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## **Consultation on VSAT Licensing Framework – Responses Submitted to ictQATAR**

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The Supreme Council of Information & Communication Technology “ictQATAR”

Telecommunications Regulatory Authority

**24 August 2009**

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On 8 February 2009, ictQATAR published a consultation document on “VSAT Licensing Framework” and requested written comments from interested parties.

Eleven responses were submitted by the following parties (listed in alphabetical order):

1. CapRock Communications
2. DigitalSkys Limited/Venture Gulf Group
3. Gulf Drilling International Ltd (Q.S.C)
4. Maersk Oil Qatar AS
5. Petro Qatar WLL
6. Qatar Telecom (Qtel) Q.S.C.
7. QSAT Communications (QSAT)
8. RigNet Qatar WLL
9. Schlumberger Overseas S.A.
10. SES
11. Vodafone Qatar Q.S.C.

As part of the consultation process and in the interest of transparency and public accountability, ictQATAR is herein publishing all the responses submitted.



20 March 2009

The Supreme Council of Information and Communication Technology (ictQATAR)  
Regulatory Authority – Regulatory Policy & Economic Affairs Department  
P.O. Box 23264  
Doha, Qatar

Ref: ICTRA 02/09-VSAT

### **VSAT Licensing Framework in Qatar**

CapRock Communications welcomes the opportunity to respond to the consultation proposed by ictQATAR. Headquartered in Houston, Texas, CapRock's global reach includes five teleports, eleven regional support centers and partner global networks strategically located around the world.

CapRock Communications operates both through its own brand, and that of its subsidiaries ArrowHead and Sea Access. The company holds over 25 years of experience providing high-quality communications services to some of the remotest areas of the world. Our customers come from across a wide range of sectors including oil and gas, government services, engineering and construction, mining and disaster recovery.

Caprock Communications' long experience in the VSAT industry leads us to the belief that the time is right for the stepped liberalisation of the VSAT market in Qatar. While this is the case, CapRock also stresses that the managed approach, as recommended by ictQatar, should be adhered to and the long lead times taken to build up a VSAT business in any one market mean that this managed approach should be staggered over a number of years.

CapRock provides its direct answers to the questions below.

#### **Question1**

*ictQatar invites comments on the proposed licensing approach for the VSAT services in Qatar.*

The transition from monopoly to free market is a complex process guided by the need to provide strong competition to the monopoly holder, in this case Qtel. As such, it is necessary not only to attract "investors experienced in VSAT", as mentioned in the consultation document, but also to ensure that they have time to grow their customer base in order to compete with Qtel.

To further illustrate the need to open up the market in Qatar, CapRock would like to note that it has an imminent requirement in Qatar for two sites for which CapRock is interested in determining the potential for obtaining temporary authority or a waiver to permit provision of VSAT services, pending finalization of new VSAT licensing regulation.

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The managed approach suggested by ictQATAR is thus to be recommended in the current market. The creation of a large number of under-sized VSAT operators which are unable to compete in a meaningful way with Qtel will not maximise the benefits of liberalisation. Rather, it will allow Qtel to continue to act in a monopolistic fashion while the smaller operators fail to realise economies of scale and thus critical mass.

It should be pointed out that the investment cycle in the VSAT market is long, and implementation processes take time to roll out. CapRock thus considers a three year period necessary before the market is reviewed. The 2010 date recommended for review will not give the new competitors time to take root and will not give a fair picture on how competition is developing. Assuming the licence award takes place towards the end of 2009, CapRock would recommend a review of the market by January 2013.

Finally, while CapRock agrees that the market will indeed benefit from the introduction of TDMA technology, this should not hinder the continued use of SCPC. SCPC platforms are sometimes critical for large networks and regarded as the technology of choice for their systems. On the other hand, it should be noted that the problem of reduced available capacity linked with the use of SCPC platforms will be indeed resolved by the mere fact of introducing more providers with more capacity to the market.

CapRock would therefore propose to keep the technology platform options open and to allow the market to decide on its technology of choice.

## **Question 2**

*ictQatar invites comments on the proposed number of new VSAT Licenses and the approach for granting them.*

Given demand in Qatar for VSAT services, competition can be enhanced by offering new licences. CapRock Communications believes that offering three new licences, bringing the total number of providers to five, may be too many to present a suitable investment case at present.

Given the necessary investments in both manpower and infrastructure, spreading the market across four licencees attempting to chip away market share from the ex-monopoly will not allow the new licensees to realise sufficient economies of scale to be competitive.

