



Consultation Report on the New Economic Regulatory Framework and the Functional Separation of Bahrain Telecommunications Company (“Batelco”)

15 July 2018

LAD/07/18/185

Summary of the Responses received on the public consultation questions and the Authority's conclusion

Document	Summary of comment received	The Authority's view and conclusion
Project Plan	Question 1: Do you agree with the timeframe provided for in the draft Project Plan? If not, what elements of the draft Project Plan do you believe should be altered and/or amended?	
	Batelco	
	Batelco raises concern on the compressed timelines, and highlights key dependencies / uncertainties that need to be addressed.	<p>The Authority disagrees with Batelco. While the Authority recognises the importance of the SE meeting the relevant milestones, particularly given concerns raised by the industry on current issues with Batelco's wholesale offerings.</p> <p>The Authority is aware of the aggressive timelines specified in its Project Plan, which are dictated by the NTP4 deadline of 8 May 2019. The Authority agrees that the regulatory process documents need not be overly detailed. The current documents under consultation are brief, highlighting the Authority's expectations for proposals to be submitted by Batelco as part of its Undertakings.</p>
	Zain	
	Zain proposes amendments to accelerate the plans for finalizing the Undertakings, SE Business Case and reference Offer.	The Authority has revised the project plan, taking into consideration additional activities for the establishment of two distinct entities.
STM	Question 2: Do you agree with the explanations provided in Article 1 of the STM? In particular do you agree with the proposal:	
	<p>1.1.1 That the STM requires Batelco to supply Licensed Operators, upon request, with specified products and services during the period of transition to Batelco's functional separation on fair, reasonable and non-discriminatory terms; and</p> <p>1.1.2 That the STM obliges Batelco to achieve certain milestones in regards to fibre deployment with a view to meeting the deployment and performance targets set out under NTP4.</p>	
	Batelco	
	Batelco States that while it remains committed towards meeting rollout targets, it does not see why these	The Authority disagrees with Batelco. Failure to meet the rollout targets would be a breach of the STM.

STM	should be expressly penalized under the STM if they are not met.	
	Zain and Etisalcom	
	Both broadly agree to the Authority's position and stress the need for measures to prevent anti-discriminatory behaviour during transition period.	<p>The Authority agrees with Zain and Etisalcom.</p> <p>The revised version of the STM outlines the transitional products and services to be provided by Batelco, which increases transparency and reduces the ability for Batelco to discriminate against certain OLOs by making the terms of its transitional products and services publicly accessible.</p>
	VIVA	
	VIVA proposes alternative wording contained in paragraph 1.1.1.	<p>The Authority disagrees with VIVA's proposal.</p> <p>The Authority considers this alternative wording to be unnecessary and will continue to use the existing wording, which can now be found in paragraph 1.2.1.</p>
	Question 3: Do you agree with the duration provided for in Article 3 of the STM? If not, please state why.	
	Zain	
	Zain proposes inclusion of a long stop date for SE license issuance.	<p>The Authority disagrees with Zain's proposal.</p> <p>The Authority considers it important that the licence should be in place by the end of the NTP4 period at the latest. Whilst allowing for a three month 'buffer' period - as proposed by Zain - would give Batelco and the Authority more time to finalise the separation and legal arrangements, it may also may contribute to further delays by Batelco in achieving other milestones and therefore on balance, the Authority does not propose to extend the process.</p>
Question 4: Do you agree with the provisions of Article 4 of the STM? In particular:		
<p>4.1.1 That Batelco shall establish and implement internal procedures for maintaining privacy and confidentiality and that such information shall only be available to such Batelco staff as are essential to facilitate the provision of such product(s) or service(s). If not, please state why.</p>		

STM	Batelco	
	Batelco proposes reduced confidentiality obligations.	<p>The Authority disagrees with Batelco's proposal with respect to reduced confidentiality obligations.</p> <p>Given the separation of Batelco and the additional non-discrimination safeguards provided under EoI, the Authority considers that robust protection of the confidential information of wholesale customers is required. This is a specific concern that has been raised by OLOs and the Authority agrees that it will be critical that only SE staff should have access to confidential wholesale customer information.</p>
	Zain	
	Zain proposes establishment of an independent oversight board. Other OLO's broadly agree to the Authority's proposals.	<p>As part of the revised Monitoring Regime, the TRA proposes to establish an Equivalence Compliance Committee (ECC) - An SE Board committee comprising a number of SE Directors together with industry representatives</p> <p>This committee will act as an oversight board.</p>
	VIVA	
Viva proposes sizeable penalties for breach of confidentiality.	<p>The Authority agrees with VIVA's proposal.</p> <p>The revised version of the STM outlines the Authority's ability to impose fines on Batelco should it fail to ensure the privacy and confidentiality of information and business secrets obtained in the course of its business from any person to whom it provides the Transitional Products and Services.</p>	
<p>Question 5: Do you agree with the provisions of Article 5 of the STM generally? In particular:</p> <p>5.1.1 The level of involvement of the Consultant; and</p> <p>5.1.2 The Consultant's power to appoint further third parties as necessary</p> <p>If not, please give reasons and state which terms you think should be added or omitted.</p>		

