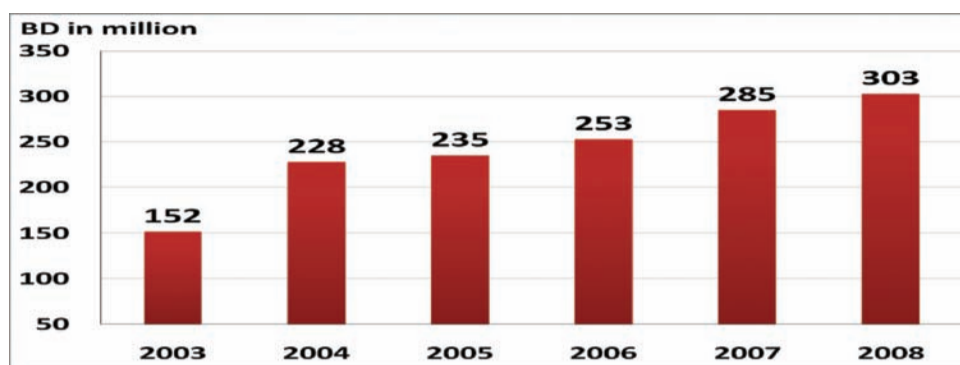


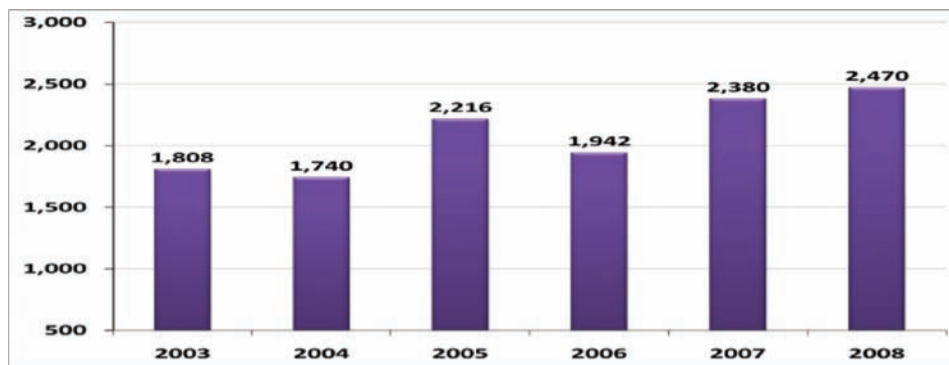


Consumers in Bahrain are able to choose from a wide range of service providers as well as an ever-increasing product range.

Growth in telecommunications sector revenues



Growth in number of employees in the telecommunications sector



Telecom watchdog a

Customers now have a wider choice of cheaper telephone, Internet and other services, under the supervision of the Bahrain Telecommunications Regulatory Authority (TRA).

The TRA has, since its establishment in 2002, been working with the government, operators and consumers to achieve its vision of "a communications environment that enriches the social and commercial fabric of the Kingdom

of Bahrain" and to facilitate growth in the telecommunications markets and the economy of Bahrain

It establishes and publishes every three years a work plan based on policy objectives, direct interaction with all stakeholders and public consultation. Performance against the plan is monitored and reported on an annual basis through the TRA Annual Report and a year-end review with all licensees.

Based on this plan, all staff members have

personal performance targets focussed on the key elements of consumer protection; removal of all barriers to entry and ensuring operators have the ability to deliver the promised services.

Through the development of an independent, accountable, pro-competitive regulatory environment, the TRA is transitioning from an ex-ante to a progressive ex-post approach to regulation.

Consumers in Bahrain are able to choose from a wide range of service providers as well as an ever-increasing range of products and services, tailored to meet their demanding requirements.

As such, it is the policy of the TRA to only intervene where market failure has been identified, or in situations in which licensees are considered to be undertaking anti-competitive behaviour.

Consumer protection remains a high priority for the TRA. In the last year, a number of significant projects that directly benefit consumers have been initiated and/or completed.

These include:

Quality of Service (QoS)
Last year, a QoS regulation was implemented. All licensed operators report performance against a set of QoS parameters. The TRA has also implemented an independent QoS audit from the perspective of the end-user. The first of these reports is due for publication at the end of the first quarter of next year.

Such reports empower residential and business end-users to choose services and operators based on quantitative and qualitative knowledge, whilst at the same time serve to encourage operators to improve and compete, based on quality of service.

Consumer Protection Guidelines
These are designed to articulate the TRA's expectations with regard to how licensed operators should respect and protect consumer rights, encourage best practices to promote the provision of high quality services and increase awareness of consumer rights.

These guidelines provide recommendations on: Acceptable practices; relationships between service providers and consumers; consumer

complaints handling; telemarketing; privacy of information; billing; tariffs and safety of consumers.

Number Portability
Fixed and mobile number portability is on schedule to be implemented by the end of the second quarter of next year.

This will remove the final barrier to changing service provider for end-users and will stimulate stronger retail competition between service providers, manifest in lower prices and improved quality of service.

Building Competitive Market
The impediments to market expansion have ostensibly been removed.

The 2002 Telecommunications Law envisaged a competitive telecommunications market.

There are now 14 licensees actively providing services in Bahrain, including: Three mobile services licensees using GSM and 3G frequencies; two fixed wireless and internet service using WiMax technologies; eight licensed operators offering fixed telecommunications and internet services and 14 licensees offering international calling services.

Wholesale Products
Through a transparent process of market definition, dominance determination and imposition of appropriate remedies, the TRA has imple-



Congratulations and best wishes to

His Majesty King Hamad bin Isa Al Khalifa

His Royal Highness Prince Khalifa bin Salman Al Khalifa

The Prime Minister

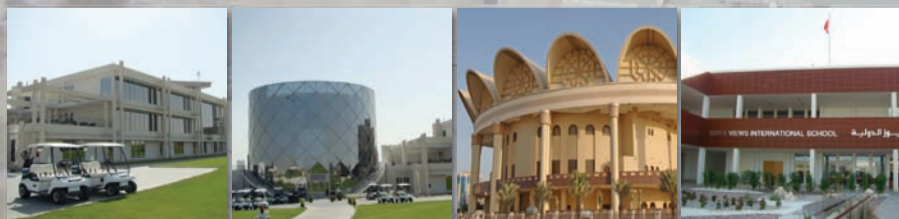
His Royal Highness Crown Prince Salman bin Hamad Al Khalifa

Deputy Supreme Commander

and the people of the Kingdom of Bahrain

on the occasion of

The National Day



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