CapRock supports the approach of carrying out a beauty contest followed by a round of competitive bidding. This approach ensures that the necessary strategic skills of running a VSAT network business are accompanied by the necessary financial backing of rolling out services in a new country. However, ictQATAR's plan to allow three new players through the process may be too broad in the first phase of the managed approach. This will bring the total number of players to five. Given the current VSAT market size in Qatar, it is CapRock's opinion that five service providers may be too many. CapRock would propose to bring in one or two new players at this stage to allow the market to grow in a healthy way and to allow newly licensed service providers to realise some return on their investment.

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The above proposal assumes that ictQATAR will allow a limited number of licensed VSAT service providers who will in turn be able to provide services to third parties (Closed User Groups) with the intent of opening up the re-seller market at a later date. An alternative scenario would be to increase the number of VSAT licensees while limiting the re-selling options to maximise operators' investments.

### **Question 3**

*ictQatar invites concerning points for clarification required for any of the proposed definitions.*

CapRock Communications has no comment at this stage.

### **Question 4**

*ictQatar solicits views about any definitions outstanding that should be included.*

CapRock Communications has no comment at this stage.

### **Question 5**

*ictQatar invites comments about the appropriateness of scope of the VSAT License given the fact no further public telecommunications networks or services can be authorised before 2010.*

Caprock Communications believes that liberalisation of the international telecommunications side of the licence will be a vital spur to competition in this market and should, indeed, be permitted.

To that end, CapRock agrees with ictQATAR's decision to allow international traffic exchange for Closed User Groups through licensed VSAT service providers.

However, some clarification is needed as to the ability of one VSAT licensee to interconnect with another. Further clarity is also needed in terms of the prohibition of VSAT operators to act as re-sellers of public telecommunications' operator services, especially where they may need to use the backhaul networks of the public telecommunications operators, such as fibre or other technology and not necessarily VSAT.

Another area that needs to be clarified is whether or not "complimentary services" will be allowed as part of the service offering. This is particularly important in cases where the licensee offers these "complimentary services", such as internet, at their teleport and they may be offered as a bundle with other corporate packages (such as voice and data) to the clients at the remote areas through their headquarters, via a teleport and dedicated backhaul.

### **Question 6**

*ictQatar invites comments about the scope of compliance obligations for VSAT Licensees serving Closed User Groups.*

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CapRock welcomes ictQATAR's moves to ensure that new licensees behave in a competitive manner. However, further clarity is needed to explain how anti-competitive behaviour will be measured.

This is especially important when considering premium services, which will have a high price and for which take up will be slower than for lower-priced services. In these cases, it is important to judge the market with the view that differing levels of service will have differing take up. Competition at the high end of the market will take longer.

CapRock wishes to highlight that it does not expect 'Revenue Targets' or 'Surety Bonds' to be imposed as licence compliance obligations. This is neither necessary nor needed in the case of VSAT licences.

#### **Question 7**

*ictQatar invites comments about whether a coverage obligation should be imposed on a VSAT Licensee, and if so, what is the rationale for this.*

The nature of satellite communications is that they are ubiquitous. Coverage obligations are thus neither appropriate nor relevant. It should also be noted that the beauty contest entry criteria to the licensing process should take out any applicants which risk receiving and then not using a licence: that is, those without the necessary strategic and financial backing.

CapRock therefore agrees with ictQATAR on the no need to impose coverage obligations on VSAT licensees.

#### **Question 8**

*ictQatar invites comments about the proposed fees.*

As with Question 5 above, further clarity is needed as to exactly what constitutes interconnection. For example, when establishing a Closed User Group between a remote site and the headquarters of the Closed User Group, last mile backhaul will often be required between the teleport and the headquarters. In this case, is the leased backhaul or internet VPN that would be used classed as an interconnection?

CapRock also believes that charging 12.5% "industry fee" will have a negative effect on the VSAT market in Qatar. High taxes on communications services inevitably lead to higher prices for companies and consumers. In turn, this stifles their take up and – in many cases – results in a lower total tax income for governments.

Qatar would be better placed charging a lower percentage of profit in order to stimulate growth. Where communications taxes have been lowered, higher take up of services can more than make up for the lower taxed percentage in terms of total tax income.

In addition, while CapRock agrees with ictQATAR that VSAT licensees will provide services on a commercial basis, the target market and its size will be different than that of those providing services on a more commercial basis and with a wider remit. To impose such high fees on new entrants, with less remit, may therefore be detrimental to the business case.