STM	Batelco	
	Batelco does not see why steps regarding the Consultant's appointment are necessary or cost effective. FSE should not be found liable towards the Authority or third parties for following the Consultant's advice.	A Consultant appointed under the STM is contracted by the Authority. Ordinarily the Consultant will report to the Authority (and not to Batelco) and the Authority may choose to instruct Batelco based on the Consultant's advice. If Batelco elects to ignore the Authority's directions, or seeks to solicit the Consultant's direct advice through unapproved channels, then it follows that Batelco does so at its own risk.
	VIVA	
	VIVA recommends that the Consultant cost should be borne by the Authority and not Batelco.	The Authority disagrees with this position and reiterates that all costs and expenses should be borne by Batelco.
	<p>Question 6: Do you agree with the provisions of Article 6 of the STM generally? In particular:</p> <p>6.1.1 The process for modification or revocation; and</p> <p>6.1.2 The automatic expiry provision.</p> <p>If not, please give reasons and state which terms you think should be added or omitted.</p>	
	Kalaam	
Kalaam notes the lack of clarity around options available to OLOs in the event the STM is revoked or expires before a permanent solution is in place.	<p>The Authority disagrees with Kalaam.</p> <p>In any case, the revised version of the STM highlights that the STM will expire upon the issuance of a Fixed Telecommunications Infrastructure Network Licence</p>	
VIVA		

	<p>a. Viva proposes a formal industry consultation process for any amendments to the STM;</p> <p>b. Viva proposes to change the wording of Article 6.2 to “The STM shall automatically expire on the later “earlier of”.</p> <p>c. Viva proposes that the STM should expire on 1 January 2019.</p>	<p>a. The Authority disagrees with VIVA. The Authority does not consider this necessary. Furthermore current timelines to not allow for formal industry consultation on STM amendments.</p> <p>b. See revised wording to Article 8.</p> <p>c. The Authority disagrees.</p>
STM	<p>Question 7: Do you agree with the provisions of Article 7 of the STM? In particular:</p> <p>7.1.1 The requirement for Batelco to provide written updates every month;</p> <p>7.1.2 The requirement for monthly reports in accordance with Schedule 3 of the STM; and</p> <p>7.1.3 The ability for the Authority to impose fines upon Batelco.</p> <p>If not, please give reasons and state which terms you think should be added or omitted.</p>	
	Batelco	
	<p>Batelco states that it should not be penalised for failure to meet its rollout obligations.</p>	<p>The Authority disagrees with Batelco.</p> <p>Other than for reasons not attributable to Batelco, the NTP4 rollout targets have to be met.</p>
	Zain	
	<p>Zain advocates establishment of an independent body to monitor progress.</p>	<p>See response to Q 4.1.1.</p>

STM	VIVA	
	VIVA suggests the inclusion of more stringent measures to address non-compliance; other OLOs broadly agree to the Authority's proposals.	The Authority considers that it has broad powers under the Law to address any instances of non-compliance.
	Question 8: Do you consider the definitions of Article 2 and Schedule 1 of the STM sufficient? If not, please give reasons and state which terms you think should be added or omitted.	
	Zain	
	Zain suggests the inclusion of a definition for EAOB.	See response to Q 4.1.1.
	VIVA	
	VIVA requests the inclusion of a reference to Schedule 3 as part of the definition of interim fibre deployment framework.	VIVA's comment is noted. Please refer to Article 9.5.
	Question 9:	
	<p>9.1.1 What are the specific Transitional Products and Services that should be included?; and</p> <p>9.1.2 What are the timelines that should be specified in Schedule 2?</p> <p>If not, please give reasons and state which terms you think should be added or omitted.</p>	
	Batelco	
Batelco recommends the inclusion of an overall commitment date to introduce the four transitional products.	The revised STM contains service introduction dates for all transitional products and services in Schedule 2 of the STM.	

