalf of the Government Entity;
- (iv) a declaration form signed by the Public Officer confirming his acceptance to assume responsibility for and on behalf of the Government Entity for the purposes of this Regulation; and
- (v) the Natural Person Identification Credentials of the Public Officer.

5.2 Once the Commercial Entity Identification Credentials and/or the Government Entity Identification Credentials (as appropriate) have been obtained, the following information must, as a minimum, be recorded by the Affected Licensee in the Subscriber Database:

5.2.1 In relation to Commercial Entities:

- (i) the full name and Commercial Registration Number of the Commercial Entity;
- (ii) the expiry date of the Commercial Registration Number;
- (iii) a Clear Scanned Copy of all the documents listed in the immediately preceding sub-Article 5.1.1;
- (iv) a Clear Scanned Copy of the passport or national identity card of the Authorised Signatory;
- (v) the unique identification number of the passport or national identity card of the Authorised Signatory;
- (vi) solely in relation to an Authorised Signatory who is not a GCC National and who submits a passport for the purposes of Registration, the type of identification document submitted other than the passport together with a Clear Scanned Copy of that document;
- (vii) the expiry date of the passport or, the national identity card of the Authorised Signatory. Solely in relation to an Authorised Signatory who is not a GCC National, the expiry date is deemed to be the expiry date of the Authorised Signatory's visa or residence permit or the expiry date of the passport or the national identity card whichever comes sooner;
- (viii) a Clear Scanned Copy of the SIM-Card Enabled Telecommunications Services registration form showing the Subscriber's signature;
- (ix) Data collected from the Biometric Scan of the Authorised Signatory;
- (x) the ICCID number attributed to the SIM Card;
- (xi) the nationality of the Authorised Signatory;
- (xii) the IMSI number attributable to the SIM Card;
- (xiii) the MSISDN attributable to the SIM Card; and
- (xiv) the full name and job title of the Person conducting Registration and Verification.

5.2.2 In relation to Government Entities:

- (i) the full name of the Government Entity;
- (ii) a Clear Scanned Copy of all the documents listed in Article 5.1.2;



- (iii) a Clear Scanned Copy of the passport or national identity card of the Public Officer;
- (iv) the unique identification number of the of the passport or national identity card of the Public Officer;
- (v) solely in relation to a Public Officer who is not a GCC National and who submits a passport for the purposes of Registration, the type of identification document submitted other than the passport together with a Clear Scanned Copy of that document;
- (vi) the expiry date of the passport or, the national identity card of the Public Officer. Solely in relation to a Public Officer who is not a GCC National, the expiry date is deemed to be the expiry date of the Public Officer's visa or residence permit or the expiry date of the passport or the national identity card whichever comes sooner;
- (vii) a Clear Scanned Copy of the SIM-Card Enabled Telecommunications Services registration form showing the Subscriber's signature;
- (viii) data collected from the Biometric Scan of the Public Officer;
- (ix) the ICCID number attributed to the SIM Card;
- (x) the nationality of the Public Officer;
- (xi) the IMSI number attributable to the SIM Card;
- (xii) the MSISDN attributable to the SIM Card; and
- (xiii) the full name and job title of the Person conducting Registration and Verification.

5.3 Each Affected Licensee shall at all times ensure that no Commercial Entity and no Government Entity is Registered for more than one hundred (100) pre-paid SIM Cards with the Affected Licensee (or any other cap which may be introduced by the Authority from time to time). Provided that where a Commercial Entity or a Government Entity requires more than the maximum number of pre-paid SIM Cards stipulated above, the Affected Licensee may duly notify the Authority in writing and the Authority may, at its sole discretion, vary the maximum number of pre-paid SIM Cards allowed for that specific Commercial Entity or Government Entity.

5.4 The Authority reserves the right to amend the process, procedures and requirements of Registration from time to time.

## **6 VERIFICATION OF SUBSCRIBERS THAT ARE COMMERCIAL OR GOVERNMENT ENTITIES**

- 6.1 In relation to every Subscriber that is a Commercial Entity or a Government Entity, the identity of the Authorised Signatory (in the case of a Commercial Entity) or the identity of the Public Officer (in the case of a Government Entity) must, as a minimum, be confirmed at the point of sale through:
- 6.1.1 visual confirmation of the Authorised Signatory or Public Officer against all photographic identification on each of the Natural Person Identification Credentials that contains such information;
  - 6.1.2 where the biometric data is captured in the national identity card, verifying the Biometric Scan against the biometric data stored in the national identity card of the Authorised Signatory or the Public Officer;
  - 6.1.3 verifying that the signature of the Authorised Signatory or Public Officer is identical to the signature on the Natural Person Identification Credentials of the Authorised Signatory or Public Officer, and that the signature is consistent throughout all documents signed by the Subscriber for the purposes of the Registration;
  - 6.1.4 verifying, to the fullest extent possible, the Natural Person Identification Credentials of the Authorised Signatory or Public Officer against the information contained in the Commercial Entity Identification Credentials or the Government Entity Identification Credentials;
  - 6.1.5 visual confirmation to ensure the correctness of the Commercial Entity Identification Credentials or the Government Entity Identification Credentials in relation to their authenticity and accuracy; and
  - 6.1.6 verification that the Commercial Entity Identification Credentials or the Government Entity Identification Credentials are not expired.
- 6.2 If the Affected Licensee cannot verify the Commercial Entity Identification Credentials or the Government Entity Identification Credentials submitted by the Subscriber for Registration in accordance with the steps described in Article 5, then the Verification is deemed to have failed.
- 6.3 The Authority reserves the right to amend the process, procedures and requirements of Verification from time to time.