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We would therefore suggest a lower industry fee, if at all, commensurate with the expected VSAT market size as compared to the remaining public telecoms services market in Qatar.

CapRock also wishes to note, as in Question 6 above, that it does not expect 'Revenue Targets' or 'Surety Bonds' to be imposed as licence compliance obligations. This is deemed unnecessary for the purpose of VSAT licences.

**Question 9:**

*ictQatar solicits views about whether the License period is reasonable. If not, ictQatar welcomes views and supporting rationale about what the period should be for a VSAT License.*

CapRock supports the 15 year term of the licence.

**Question 10**

*ictQatar solicits views about whether or not there should be a Performance Bond, and why.*

CapRock believes that a performance bond is not necessary in a competitive market environment. Given the number of players that will be competing in the Qatari VSAT market following on from the new round of licensing, service levels can be adequately kept up by customer expectation levels and the ability to turn to other service providers.

**Question 11**

*ictQatar solicits views about whether VSAT Licensees should be prescribed QoS parameters and obligations by ictQatar or should this be left to the Licensees themselves, and why.*

As mentioned in Question 10, above, CapRock believes that the number of players in the market will be the most efficient spur to Quality of Service. Mandatory QoS parameters are thus not required.

On the other hand, QoS is an integral part of the service agreement between the Licensee and its Client, and has a direct relationship with the cost of a service. It is therefore more appropriate that QoS is defined by negotiation between these parties, and not fixed in licence terms.

**Question 12**

*ictQatar invites comments about the indicative QoS requirements and if they are reasonable. If not, ictQATAR requests supporting rationale for the alternative suggestions.*

CapRock does not believe that mandatory Quality of Services parameters are required, for the reasons mentioned in Question 10 and 11 above.



**Question 13**

*ictQatar solicits comments about the scope, process, rights and conditions of the "Special-Event VSAT Permits".*

CapRock Communications has no comment at this stage.

CapRock thanks ictQATAR for the opportunity to respond to ictQATAR's plans at this important stage in the liberalisation of the telecoms market in the country. If there are any further questions to CapRock Communications' responses above then please contact [kgrant@caprock.co.uk](mailto:kgrant@caprock.co.uk) or [zeina@accesspartnership.com](mailto:zeina@accesspartnership.com).

A handwritten signature in blue ink, appearing to be 'K Grant', written in a cursive style.

Kenny Grant  
Sales Director EMEA  
**CapRock Communications**

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## Consultation Responses

From: DigitalSkys-VentureGulf

To: The Supreme Council of Information and Communication Technology (ictQATAR)  
Regulatory Authority – Regulatory Policy & Economic Affairs Department  
P.O. Box 2364  
Doha  
Qatar

22<sup>nd</sup> March 2009

Dear Sirs,

Please find our consultation responses, as follows:

**QUESTION 1: ictQatar invites comments on the proposed licensing approach for VSAT Services in Qatar.**

We disagree with the view expressed that a move to a fully liberalised market-based structure could be highly disruptive and counter productive for all consumers as well as the national wider economy in the short term. There is no foundation for this stated in the consultation document other than a possible fear of letting go. A market liberalised economy does not equate to one without regulation and related checks and balances. The view possibly indicates that not enough work has been done to arrive at this position and that this should be done in view of the perceived benefits and achievement of a world class environment.

This in our view is counter productive. It is important to convey to potential operators the full scope of authorised service provision so that commercial business may assess the potential and value of the market rather on the basis of a promised review in 2010 without any definitive scoping.

**QUESTION 2: ictQatar invites comments on the proposed number of New VSAT Licenses and the approach for granting them.**

Considering the implication of the last paragraph of the response to Question 1 above, the consultation document on page 12 highlights that the 2009 estimated market size to be approximately 90MHz or some 2,5 transponders of which 50% is current capacity operated by the incumbent. This is relatively and arguably a small market and it is important that expectations as to revenue and also importantly License Fees be realistically established.

Clearly, more information on Qatar developments and what is not being serviced would be beneficial, the absence of which either questions the information presented or impact again on scope of service provision and market viability.

The above impacts the number of new licenses being considered for issue, among other factors, including an assessment of the infrastructural cost to provide service.

The approach, where adopted in a transparent way, is appropriate.