STM	VIVA	
	VIVA requests access to Batelco's colocation services fibre based connectivity products (access/backhaul); to ensure that price and non-price terms are approved by the Authority.	The Authority agrees with Viva that access to Batelco's colocation services should be given. The service type is included in the revised Schedule 2 of the STM.
	Etisalcom	
	Etisalcom recommends that all existing products and service under the current RO and timelines specified under Schedule 2 must be immediate.	The Authority disagrees with Etisalcom. The Authority considers the wholesale services outlined in Schedule 2 of the revised STM to be adequate. Other wholesale services which will be required by Batelco's retail business will be made available to OLOs following issuance of its retail telecoms license. Furthermore, the RO will continue apply.
	Question 10: Do you consider the target in Schedule 3 of the STM reasonable? If not, please give reasons as to why.	
	Batelco	
	Batelco proposes the revision of GPON rollout targets; Business customers defined as customers with a CR; Exceptions for rollout obligations.	The Authority has revised the NBN roll-out targets for residential premises.
	Zain	
Zain recommends to include a matrix to demonstrate fibre coverage of base stations.	The Authority disagrees with Zain because it is already covered by the NTP4 deployment targets for business, which include PRS.	
Question 1: Do you agree with the provisions of Article 1 of the Guidelines? In particular:		

Separation Guidelines	1.1.1 Do you consider the background information provided in the introduction to be sufficient? If not, please give reasons and state what information should be added or omitted.	
	1.1.2 Do you consider the time limit for Batelco to submit its Undertakings to the Authority sufficient? If not, why?	
	Batelco	
	Batelco considers that the legal basis for the authority to impose undertakings is not clear.	The Authority disagrees with Batelco. Article 40(bis)(b) gives the Authority sufficient powers to demand the submission of undertakings from Batelco.
	VIVA	
	VIVA considers that the Law requires the Authority to secure legal separation.	Please refer to the revised documentation.
	Question 2: Do you agree with the provisions of Article 2 of the Guidelines? In particular:	
	2.1.1 Do you agree with the requirements for the submission of documents and milestones?	
2.1.2 Do you consider that any of the requirements should be omitted? If so, why?		
2.1.3 Do you consider that any other requirements should be included in Article 2? If so, what would you wish to include and why?		
Batelco		
Batelco highlights keys dependencies and challenges involved in the submission of a detailed implementation plan.	The timelines in the Authority's Project Plan are driven by the NTP4 deadline. The Authority acknowledges the timelines proposed are aggressive, and therefore is willing to accept concise submission documents from Batelco, provided all major topics are addressed and the documents meet the requirements as set out in the Guidelines.	

Separation Guidelines	VIVA	
	VIVA requires that Batelco provides wholesale dark fibre products.	The Authority does not consider wholesale product requirements to be appropriate for the Separation Guidelines document. The Authority has submitted OLO product requirements to Batelco. Batelco are now required to provide a proposed Product Set which the Authority will consult with OLOs on.
	Question 3: Do you agree with the provisions of Article 3 of the Guidelines? In particular:	
	3.1.1 Do you agree with the requirement for Batelco to submit an asset allocation plan alongside its Undertakings? If not, why?	
	3.1.2 Do you agree with the considerations which are to be included in the asset allocation plan? If not, why?	
	3.1.3 Do you agree with the requirement to establish Service Level Agreements between the FSE and Batelco in the case of any proposed asset sharing agreements between the two? If not, why?	
3.1.4 Do you agree with the matters to be included in the Service Level Agreements? If not, why?		
3.1.5 Do you agree with the requirement that the FSE is expected to assess on a regular basis whether it continues to require the use of the assets held by Batelco? If not, why?		
3.1.6 Do you agree with the criteria for assessing the proposed allocation of assets? If not, why?		
Batelco		
Batelco states that there needs to be a prior agreement about whether OLO assets are to be included, and how, must be settled before the Asset Allocation Plan.	<p>The Authority disagrees with Batelco.</p> <p>The need for clarity on the treatment of OLO assets does not prevent Batelco from identifying the relevant assets to be transferred to the SE.</p>	
Zain		
Zain makes comments regarding the following:	a. The Authority agrees and paragraph 13 of the revised Separation Guidelines outlining this.	