## **7 ELECTRONIC SOLUTION**

- 7.1 Within three (3) months from the date of coming into force of this Regulation, all Affected Licensees shall have in place an electronic solution that is capable of conducting a Biometric Scan which must be approved by the Authority prior to its implementation.
- 7.2 The Authority may, in future, prescribe an alternative electronic solution for Affected Licensees to conduct the Biometric Scans provided that the Authority shall give interested parties the opportunity to give their opinions as to such measures within a reasonable period of time prior to their introduction.

## **8 ACTIVATION**

- 8.1 An Affected Licensee shall ensure that, in relation to every SIM-Card Enabled Telecommunications Service offered after three (3) months of the date of coming into force of this Regulation, that Activation shall not occur until after Registration and Verification have been carried out in accordance with the provisions of this Regulation. Upon successful completion of Registration and Verification, there shall follow any of the Activation Processes as described below:
- (a) The Subscriber shall promptly dial a specific Unstructured Supplementary Service Data ("USSD") and follow the USSD process in order to enter the last four digits of the unique identification number of the Identification Credentials used for the purpose of Registration; or
  - (b) The Subscriber shall promptly dial a specific IVR number ("automated answer machine through Interactive Voice Response") in order to enter the last four digits of the unique identification number of the Identification Credentials used for the purpose of Registration; or
  - (c) Where the prospective Subscriber Registers to Subscribe to a data-only Pre-Paid Telecommunications Service, the Subscriber shall open any internet browser on his device which shall direct him to the Affected Licensee's online portal wherein the Subscriber shall enter the last four digits of the unique identification number of the Identification Credentials used for the purpose of Registration.
  - (d) For the avoidance of doubt, Activation shall only be completed once the prospective Subscriber has successfully provided the requested last four digits of the unique identification number of the Identification Credentials used for the purpose of Registration.
- 8.2 Where the Authorised Signatory or Public Officer Registers for multiple SIM-Card Enabled Telecommunications Services simultaneously, Activation completed in respect of one SIM-

Card Enabled Telecommunication Service shall be deemed as having rendered all the other SIM-Card Enabled Telecommunications Services simultaneously Activated.

8.3 Where a Subscriber has initiated the Number Portability process, the Recipient Operator (as defined in the Number Portability Regulation) shall not provide the SIM-Card Enabled Telecommunications Service until such time as the Subscriber has successfully completed Registration, Verification and Activation.

8.4 Where there is a change in the Subscriber, the Affected Licensee shall, to the fullest extent possible, ensure that the new Subscriber has completed Registration, Verification and Activation.

## **9 REGISTRATION RENEWAL**

9.1 Affected Licensees shall, within twelve (12) months from the date of entry into force of this Regulation, ensure that all Subscribers to a Prepaid Telecommunications Service who, on the date of entry into force of this Regulation are existing Subscribers, shall be Registered and Verified and the Subscriber Information duly recorded in the Subscriber Database as though the existing Subscriber was a new Subscriber in order to successfully complete the Registration Renewal Process.

9.2 Affected Licensees shall, within twenty-four (24) months from date of entry into force of this Regulation, ensure that all Subscribers to a SIM-Card Enabled Telecommunications Service other than a Prepaid Telecommunications Service who, on the date of entry into force of this Regulation are existing Subscribers, shall be Registered and Verified and the Subscriber Information duly recorded in the Subscriber Database as though the existing Subscriber was a new Subscriber in order to successfully complete the Registration Renewal Process. .

9.3 Where an Affected Licensee fails to successfully complete the Registration Renewal Process in respect of any prepaid Subscriber, the Affected Licensee shall Suspend the prepaid Telecommunications Service until such time as the Registration Renewal Process has been completed. The Affected Licensee shall record the Suspension on its Subscriber Database.

9.4 If within fifteen (15) months from date of entry into force of this Regulation, the Affected Licensee fails to successfully complete the Registration Renewal Process for Subscribers to a Prepaid Telecommunications Service, the Affected Licensee shall promptly Deactivate the relevant prepaid SIM-Card Enabled Telecommunications Service and record the Deactivation on its Subscriber Database.

9.5 If within twenty seven (27) months from date of entry into force of this Regulation, the Affected Licensee fails to successfully complete the Registration Renewal Process for Subscribers to a SIM-Card Enabled Telecommunications Service other than a Prepaid Telecommunications Service, the Affected Licensee shall promptly Deactivate the relevant post-paid SIM-Card Enabled Telecommunications Service and record the Deactivation on its Subscriber Database.