**QUESTION 3: ictQatar invites comments concerning points for clarification required for any of the proposed definitions.**

Closed User Group - We find that the Definition of Closed User Group to be unclear nor clearly related to target sections of the market. Further, that it may be useful to also state what Closed User Groups do not represent in the market.

VSAT Services – Given the TDMA orientation in the Consultation Document, please can a clarification of “between points that are equipped with VSAT equipment as to including that between Hub Antenna and Customer VSAT premise equipment and also Customer premise equipment to Customer premise equipment. This would cater for both STAR topologies into the VSAT Hub whilst also catering for MESH network topologies.

Telecommunications service – Please can the provision of Voice services be clarified in relation to peer to peer points, both within Qatar and irrespective of geographic location.

**QUESTION 4: ictQatar solicits views about any definitions outstanding that should be included.**

Nil

**QUESTION 5: ictQatar invites comments about the appropriateness of scope of the VSAT License given the fact that no further public telecommunications networks or services can be authorised before 2010.**

Nil

**QUESTION 6: ictQatar invites comments about the scope of compliance obligations for VSAT Licensees serving Closed User Groups.**

It is not possible to comment, other than in relation to the Consultative Document, on compliance with the Applicable Regulatory Framework until this has been finalised abiet in draft format.

**QUESTION 7: ictQatar invites comments about whether a coverage obligation should be imposed on a VSAT Licensee, and if so, what is the rationale for this.**

We see no need for the obligation nor the rationale for such. Coverage is not entirely within the VSAT Operators control by virtue that the majority of Operators purchase capacity from Satellite Operators that themselves determine coverage areas (with or without VSAT Operator input). It also does not make sense for a License to be obtained when coverage is not at hand.

**QUESTION 8: ictQatar invites comments about the proposed fees.**

The details about the Initial License Fee have not been disclosed (in this section).

The annual License fee, if such a fee is appropriate, should be kept as simple as is possible. A fee on net profit is subject to manipulation of profits. A simple flat all encompassing fee is easier to manage, levy on customers and pay.

**QUESTION 9: ictQatar solicits views about whether the License period is reasonable. If not, ictQatar welcomes views and supporting rationale about what the period should be for a VSAT License.**

15 years is not unreasonable.

**QUESTION 10: ictQatar solicits comments about whether or not there should be a Performance Bond, and why.**

We agree with the position that there should be not performance bond. Its an outdated concept and ultimately the loss of license is at state for non-performance / commencement of services.

**QUESTION 11: ictQatar invites comments about whether VSAT Licensees should be prescribed QoS parameters and obligations by ictQatar or should this be left to the Licencees themselves, and why.**



We contend that the principle of QoS should be recommended for agreement between Operators and end users but that it should be left to the Licensees themselves. Foremost, certain, if not many parameters are tied directly to the VSAT manufacturer and his specific technology. Secondly, ictQatar in prescribing, will place itself in the difficult position of having to be ahead of developments and therefore prescription terms which we would contend is not the function of ictQatar in this context nor is it likely to be efficient or timely. Thirdly, this is an area where competition and market forces will come into effect.

**QUESTION 12: ictQatar invites comments about the indicative QoS requirements and if they are reasonable. If not, ictQatar requests supporting rationale for alternative suggestions.**

Please refer Question 11.

**QUESTION 13: ictQatar solicits comments about the scope, process, rights and conditions of the "Special-Event VSAT Permits".**

It is not clear why Special-Event requirements are not provided through the existing VSAT Licensee Operators, thereby negating the need for this requirement in the first instance. This is additional revenue and provides another niche in the market and should be provided to and in support of the Licensee Operators, who arguably are the best placed organisations to provide this facility in the first instance.

Yours faithfully,

Duly authorised signatory:

**Venture Gulf Group**

P.O Box 2515

Doha,

Qatar

## **Gulf Drilling International Ltd (Q.S.C)**

Please find below some feedback points on the consultation document that was sent by ICT earlier:

- The approach suggested by ICT in providing the licensing framework is fine, but we request that ICT keeps the door open for special requests for strategic Qatari companies requesting VSAT services not necessarily from the 3 companies that would obtain the license if required.
- For coverage obligation, I believe that an obligation should exist to cover oil / gas industrial areas and their operational areas (mainly drilling location) which is the main source of revenue and operations for those strategic companies.
- No performance bond is recommended as suggested in the document since the operations of any VSAT provider is subject to many third party factors that might hinder the quality of service for the VSAT provider especially across the licensed period of 15 years.
- Demanding QoS and SLAs from VSAT provided is highly recommended since it will ensure that customers will have clear expectations on the service of it's critical operations and it will encourage accountability and responsibility to be in place.