Separation Guidelines	<p>a. Valuation should be at book value</p> <p>b. Additional criteria for asset allocation assessment</p> <p>c. Specific details to be covered in the asset allocation plan submitted by Batelco</p>	<p>b. Paragraph 14 of the Separation Guidelines specifies the criteria the Authority will use for assessing the proposed asset transfer and lists the requirement for operational need as a particular area of focus.</p> <p>c. The Authority disagrees with Zain. The Authority considers the specifics requested in the Separation Guidelines with regard to the asset allocation plan to be sufficiently detailed.</p>
	VIVA	
	VIVA brings up functional versus legal separation with regard to the ownership and transfer of assets from OLOs to LSE.	Please refer to the updated Separation Guidelines.
	Kalaam and Zain	
	Kalaam and Zain both raise the requirement for access to international landing stations and associated cross connect charges for international cable system. Kalaam proposes the regulation of these charges.	Please see the changes to Schedule 2 of the STM. Requirements for access to CLS stations have been shared with Batelco. In addition, the Authority is conducting a separate review of the international connectivity market, the outcomes of which will inform its regulatory decisions, including pricing.
	<p>Question 4: Do you agree with the provisions of Article 4 of the Guidelines? In particular:</p> <p>4.1.1 Do you agree with the considerations which the FSE will be expected to take into account? If not, why?</p> <p>4.1.2 Do you agree with the requirement for Batelco to submit a Security Management Plan? If not, why?</p>	
	Batelco	
	Batelco notes that the finalisation of Security Management Plan is dependent on the OLO assets status;	The Authority disagrees with Batelco.

Separation Guidelines	others agree to the Authority's proposals.	The Authority does not consider that the uncertain status of OLO assets prevents Batelco from preparing a Management Security Plan. The Authority considers that a plan can be drawn up for assets currently under Batelco's control, and, if necessary, updated subsequently to incorporate any transferred OLO assets.
	Question 5: Do you agree with the provisions of Article 5 of the Guidelines? In particular:	
	5.1.1 Do you agree with the items which are expected to be covered in the Systems Separation Plan? If not, why?	
	5.1.2 Do you agree with the criteria for assessing Batelco's proposed separation? If not why?	
	Batelco	
	Batelco regards to be able to only provide a 'provisional' System Separation Plan.	The Authority recognizes that there are challenges to preparing the systems separation plan, but this notwithstanding Batelco is required to submit its plan along the requirements set out in the Separation Guidelines.
	Zain	
	Zain proposes combining asset allocation plan and system separations plan.	The Authority disagrees with Zain. The Authority appreciates the interdependencies of the asset allocation plan and system separations plan identified by Zain and the arguments for consolidating them. However, it believes separate plans will be easier for Batelco to prepare and for the Authority to monitor.
	Question 6: Do you agree with the provisions of Article 6 of the Guidelines? In particular:	
	6.1.1 Do you agree with the matters which are to be included as a minimum in the FSE Governance Framework? If not, why?	
Batelco		
Batelco has specific observations on the CEO role and FSE autonomy measures outlined in the proposal.	The establishment of two separate legal entities, necessitates the appointment of a separate CEO for the separate legal entity.	

Separation Guidelines	OLOs	
	Other operators believe that the proposal is not robust enough, and advocate the formation of an independent governance structure.	The Governance Framework has been revised.
	Question 7: Do you agree with the provisions of Article 7 of the Guidelines? In particular:	
	7.1.1 Do you agree with the matters which are required to be addressed in the Organisational Separation Plan? If not, why?	
	Batelco	
	Batelco notes that article 22.d (ii) and (iii) (proposal that BRE staff that cease to be employed by BRE cannot work for FSE for a period) would result in inefficiencies. It also proposes that, if the rule is imposed, it should apply equally to BRE and other OLOs.	The Authority disagrees with Batelco.
Zain		
<p>a. Zain suggests that in Article 22.d(i), the phrase “exceptional circumstances” is vague and will need to be more precisely defined;</p> <p>b. Zain recommends introduce a cap on number of ex-employee of BRE that can work for FSE; and</p> <p>c. Zain Believes that the cost of new branding is a burden that OLO’s should not take.</p>	<p>a. The Authority agrees with Zain and the wording has been revised.</p> <p>b. In the Authority’s view, the number of employees initially moving from BRE to SE is covered by the requirement for an efficiently staffed SE.</p> <p>c. The Authority does not necessarily accept Zain’s argument in relation to this matter.</p>	