9.6 Each Affected Licensee must confirm that the Identification Credentials presented for the purposes of the Registration Renewal Process correspond to those required to be recorded in the Subscriber Database.

9.7 The Authority shall have the right to amend the Registration Renewal Process from time to time.

**10 REVALIDATION OF NATURAL PERSON, GOVERNMENT ENTITY AND COMMERCIAL ENTITY SUBSCRIBER INFORMATION**

10.1 Affected Licensees shall, on a yearly basis, starting from eighteen (18) months from the date of coming into effect of this Regulation, duly notify each Subscriber of a prepaid SIM-Card Enabled Telecommunications Service to provide within thirty (30) days the unique identification number of the Identification Credentials used for the purpose of Registration, to avoid the Deactivation of their SIM-Card Enabled Telecommunications Service.

10.2 Each Affected Licensee must confirm that the unique identification number provided by the Subscriber, Authorised Signatory or Public Officer corresponds to the number recorded for them in the Subscriber Database.

10.3 Subject to Article 10.5, where the Subscriber, Authorised Signatory or Public Officer (a) fails to respond or (b) fails to provide a unique identification number which corresponds to that recorded for them in the Subscriber Database, within one month of the Affected Licensee's initial notice, the Affected Licensee shall Suspend the prepaid SIM-Card Enabled Telecommunications Service until such time as the correct details are provided. The Affected Licensee shall record the Suspension on its Subscriber Database.

10.4 If, within three months of the Affected Licensee's initial notice, the unique identification number of the Identification Credentials used for the purpose of Registration has not been submitted by the Subscriber and confirmed by the Affected Licensee, the Affected Licensee shall promptly Deactivate the prepaid SIM-Card Enabled Telecommunications Service and record the Deactivation on its Subscriber Database.

10.5 Without prejudice to the foregoing, Affected Licensees shall:

10.5.1 in relation to natural persons who are not in possession of a visa which is less than one month in duration, not later than one month before the expiry date of the passport, visa or residence permit (or, in the case of a GCC National, the national identity card) whichever comes soonest, notify the Subscriber of his requirement to submit the renewed passport, visa or residence permit (or, in the case of a GCC National, the national identity card) for the purposes of updating the Natural Person Subscriber Information;

- 10.5.2 in relation to Commercial Entities, not later than one month before the expiry date of the Commercial Registration, notify the Commercial Entity of its requirement to submit the renewed Commercial Registration for the purposes of updating the Commercial Entity Subscriber Information;
- 10.5.3 if the relevant documents referred to in either Article 10.5.1 or 10.5.2 are not submitted before their expiry date, suspend the prepaid SIM-Card Enabled Telecommunications Service until such time as the relevant documents are provided;
- 10.5.4 if the relevant documents referred to in either Article 10.5.1 or 10.5.2 are not submitted within three (3) months of being requested, Deactivate the prepaid SIM-Card Enabled Telecommunications Service and record the Deactivation on its Subscriber Database; and
- 10.5.5 if the process employed by an Affected Licensee is deemed inappropriate by the Authority, then the Authority reserves the right to mandate a defined process which that Affected Licensee would be obliged to follow.

## **11 THE SUBSCRIBER DATABASE**

- 11.1 All Affected Licensees shall ensure that the Verified Subscriber Information recorded pursuant to Articles 3, 4, 5, 6 and 9 is retained within the Subscriber Database throughout the period during which the SIM-Card Enabled Telecommunications Service is provided to the Subscriber and for one year after termination of the service.
- 11.2 Each Affected Licensee must maintain its Subscriber Database and regularly update it whenever there is a change to the Subscriber Information, or whenever there is a change to the status of the Subscriber, including but not limited to Activation, Suspension, Deactivation, transfer of the SIM-Card Enabled Telecommunications Service to a third party Subscriber, replacement of the Authorised Signatory or the Public Officer. In particular, Affected Licensees shall update the Identification Credentials for all Subscribers upon request at any time following the completion of Registration or of the Registration Renewal Process.
- 11.3 In the event the Authority requests from an Affected Licensee the full data dump consisting of the Subscriber Database, the Affected Licensee must provide that data dump within twenty-four (24) hours, in any format that may be requested by the Authority. The Authority reserves the right to audit the Subscriber Database to verify its accuracy.
- 11.4 Without prejudice to the generality of the foregoing, Affected Licensees shall, upon request, promptly submit the following data to the Authority:
  - 11.4.1 Full list of all Subscribers;

- 11.4.2 Details as to whether the natural person, Authorised Signatory or Public Officer recorded in the Subscriber Database is a GCC National or non-GCC National;
- 11.4.3 Classification as to whether each Subscriber is a natural person, Commercial Entity or Government Entity;
- 11.4.4 Classification of all Subscribers indicating which Subscribers are active, inactive, dormant or ceased;
- 11.4.5 In respect of each SIM Card, the date of sale, date of Activation and the date of each top-up; and
- 11.4.6 Any other information that may be required from time to time by the Authority.