Regards,

**Omar Al Smadi, PMP**  
Information Technology Manager

## **Gulf Drilling International Ltd (Q.S.C)**

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## **Maersk Oil Qatar AS**

With reference to the VSAT licensing Framework published for comments February 2009;

Maersk Oil Qatar hereby provides opinion and comments to the proposed licenses.

Maersk Oil Qatar welcomes the liberalization of the VSAT market eliminating the current market restraints.

Maersk Oil Qatar recommends for ICT-Qatar to grant licenses directly to organizations in Qatar;

Organizations where the operation or production carried out is of national importance to the country of Qatar.

Maersk Oil Qatar is operating the Al Shaheen Oil Field and is currently increasing the production via an ongoing Field Development Plan.

As a major contributor to the daily oil production in Qatar, Maersk Oil is committed to ensure a secure and reliable operation.

By granting a VSAT license rights to Maersk Oil Qatar for operating the Al Shaheen field, ICT QATAR will support this indirectly.

I will be available for more information if required and are looking forward to a response to this mail.

Yours faithfully,

Steen Pedersen

Director - Information Technology

Maersk Oil Qatar AS

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# PETRO QATAR

## بترو قطر للمشاريع الصناعية

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فاكس : ٤٥٠٩٩١١  
جوال : ٥٥٩٩٥٥٥  
ص.ب : ٢٤٠٥٢  
الدوحة - قطر

### Questions 1:

IctQatar invites comments on the proposed licensing approach for the VSAT services in Qatar.

### Comments:

The proposed licensing approach for VSAT services in Qatar by offering a selected number of experienced and highly professional companies the opportunity to receive license to operate VSAT services in country through managed manner is welcomed by the industry and equally regarded as genius on the part of IctQatar.

### Points to note;

- The VSAT license should be as rewarding to potential investors as it is to the end consumer and IctQatar. The introduction of an all inclusive VSAT license which has not been pre-categorized for serving on a particular sector of the economy energy sector / financial services sector / government / retail / etc would be effective and attractive.
- Special Event should not be separately licensed and should be an integral part of the overall VSAT license provision to be issued to the selected number of companies.
- Again the VSAT license should include the provisions to supply VSAT services by the selected number of VSAT licensees who should demonstrate their experience, expertise, industry knowledge of providing VSAT services to government ministries, foreign embassies, law enforcement agencies and national security bodies.

However, we believe a balancing act of demand of VSAT services and operator service supply availability should be continually measured so as to determine and indeed navigate through the under or over supply of VSAT services to the end consumers.



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الدوحة - قطر

### Question 2:

IctQatar invites comments on the number of VSAT licenses and approach for granting them.

### Comments:

We recommend **two VSAT services licenses to be issued simultaneously** in the third Quarter of 2009 with an implementation and review period of no longer than **9 – 12 months** to determine whether to introduce a second phase of licenses - maybe **two more companies** until demand is met.

1. Two simultaneously issued licenses followed by further two licenses until demand is met
2. In case of over-supply of VSAT services, License holders should be flexible to merger their services in Qatar so as to avoid disruptive measures.

**QUESTION 3: IctQATAR invites comments concerning points for clarification required for any of the proposed definitions.**

### Comments :

We agreed on the definitions as proposed by ictQatar.

**QUESTION 4: IctQATAR solicits views about any definitions outstanding that should be included.**

### Comments :

We recommend there be a clause specifying the meaning for niche market services such as VDO Broadcast Service and Voice Data Broadcast Services which can applies to Corporate Customers and Consumer Services.

It is also possible to address the definitions for the Data Monitoring Services such as the Scada services.



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الدوحة - قطر

**QUESTION 5: IctQATAR invites comments about the appropriateness of scope of the VSAT License given the fact no further public telecommunications networks or services can be authorized before 2010.**

**Comments :**

There should be a clear statement in the VSAT license in the case of Close User Group customer requiring to connect their network to the Public Network there will be the proper intern connection charge between the VSAT Operator and other Public Services Operators such as PSTN or Mobile Phone operators or ISPs. This will allow the better flexibility for the enterprise customers to utilize its investments and maximize its efficiency for businesses and operations. In the same time it will protect the double investments for the telecommunications purposes.