Separation Guidelines	VIVA	
	VIVA notes that the guidelines are not in line with legal separation that is required per NTP4 policy.	Please refer to the revised documentation.
	Question 8: Do you agree with the summary? If not, why?	
	Batelco	
	Batelco shares an illustrative list of core undertakings to supplement the Authority's summary.	Noted but the Authority does not accept that this list is comprehensive enough.
	Question 9: What other issues (if any) do you think should be included in, or excluded from, the Guidelines? Please support your comments with detailed reasoning.	
	Batelco	
	Batelco proposes a detailed forensic asset identification audit.	The Authority considers that Batelco's existing records can be used for the purposes of valuation and allocation of assets to the RAB of the SE. If any subsequent audit identifies errors or omissions in existing records which have a material impact on SE's costs, the SE may request that the Authority considers whether any amendment is required to the RO to reflect this.
	VIVA	
<ul style="list-style-type: none"> a. VIVA believes that the Authority should address line of business restrictions. b. VIVA believes that the Authority should address problem solving methods. 	<ul style="list-style-type: none"> a. The Authority agrees with VIVA that the SE should only provide wholesale products and services to OLOs. b. The Authority disagrees with VIVA. The Authority has considered VIVA's proposals for an independent adjudicator. Whilst an adjudicator can facilitate efficient resolution of technical issues and disputes, the Authority does not consider it appropriate to establish such a function at present. The differences in the size of the networks between Bahrain on the one hand and the UK and Australia on the other may mean that the creation of this additional layer of regulation is not a proportionate intervention. The 	

Separation Guidelines		Authority would however consider establishing such a role if the level of disputes and complaints warranted it.
	Etisalcom	
	Etisalcom would like more clarity on the impact of functional separation on the existing RO between Batelco and OLOs.	The Authority wishes to clarify that all current ROs will remain in place until new reference offers are in place. If appropriate existing reference offers will be transferred from Batelco to the SE.
Monitoring Guidelines	Question 1: Do you consider the definitions and acronyms to be sufficient? If not, please give reasons and state which terms you think should be added or omitted.	
	Batelco	
	Batelco propose specific changes / additions to the statement: a. "Commitments" to "Undertakings". b. Change the definition of SLA to "Service Agreement" or "Internal Service Agreement".	<ul style="list-style-type: none"> a. The Authority disagrees with Batelco. The Undertakings should clearly identify those clauses that are Commitments. b. The Authority disagrees with VIVA. The Authority believes that the use of SLAs should reflect the RO structures.
	Zain	
	Zain believes that Monitoring Regime will need to outline the penalties and remedies that Authority will undertake to address breach / nonperformance.	The Authority agrees that any non-compliance with the Undertakings/Commitments need to be appropriately addressed. The Authority has identified some of the regulatory tools that it would consider applying in such an event.
Question 2: Do you agree with the provisions of Article 1 of the Guidelines? In particular:		
2.1.1 Do you consider the background information provided in the introduction to be sufficient? If not, please give reasons and state what information should be added or omitted.		
2.1.2 Do you agree with the scope of the monitoring regime? If not, please give reasons and state what information should be added or omitted.		

Monitoring Guidelines	<p>2.1.3 Do you agree with the two areas the Authority will need to closely monitor? If not, please give reasons and state what information should be added or omitted.</p> <p>2.1.4 Do you agree with Authority's views on the monitoring to be undertaken by Batelco and the Authority? If not, please give reasons and state what information should be added or omitted.</p> <p>2.1.5 Do you agree with the approach to be taken by the Authority in relation to failures of compliance with the Commitments? If not, please give reasons and state what information should be added or omitted.</p>	
	Batelco	
	Batelco proposes that UCO comes into effect 3 months from the issuance of FSE licence.	The Authority believes that the BUCO should be appointed within 30 days from the date of the Undertakings.
	Zain	
	Zain believes that Monitoring Regime will need to outline the penalties and remedies that Authority will undertake to address breach / nonperformance.	The Authority disagrees with Zain.
	VIVA and Zain	
	VIVA and Zain advocate the establishment of an independent supervisory board.	As part of the revised Monitoring Regime, the TRA proposes to establish an Equivalence Compliance Committee (ECC) - An SE Board committee comprising SE Directors together with industry representatives.
<p>Question 3: Do you agree with the provisions of Article 2 of the Guidelines? In particular:</p> <p>3.1.1 Do you consider the timeframe for implementation of the Batelco Monitoring Program to be sufficient? If not, why?</p> <p>3.1.2 Do you agree with the matters which are expected to be included in Batelco's internal compliance processes? If not, please give reasons and state what information should be added or omitted.</p>		