## **12 RESTRICTIONS ON THE SALE OF SIM-CARD ENABLED TELECOMMUNICATIONS SERVICES**

- 12.1 Absent the Authority's specific approval in writing, no SIM-Card Enabled Telecommunications Services shall, within ninety (90) days following the date of entry into force of this Regulation be sold, offered for sale or subscription except through the Outlets or Approved Resellers.
- 12.2 Affected Licensees shall ensure that six (6) months following the date of entry into force of this Regulation, all SIM Cards that are in the possession of any Reseller of the Affected Licensees that has not been approved are recovered by the Affected Licensee or destroyed.
- 12.3 Affected Licensees shall, for the first seven (7) months from the date of entry into force of this Regulation, provide, on a monthly basis, a detailed record of all SIM Cards that have been recovered or destroyed including:
  - (a) the date of destruction or recovery of each SIM Card;
  - (b) The number of SIM Cards that the Affected Licensee believes remain uncollected and/or undestroyed;
  - (c) the MSISDN of each SIM Card that has been collected; and
  - (d) the name of the Reseller and a copy of a signed declaration from the Reseller confirming that all SIM Cards in its possession have been either destroyed or recovered by the Affected Licensee.
- 12.4 The Authority may approve a Reseller to offer Prepaid Telecommunications Services to natural persons provided that the prospective Approved Reseller must be approved by the Authority following receipt of an Approved Reseller Application made to the Authority in accordance with the Approved Reseller Guidelines to be issued by the Authority and amended from time to time.

- 12.5 For the removal of doubt, if approval is granted by the Authority following receipt of an Approved Reseller Application, an Approved Reseller may offer no other SIM-Card Enabled Telecommunications Services save for Prepaid Telecommunications Services and Registration Renewal of such Prepaid Telecommunications Services to Subscribers who are natural persons.
- 12.6 The Authority has the power to revoke its approval of an Approved Reseller without prior notice and with immediate effect should the Authority find that the Approved Reseller has breached any of the obligations under this Regulation or the Guidelines to be issued by the Authority as may be amended from time to time.
- 12.7 Should the Authority exercise its power to revoke a previous approval of an Approved Reseller, the relevant Affected Licensee must recover or destroy all the remaining SIM Cards in that Reseller's possession. The Affected Licensee must, within seven (7) days, provide the Authority with a list of all SIM Cards that have been recovered or destroyed, together with the information as set out in Article 12.3 above as well as any additional information that the Authority may request.

### **13 TRANSFER OF MOBILE SUBSCRIPTION CONTRACTS**

- 13.1 The Affected Licensee shall, consent to and allow the transfer of a SIM-Card Enabled Telecommunications Service contract (including the MSISDN) from one Subscriber to another, on condition that:
- 13.1.1 The request to transfer is made by the transferring Subscriber and consented to by the transferee Subscriber;
  - 13.1.2 The request to transfer is made during the valid term of a SIM-Card Enabled Telecommunications Service contract;
  - 13.1.3 The transferee Subscriber has successfully completed the Registration, Verification and Activation.
- 13.2 Affected Licensees shall comply with all applicable legal instruments including, but not limited to, the Mobile Number Portability Regulation.

### **14 CONFIDENTIALITY OF SUBSCRIBER INFORMATION**

- 14.1 Affected Licensees shall use all reasonable endeavours to ensure the privacy and confidentiality of the Subscriber Information obtained in the process of implementing this Regulation. Disclosure of Subscriber Information shall only be permitted in accordance with the Laws of the Kingdom of Bahrain, including to any security organ in accordance with Article 78 of the Telecommunications Law.



## **15 ENFORCEMENT, SUSPENSION AND DEACTIVATION**

- 15.1 This Regulation is issued pursuant to Article 3(c)(1) and Article 78 of the Telecommunications Law, which grants the Authority the right to issue Regulations with respect to Licensees meeting their obligations under the Telecommunications Law.
- 15.2 Without Prejudice to the Authority's powers to ensure compliance with this Regulation pursuant to the powers conferred on it by the Telecommunications Law, Affected Licensees shall comply immediately with any emergency order issued by the Authority to take remedial action to ensure compliance with the provisions of this Regulation, including but not limited to an order to Suspend or Deactivate any Subscriber(s) for any reason whatsoever provided that the Authority shall use such powers in a non-discretionary manner and such emergency order shall be based on the written signed request of a high ranking officer, not below the rank of a director, of a law enforcement agency of the Kingdom of Bahrain.
- 15.3 Affected Licensees shall Deactivate the SIM-Card Enabled Telecommunications Service of a Subscriber if the Affected Licensee has reasonable grounds to suspect that the Identification Credentials submitted by the Subscriber are false.
- 15.4 Affected Licensees shall ensure that any SIM Card that is reported as lost or stolen shall be promptly Suspended. If, upon the expiry of 30 days the Subscriber has not confirmed that the SIM Card has been recovered, then the Affected Licensee shall Deactivate the SIM-Card Enabled Telecommunications Service attributable to that SIM Card.
- 15.5 Upon the Deactivation of a SIM-Card Enabled Telecommunications Service the Affected Licensee is entitled to reuse the number associated with that Subscriber's Deactivated SIM-Card Enabled Telecommunications Service without further notice.
- 15.6 Without prejudice to the foregoing, if it is determined by the Authority that Registration, Verification or Activation has not been carried out in accordance with this Regulation or is otherwise incorrect, or that the Subscriber Database is incorrect or that any data provided by an Affected Licensee pursuant to the provisions of this Regulation is incorrect or has been manipulated, the Authority may deem the Affected Licensee to be in breach of this Regulation and issue an Article 35 Order including the imposition of an appropriate fine.