**QUESTION 6: IctQATAR invites comments about the scope of compliance obligations for VSAT Licensees serving Closed User Groups.**

**Comments :**

No Comment.

**QUESTION 7: IctQATAR invites comments about whether a coverage obligation should be imposed on a VSAT Licensee, and if so, what is the rationale for this.**

**Comments :**

No Comment.

**Question 8:**

**IctQatar invites comments on the proposed license fees**

**Comments:**

The proposed annual license fees of 1% on the net revenue of commercial services provided to consumers in the State of Qatar firstly requires clarification on what charges will be deducted from total revenue before arriving at the "net revenue" figure to be applicable for 1% fee charges. Secondly the commercial services provided to Qatar consumers has to be elaborated on in order to be able to give potential investors a clear room to forecast their financials.





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الدوحة - قطر

The **1% annual license fee charge** is in our opinion **acceptable expense** and shows excellent foresight by IctQatar for not over-charging and unduly penalizing potential VSAT services providers.

The proposed **industry charges of 12.5%** is again **acceptable** but should come with a **grace period of around 2 - 3 years** before it becomes chargeable on new VSAT license operators.

### Question 9:

IctQatar invites comments on the license period

### Comments:

We believe that a telecommunication license whether at the scale of the incumbent or at scale of the limited VSAT license operation there should have a **fixed term**. However we also believe that a license holder should be expressly given first right of renewable license having satisfied;

- a) The IctQatar requirements of excellent Quality of Services to end consumers
- b) Smooth operation during the license lifetime and no major violations of regulations
- c) Overall benefit to the consumer, economy and the nation as a whole.

We recommend a **17 years license period** with a 2 years grace period for the new VSAT license holders to implement and effectively provide VSAT services to the consumers in Qatar.

### Question 10:

IctQatar invites comments on whether there should be a performance bond or not



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# PETRO QATAR

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ص.ب : ٢٤٠٥٢  
الدوحة - قطر

### Comments:

Although IctQatar has a vigorous screening methods and will undoubtedly select the best and most effective companies or consortiums to undertake the VSAT license has they have so commendably done so with the GSM and FIXED line licensing awards, we believe a performance bond will be necessary for the VSAT license application;

- To determine the financial ability and indeed seriousness of VSAT applicants

However one begs the question as to how much the performance bond should be valued at? for the VSAT license application and how big is the service to be provided over license period.

We recommend that the performance bond should be **equal to the one years'** VSAT services license operational **net revenue** as estimated by IctQatar or through later consultation papers.

**QUESTION 11: ictQATAR invites comments about whether VSAT Licensees should be prescribed QoS parameters and obligations by ictQATAR or should this be left to the Licensees themselves, and why.**

### Comments :

IctQATAR should allow the VSAT Licensees to present its own QoS causes. As there is are different requirements for different QoS Level between each vertical industries or vertical customer groups.

There can also a difference in requirements between different type of applications to be used such as the bank and finance, oil and gas and manufacturing companies. These customers will have their unique requirements for QoS. We therefore recommend that the Licensees should implement their own set of QoS together with a set of market driven standards put forth by the regulators.

**QUESTION 12: IctQATAR invites comments about the indicative QoS requirements and if they are reasonable. If not, ictQATAR requests supporting rationale for the alternative suggestions.**



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# PETRO QATAR

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ص.ب : ٢٤٠٥٢  
الدوحة - قطر

### Comments :

As stated in the Comments for Question 11. Ict QATAR should allow the VSAT Licensee to seek and present its own QoS that will match the different customer groups from one vertical industry to another.

**QUESTION 13: IctQATAR solicits comments about the scope, process, rights and conditions of the "Special-Event VSAT Permits".**

### Comments :

IctQATAR should also pre-define the possibilities for the VSAT Licensees to offer its services to the permanent broadcasting businesses such as corporate TVs and Radios or other form of services such as corporate training and close user group training/education's related applications. These might be the grey areas if we do not have the clear definitions for them.





**ictQATAR Proposal**  
**For**  
**VSAT Licensing Framework – A Consultation Document**  
**Dated 8 February 2009**

**Submission by Qatar Telecommunications (Qtel) QSC**  
**23 March 2009**

**Version 1.0**



## **Proposed VSAT Licensing Framework – Qtel’s confidential submission**

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### **1. INTRODUCTION**

Qtel is pleased to have the opportunity to provide comments on ictQATAR’s consultation document regarding its proposed “VSAT Licensing Framework”, issued 8 February 2009 (“Consultation”). Qtel, however, has major concerns regarding the proposed VSAT licensing framework and urges ictQATAR to reconsider its approach to licensing these services. Qtel believes that it is premature at this time to issue such licenses, and that ictQATAR should allow Vodafone Qatar to enter the market for fixed telecommunications services before issuing any new licenses for VSAT services.