Monitoring Guidelines	3.1.3 Do you agree with the provision that the UCO should have sufficient authority and budget to implement the Batelco Monitoring Program? If not, why?	
	3.1.4 Do you agree with the requirement that the UCO must be notified by Batelco to the Authority for the Authority's approval? If not, why?	
	3.1.5 Do you agree with the requirement that the FSE put in place measures in relation to transparency and governance? If not, why?	
	3.1.6 Do you agree with the requirement that the Batelco Monitoring Program include the submission of reports relating to compliance with the Commitments? If not, why?	
	3.1.7 Do you agree with the requirement that Batelco notify and provide evidence to the Authority of the completion of the milestones in line with the timelines set out as part of its Undertakings? If not, why?	
	3.1.8 Do you agree with the details to be included in the Separation Milestones Report? If not, please give reasons and state what information should be added or omitted.	
	3.1.9 Do you agree with the details to be included in the Equivalence Report? If not, please give reasons and state what information should be added or omitted.	
	3.1.10 Do you agree with the regularity of reporting for the Separation Milestones Reports and Equivalence Reports? If not, why?	
	3.1.11 Do you agree with the requirement for Batelco to give notice to the Authority in the event that it becomes aware of any actual or potential failure to meet its obligations in the Undertakings? If not, why?	
	3.1.12 Do you agree with the details to be included in such Ad Hoc Report? If not, please give reasons and state what information should be added or omitted.	
3.1.13 Do you agree with the time period for such Ad Hoc Report to be submitted to the Authority? If not, why?		
Batelco		
Batelco broadly agrees to the Authority's proposals but considers		The Authority disagrees with Batelco.

Monitoring Guidelines	that the appointment of a UCO is not necessary. Batelco also believes that the monthly reporting is too onerous and resource intensive.	The Authority considers both the appointment of the BUCO and the monthly reporting to be important elements in implementing the separation of Batelco and the SE successfully.
	Zain	
	Zain proposes that the Annual Equivalence Report should be subject to independent audit	The Authority notes Zain's comment. Any independent audit will be up to the Authority's discretion.
	VIVA	
	<p>a. VIVA believes that monitoring should be up and running from the time of the issuance of the STM or soon thereafter</p> <p>b. VIVA provides examples of KPIs which BT reports showing how service levels differ for services sold to BT's own retail division compared to those sold to other service providers.</p>	<p>a. The Authority considers that the monitoring requirements set out in the Monitoring Guidelines to be sufficient.</p> <p>b. The Monitoring Guidelines already refers to "other suitable indicators reported separately" and to this end the Authority will consider VIVA's recommendations while evaluating SE's proposed KPI parameters.</p>
	Kalaam	
	Kalaam suggests that the Authority publishes a version of the Separation Milestones Report.	The Authority has taken into account Kalaam's suggestion insofar as that the Separation Milestones Report should be published externally.
<p>Question 4: Do you agree with the provisions of Article 3 of the Guidelines? In particular:</p> <p>4.1.1 Do you agree with the matters to be included in the Authority's monitoring of Batelco's compliance? If not, please give reasons and state what information should be added or omitted.</p> <p>4.1.2 Do you agree with the sources from which the Authority may be informed in monitoring compliance? If not, please give reasons and state what information should be added or omitted.</p>		

Monitoring Guidelines	<p>4.1.3 Do you agree with the three key types of potential compliance failure? If not, please give reasons and state what information should be added or omitted.</p> <p>4.1.4 Do you agree with the matters which are to be taken into account by the Authority when assessing the nature and gravity of concern? If not, please give reasons and state what information should be added or omitted.</p> <p>4.1.5 Do you agree with the actions which may be taken by the Authority in response to Batelco's potential non-compliance? If not, why?</p>	
	Batelco	
	Batelco requests clarity on the Authority's legal basis for imposing fines.	The Authority's legal basis for issuing fines is provided under Article 3(c)(2) and Article 35 of the Law.
	Zain and VIVA	
	Zain and VIVA consider it necessary to establish an independent supervisory board	The Authority agrees with Zain and VIVA. As part of the revised Monitoring Regime, the TRA proposes to establish an Equivalence Compliance Committee (ECC) - An SE Board committee comprising SE Directors together with industry representatives.
	Question 5: What other issues (if any) do you think should be included in, or excluded from, the Guidelines? Please support your comments with detailed reasoning.	
	Zain	
	Zain notes that clear terms need to be defined to establish an independent monitoring board.	Please refer to answer to Q 4.1.5.
	Kalaam	
Kalaam comments on the cross connect charges for international cable system.	Please refer to Schedule 2 of the revised STM.	