## **16 ENTRY INTO FORCE**

- 16.1 This Regulation will enter into force on the day following its publication in the Official Gazette.

## **ANNEX 2**

### **Regulation on the Requirement to Register SIM-Card Enabled Telecommunications Services Subscriber Details**

#### **List of questions contained in the Second Consultation Document**

#### **1 ARTICLE 1: DEFINITIONS**

- 1.1 Do you consider the definitions of Article 1 of the New Regulation sufficient? If not, please give reasons and state which terms you think should be added or omitted.

#### **2 ARTICLE 2: SCOPE**

- 2.1 Do you agree with the provisions of Article 2 of the New Regulation? If not, please provide reasoning as to what you do not agree with and why.

#### **3 ARTICLE 3: REGISTRATION OF SUBSCRIBERS WHO ARE NATURAL PERSONS**

- 3.1 Do you agree with the provisions of Article 3? In particular:

- 3.1.1 Do you agree with expanding the list of Natural Person Identification Credentials for natural persons?
- 3.1.2 Do you consider that any of the Natural Person Identification Credentials should be omitted from Articles 3.2, 3.3 and/or 3.4? If so, why?
- 3.1.3 Do you consider the implementation period of three (3) months for Affected Licensees sufficient? If not, please state why.
- 3.1.4 Do you consider that any other form of document should be included within the scope of Articles 3.2, 3.3 and/or 3.4? If so, which documents would you wish to include and why?
- 3.1.5 Do you agree with the limit on the number of SIM-Card Enabled Telecommunications Services? If not, please state why.

#### **4 ARTICLE 4: VERIFICATION OF SUBSCRIBERS WHO ARE NATURAL PERSONS**

- 4.1 Do you agree with the provisions of Article 4? If not, please give reasons as to why.

#### **5 ARTICLE 5: REGISTRATION OF SUBSCRIBERS THAT ARE COMMERCIAL ENTITIES AND GOVERNMENT ENTITIES**

- 5.1 Do you agree with the provisions of Article 5? In particular:

5.1.1 Do you agree with the requirement for Affected Licensees to secure the proposed details of the Commercial or Government Entities? If not, please give your reasons.

5.1.2 Do you agree with the limits on the number of Prepaid Telecommunications Services that can be registered to one and the same Commercial Entity and/or Government Entity? If not, please give your reasons.

6 **ARTICLE 6: VERIFICATION OF SUBSCRIBERS THAT ARE COMMERCIAL OR GOVERNMENT ENTITIES**

6.1 Do you agree with the provisions of Article 6? If not, please give reasons as to why.

7 **ARTICLE 7: ELECTRONIC SOLUTION**

7.1 Do you agree with the provisions of Article 7? If not, please give reasons as to why.

8 **ARTICLE 8: ACTIVATION**

8.1 Do you agree with the provisions of Article 8? If not, please give reasons as to why.

9 **ARTICLE 9: REGISTRATION RENEWAL**

9.1 Do you agree with the provisions of Article 9? In particular:

9.1.1 Do you agree with the time limits within which the Affected Licensees are required to secure the proposed details of the natural person, Commercial and/or Government Entities? If not, please give your reasons.

9.1.2 Do you agree with the time limits relating to the deactivation of a Prepaid Telecommunication Service and/or a SIM-Card Enabled Telecommunications Service if the Registration Renewal Process is not successfully completed?