### **2. GENERAL COMMENTS**

#### **a. ictQATAR Should Take a Holistic Approach to Licensing**

Qtel has a number of concerns regarding the proposals contained in the Consultation. First, we believe it would be better for the industry and for the future development of the telecommunications sector for ictQATAR to develop a comprehensive and coherent licensing framework for all telecommunications services in Qatar before singling out any specific service for licensing. In Qtel’s view, the licensing of VSAT services should occur only following a transparent and participative process to determine the scope of and process for issuing all future telecommunications licenses. Such an approach would ensure clarity and consistency of method in licensing of telecommunications services.

ictQATAR’s public statements on licensing matters are ambiguous. ictQATAR has previously stated that it would issue new licenses only after a “Strategic Sectoral Review”, “three years after market opening.”<sup>1</sup> It also recently proposed a class license framework, which has the potential to overlap with the contemplated VSAT licenses to the extent VSAT services are used for private networks. ictQATAR has also announced the award of a fixed telecommunications license to Vodafone Qatar, which shall allow the provision of VSAT services.

With all the due respect given to ictQATAR’s legal argument which arrived at a conclusion that: “Presently, long-term VSAT provision has not been explicitly licensed in Qatar, but it is implicitly licensed in the existing License for the Provision of Public Fixed Telecommunications Networks and Services”

Qtel thinks that this is an incorrect statement; Qtel believes that there is an express and outright grant to it of a VSAT license under the Public Fixed Telecommunications Networks and Services License and that such grant is valid for the life term of the license i.e. 25 years. Such express grant language is found in Annexure B, S. 1.1 (a) which authorizes Qtel, inter alia, to operate a Public Fixed

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<sup>1</sup> ictQATAR, *Consultation on Liberalization of the Telecommunications Sector in the State of Qatar*, 23 April 2007, at 27.



## **Proposed VSAT Licensing Framework – Qtel’s confidential submission**

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Telecommunications Network that is in turn defined as a network that facilitates conveyance of signals by means of Wireline or wireless facilities. It is needless to say that the foregoing definition is wide enough to encompass both standalone VSAT networks “Private Networks” in as much as VSAT solutions that complement, form part of and interconnect with a Fixed Telecommunications Network. The fact that there is only one specific reference to VSAT in the fixed license or that it is not included in the list of Authorized Telecommunications Services in Annexure B (which is in itself indicative and non-exhaustive), shouldn’t be taken as a justification to undermine or erode the express grant of the VSAT license relying on generalized statements which tend to favor restricting VSAT utilization “to its use for private networks, following the traditional and widely accepted use of this equipment”. The definition of a Telecommunications network under the Telecommunications Law is wide enough to incorporate even “networks used for delivery of broadcasting services” let alone a VSAT configuration. This coupled with the grant of the Fixed Omnibus Public Network Spectrum License embodied in Part III and the blanket certification and approval of equipment found in S. 58 of the Telecommunications Law, constitutes in Qtel’s view a full and mature VSAT license for the full term of 25 years.

In addition, the Consultation notes that mobile operators could in the future be allowed to offer VSAT services. Qtel believes that it is essential for the industry to have clarity as to the regulatory program and that regulatory uncertainty should be minimized in such a relatively small market whereby hasty decisions may result in irreparable damage.

Qtel cautions that there are several potential adverse consequences from a fragmented approach to licensing as represented by the VSAT consultation proposals. In particular, Qtel believes that ictQATAR should consider national security consequences and the likelihood of unintentionally permitting uncontrolled international voice call termination at unmonitored quality of service levels.

Experience in GCC, particularly in Kuwait, has shown that uncontrolled international call termination utilizing VSAT leads to loss of CLI<sup>2</sup> information; 50% in Kuwait versus 90% in Qatar, and a degraded QoS will permit little prospect of reversal.