10 **ARTICLE 10: REVALIDATION OF NATURAL PERSON, GOVERNMENT ENTITY AND COMMERCIAL ENTITY SUBSCRIBER INFORMATION**

10.1 Do you agree with the provisions of Article 10? If not, please give reasons as to why.

11 **ARTICLE 11: THE SUBSCRIBER DATABASE**

11.1 Do you agree with the provisions of Article 11? If not, please give reasons as to why.

12 **ARTICLE 12: RESTRICTIONS ON THE SALE OF PREPAID TELECOMMUNICATIONS SERVICES**

12.1 Do you agree with the provisions of Article 12? If not, please give reasons as to why.

13 **ARTICLE 13: TRANSFER OF MOBILE SUBSCRIPTION CONTRACTS**

13.1 Do you agree with the provisions of Article 13? If not, please give reasons as to why.

14 **ARTICLE 14: CONFIDENTIALITY OF SUBSCRIBER INFORMATION**

14.1 Do you agree with the provisions of Article 14? If not, please give reasons as to why.

15 **ARTICLE 15: ENFORCEMENT, SUSPENSION AND DEACTIVATION**

15.1 Do you agree with the provisions of Article 15? If not, please give reasons as to why.

16 **ARTICLE 16: ENTRY INTO FORCE**

16.1 Do you agree with the provisions of Article 16? If not, please give reasons as to why.

17 **ARTICLE 17: ADDITIONAL DOCUMENT: RESELLER GUIDELINES**

17.1 Do you agree with the provisions of the Reseller Guidelines? If not, please give reasons as to why.

18 **GENERAL OBSERVATIONS**

18.1 What other issues do you think should be included in, or excluded from, the New Regulation? Please support your comments with detailed reasoning.



هيئة تنظيم الاتصالات  
Telecommunications Regulatory Authority  
Kingdom of Bahrain - مملكة البحرين

## **GUIDELINES FOR THE APPROVAL OF AUTHORISED RESELLERS OF PREPAID TELECOMMUNICATIONS SERVICES TO NATURAL PERSONS**

These Guidelines are issued by the Telecommunications Regulatory Authority (the “**TRA**” or the “**Authority**”) to assist Affected Licensees in their appointment of Approved Resellers pursuant to the new SIM-Card Enabled Telecommunications Services Registration Regulation (the “**New Regulation**”) (the “**Guidelines**”).

All defined terms used in these Guidelines shall have the meanings given to them in the New Regulation unless otherwise specified.

These Guidelines have been designed to help Affected Licensees understand how the Authority intends to approve Resellers for the purposes of offering Prepaid Telecommunications Services to Subscribers who are natural persons (“**Approved Resellers**”).

### **1 BACKGROUND TO ISSUANCE OF THE NEW REGULATION AND THESE GUIDELINES**

- 1.1 The Authority notes that there are still a large number of SIM Cards registered to individual Commercial Registration (“**CR**”) and Central Population Registration (“**CPR**”) numbers where it is unclear who is the user of the relevant service. The Authority also notes that the Registration processes of some Affected Licensees may be lax and easily allow for incorrect registrations.
- 1.2 The New Regulation and these Guidelines have taken into account the responses provided during the Consultation Process undertaken in February 2015 as well as input from other relevant stakeholders.
- 1.3 The Authority notes that these Guidelines may be amended in the future if, in the Authority’s opinion, doing so would assist in providing clarity to Affected Licensees

with regards to their obligations and/or assist the Authority in implementing the objectives of the New Regulation.

## 2 WHAT CAN AN APPROVED RESELLER OFFER TO SUBSCRIBERS?

2.1 The Authority believes that the circumstances that necessitated the issuance of the New Regulation were due, at least in part, to Resellers not being diligent in recording required Subscriber data and the processes to allow Affected Licensees sufficient oversight to manage their Resellers not being in place. The New Regulation seeks to address these concerns.

2.1 In order to limit the likelihood of a repeat of the circumstances referred to above, the New Regulation draws an important distinction as to what Subscribers can be offered via Affected Licensees' Outlets<sup>1</sup> and the services/products that Approved Resellers will be allowed to offer.

2.2 Under the New Regulation, Affected Licensees will have to offer SIM-Card Enabled Telecommunications Services via either:

- (i) their Outlets; or
- (ii) their Approved Resellers.

2.3 The Authority believes that the Outlets are the most secure manner by which SIM-Card Enabled Telecommunications Services can be offered to Subscribers. As such Outlets will be able to offer all SIM-Card Enabled Telecommunications Services (be they Prepaid Telecommunications Services or otherwise) to all Subscribers, be they natural persons, Commercial Entities or Government Entities.

2.4 Outlets will also have to undertake the Registration Renewal Process for all Subscribers who are Commercial and Government Entities using a SIM-Card Enabled Telecommunications Service.

2.5 By contrast Approved Resellers will **only** be permitted to offer Prepaid Telecommunications Services and Registration Renewal of Prepaid Telecommunications Services to Subscribers who are natural persons.

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<sup>1</sup> As defined under the New Regulation

### 3 THE APPROVED RESELLER CRITERIA

- 3.1 In order for a Commercial Entity or Government Entity to be classed by the Authority as an Approved Reseller, the Commercial or Government Entity will be required to meet the standards set out in these Guidelines.

#### **The Commercial Entity/Government Entity**

- 3.2 The Authority is determined to ensure that Approved Resellers of Prepaid Telecommunications Services are Commercial or Government Entities who are capable and willing to carry out the Registration, Verification and data recording processes required to support the objectives of the New Regulation.
- 3.3 In order to assist Affected Licensees, the Authority is of the opinion that a Reseller will not be granted status as an Approved Reseller unless it can be shown that the (Approved) Reseller is:
- 3.3.1 a reputable Commercial Entity, brand or Government Entity (e.g. the Post Office) that has more than 3 branches in the Kingdom of Bahrain;
  - 3.3.2 able to evidence previous experience providing services which require similar processes for the Registration and Verification of the consumer to those required of an Approved Reseller under the New Regulation (either in Bahrain or elsewhere);
  - 3.3.3 in possession of all relevant licences, Ministerial (or otherwise official) approvals to conduct the services ancillary to the Approved Reseller's business in the Kingdom of Bahrain, particularly allowing it to undertake the sale of Prepaid Telecommunications Services;
  - 3.3.4 able to demonstrate a history of good conduct and legal and regulatory compliance within the Kingdom of Bahrain;
  - 3.3.5 able to provide the Authority with details of its shareholders, directors or employees such as are required by the Authority, including all CPR numbers for such persons (to be updated as and when there is any change to the personnel);
  - 3.3.6 able to provide such references, additional information or undertakings such as the Authority may require from time to time; and

3.3.7 have access to the same Electronic Device and/or electronic system that allows for Subscriber Information to be recorded in a manner identical to the Affected Licensee via its Outlets.

3.4 In addition to fulfilling the above criteria, the Authority will have regard to a number of factors when assessing the fitness and propriety of a Commercial or Government Entity to perform the sale of Prepaid Telecommunications Services. The most important considerations will be the Commercial or Government Entity's:

3.4.1 Honesty, Integrity and Reputation;

3.4.2 Competence and Capability; and

3.4.3 Financial Soundness.

### 3.5 **Honesty, Integrity and Reputation**

3.5.1 The Authority will look at whether the Commercial or Government Entity's reputation might have an adverse impact upon the Authority, the Affected Licensee or the Telecommunications market of the Kingdom of Bahrain.

3.5.2 The matters referred to which the Authority will have regard include, but are not limited to:

- (a) whether the Commercial or Government Entity has been convicted of any criminal offence (particular consideration will be given to offences of dishonesty, fraud or financial crime);
- (b) whether the Commercial or Government Entity has been the subject of any adverse finding or any settlement in civil proceedings, particularly in connection with investment or other financial business, misconduct or fraud;
- (c) whether the Commercial or Government Entity has been the subject of, or interviewed in the course of, any existing or previous investigation or disciplinary proceedings, by the Authority, by other regulatory authorities (including a previous regulator) or Government Entity;
- (d) whether the Commercial or Government Entity is or has been the subject of any proceedings of a disciplinary or criminal nature, or



has been notified of any potential proceedings or of any investigation which might lead to those proceedings;

- (e) whether the Commercial or Government Entity has contravened any of the requirements and standards of the regulatory system or the equivalent standards or requirements of other regulatory authorities (including a previous regulator) or Government Entity;
- (f) whether the Commercial or Government Entity has been the subject of any justified complaint relating to regulated activities;
- (g) whether the Commercial or Government Entity has been involved with a company, partnership or other organisation that has been refused registration, authorisation, membership or a licence to carry out a trade, business or profession, or has had that registration, authorisation, membership or licence revoked, withdrawn or terminated;
- (h) whether, as a result of the removal of the relevant licence, registration or other authority, the Commercial or Government Entity has been refused the right to carry on a trade, business or profession requiring a licence, registration or other authority; and
- (i) whether, in the past, the Commercial or Government Entity has been candid and truthful in all its dealings with any regulatory body and whether the Commercial or Government Entity demonstrates a readiness and willingness to comply with the requirements and standards of the regulatory system and with other legal, regulatory and professional requirements and standards.

### **3.6 Competence and Capability**

3.6.1 In determining a Commercial or Government Entity's competence and capability, the Authority will have regard to all relevant matters including but not limited to:

- (a) whether the Commercial or Government Entity's satisfies the relevant training and competence requirements in relation to the sale of Prepaid Telecommunications Services that it performs or is intended to perform;

- (b) whether the Commercial or Government Entity's has demonstrated by experience and training that it is suitable, or will be suitable if approved, to perform the sale of Prepaid Telecommunications Services; and
- (c) whether the Commercial or Government Entity has adequate time to perform the sale of Prepaid Telecommunications Services and meet the responsibilities associated with that function.

### **3.7 Financial Soundness**

3.7.1 In determining a Commercial or Government Entity's financial soundness, the Authority will have regard to any factors including, but not limited to:

- (a) whether the Commercial or Government Entity has been the subject of any judgment debt or award that remains outstanding or was not satisfied within a reasonable period; and
- (b) whether the Commercial or Government Entity has made any arrangements with his creditors, filed for insolvency, been adjudged insolvent, undertaken liquidation or similar process, had assets sequestrated or been involved in proceedings relating to any of these.

3.7.2 The Authority may require the Commercial or Government Entity to supply a statement of assets or liabilities or its latest set of annual accounts.

### **THE APPROVED RESELLER APPLICATION**

3.8 The Affected Licensee is responsible for making the Approved Reseller Application to the Authority. The Authority will not accept applications received directly from Resellers.

3.9 The Approved Reseller Application must, at a minimum, contain the following information supported by sufficiently detailed and easily verifiable documentary evidence:

- (a) Evidence that the prospective Approved Reseller is a reputable brand or Government Entity (e.g. the Post Office) that has more than 3 branches in the Kingdom of Bahrain. The documentary

evidence provided to the Authority to support this assertion should, at a minimum, include:

- (i) A copy of the Commercial Registration of the prospective Approved Reseller;
  - (ii) An executed copy of the contractual relationship between the Affected Licensee and the prospective Approved Reseller;
  - (iii) Details of all the retail stores/ points of sale via which the Approved Reseller will offer Prepaid Telecommunications Services to Subscribers who are natural persons; and
  - (iv) A list of all employees (and CPR numbers) who will be engaged in offering the Prepaid Telecommunications Services to Subscribers.
- (b) An undertaking to the Authority issued by the Affected Licensee that the Approved Reseller is able to discharge the Affected Licensees' obligations under the New Regulation (including the obligations to manually and electronically record the Subscriber Information) and that the Affected Licensee accepts that any failure by the Approved Reseller to comply with the terms of the New Regulation shall be deemed by the Authority as a failure to do so by the Affected Licensee.
- (c) An undertaking to the Authority issued by the Affected Licensee that the Approved Reseller fulfils the criteria set out at Articles 3.5, 3.6 and 3.7 of these Guidelines.
- (d) Any other information that the Authority might request for the purposes of supporting the criteria set out at Article 3 above.
- 3.10 Upon receipt of an Approved Reseller Application the Authority shall request any additional information it believes is required to support the Approved Reseller Application (if any).
- 3.11 The Authority shall inform an Affected Licensee within 30 days of submission of the Approved Reseller Application (or within receipt of the additional information requested) whether their Approved Reseller Application has been granted.

3.12 If the Authority rejects an Approved Reseller Application, the Authority will endeavour to provide the grounds for such rejection should this be possible. The Authority is under no obligation to make public the reasons for any such refusal should it believe that these should remain confidential.

3.13 If an Approved Reseller Application is rejected, the Affected Licensee may not resubmit an Approved Reseller Application for the same Reseller until a total of three (3) months has elapsed since the date of rejection.

#### **4 TIMELINES UNDER THE NEW REGULATION**

4.1 The New Regulation has set out prescribed timelines under which Affected Licensees must fulfil their obligations and put in place systems that allow the objectives of the New Regulation to be realised.

4.2 In particular the New Regulation requires that within three months of the New Regulation coming into force, Affected Licensees must have in place an electronic system that allows the recording of biometric scans and allows that the Subscriber Information collected on Registration can be uploaded to the Subscriber Database contemporaneously.

4.3 It is an ongoing obligation on each Affected Licensee to ensure that the Electronic Devices and/or electronic systems being used by Approved Resellers remain, at all times, of an appropriate operational state for ongoing compliance with the New Regulation.

#### **5 ACTION TO BE TAKEN SHOULD AN APPROVED RESELLER BREACH THE NEW REGULATION**

5.1 The Affected Licensee will be responsible for its Approved Resellers' compliance with the New Regulation.

5.2 In particular, if an Affected Licensee discovers, or has reasonable grounds to believe, that any of its Approved Resellers has undertaken (or is undertaking) any of the activities set out below, the Affected Licensee shall immediately inform the Authority so that appropriate action may be taken and suspend the operations of the Approved Reseller, pending an investigation by the Authority:

5.2.1 The Approved Reseller is offering (or has offered) either:

- (a) A Prepaid Telecommunications Service to a Subscriber who is not a natural person; and/or
  - (b) A SIM-Card Enabled Telecommunications Service to any Subscriber (other than as indicated above).
- 5.2.2 The Approved Reseller has failed to Register Subscriber Information in accordance with Article 3 of the New Regulation.
- 5.2.3 The Approved Reseller has failed to Verify Subscriber Information in accordance with Article 4 of the New Regulation.
- 5.2.4 The Approved Reseller is otherwise in breach of the terms or objectives of the New Regulation.
- 5.3 The above is not intended to be an exhaustive list and the Authority may take into consideration any activities or undesirable behaviour it may deem contrary to the objectives of the New Regulation.
- 5.4 The Authority has the power to revoke its approval of an Approved Reseller found to be guilty of any of the actions under Article 5.2 and 5.3 above without prior notice and with immediate effect. Should the Authority revoke its approval, the Affected Licensee must recover or destroy all the remaining SIM Cards in that Reseller's possession. The Affected Licensee must, within 7 days, provide the Authority with a list (together with the information required in respect of such as defined in Article 12 of the New Regulation) of all SIM Cards that have been recovered or destroyed.
- 5.5 Upon receipt of such information the Authority shall decide whether an Article 35 Order and/or any other of the investigative processes allowed under the Telecommunications Law is required.