There are a number of different models that telecommunications regulators can follow for the issuance of telecommunications licenses, from the service specific licensing approach followed in countries such as Bahrain to the general licensing approach followed in countries such as Jordan and much of the European Union. Each of these countries has carefully thought through the development of their licensing frameworks prior to issuing new licenses. Qtel believes that such a

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<sup>2</sup> Caller line identification



## **Proposed VSAT Licensing Framework – Qtel’s confidential submission**

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comprehensive “blueprint” for the future of the industry is needed before more licenses are issued.

### **b. Timing and Market Impact of the Proposed Licensing Framework**

Qtel believes that the timing of any future license issuance needs careful consideration. The fact that Vodafone Qatar fixed license has yet to be issued, as well as nascent competition in the market for mobile services, means that there is already a great deal of uncertainty in the Qatari telecommunications sector. Qtel urges ictQATAR to allow these market upheavals to settle prior to the issuance of any new VSAT licenses, and would respectfully suggest that further consultation with concerned entities with VSAT service provisioning should be conducted after the launch of Vodafone fixed services. Qtel notes that, a smaller national telecommunications market such as Qatar’s is more likely to be profoundly and adversely impacted by flawed service licensing and regulatory framework decisions, which may prove extremely difficult to rectify.

### **c. Incomplete consideration of existing VSAT service issues**

The consultation justifies the need for new licenses based on a number of observations regarding the nature of the market for VSAT services in Qatar and the manner in which such services are currently provided. Qtel is concerned that a number of these observations fail to take account of all the factors affecting the Qatari VSAT market and the history of such service offerings in Qatar. Qtel believes that comprehensive consideration of the facts facing the VSAT services market in Qatar would lead ictQATAR to a different conclusion regarding the need for new licensing. Qtel rejects the consultation’s unsubstantiated criticism of Qtel’s existing VSAT services and specifically notes that ictQATAR does not appear to have considered the extraordinary resilience at 99.99% in terms of satellite service availability provided by Qtel.

The document suggests that Qtel’s practice of utilizing single-channel per carrier (SCPC) technology results in an inefficient use of satellite bandwidth and proposes instead that VSAT operators should use TDMA or DAMA technology to make more efficient use of radio spectrum. Qtel does have experience using TDMA technology from 2004-2006. Qtel’s experience is that the demand for VSAT services in Qatar is insufficient to make viable use of such technology. Qtel’s experience is that the radio spectrum efficiencies cited by ictQATAR are possible only with a much larger number of customers than the market would currently support. Moreover, current oil and gas sector customers demand services that require a level of service for which only SCPC technology is suitable. While Qtel currently offers only SCPC services, the Qtel hub facility is capable of providing service using TDMA, DAMA and several other technical configurations. The use of such technologies is based on market demand and financial viability. ictQATAR appears to have based its technology analysis on limited sources of information that have not fully addressed current VSAT capabilities and experience in a relatively small market, ictQATAR did



## **Proposed VSAT Licensing Framework – Qtel’s confidential submission**

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not meet with Qtel technical experts to discuss nor visited Qtel facilities to understand the current practices and future plans.

ictQATAR cites current limited availability of satellite bandwidth as due to the fact that such capacity is available only from Qtel. The reality, however, is that satellite transponder capacity is severely limited for satellites serving the Gulf region. All regional operators are facing severe capacity shortages. Qtel is in the final process of upgrading its VSAT hub to allow the use of Ku-band satellite transponders, which will increase the amount of capacity that will be available for customers in Qatar.

Qtel has a long history and a wealth of information regarding the market for VSAT services in Qatar. The Consultation, however, while providing many details regarding VSAT services generally, appears to consider only limited information regarding the experience with such services in Qatar. Qtel believes that ictQATAR’s VSAT licensing approach in the next stage would benefit from closer coordination, discussions and exchange of information between Qtel and ictQATAR before ictQATAR finalizes its approach to VSAT services licensing.

### **3. COMMENTS ON SPECIFIC PROPOSALS AND RESPONSE TO QUESTIONS**

#### **a. Licensing Approach and Process**

The consultation proposes to adopt a “managed” licensing approach to “fuel competition”, while managing the risk of “unduly disruptive elements” during the development of the market. ictQATAR proposes to issue three VSAT licenses, as well as special event permits and exceptional permits to embassies and government bodies. RigNet would be allowed to continue existing operations.

#### ***QUESTION 1: ictQATAR invites comments on the proposed licensing approach for VSAT services in Qatar.***

Qtel believes that it is premature to issue new VSAT licenses. The issuance of a fixed license to the new Vodafone entity (“Vodafone”) will allow it to provide competitive VSAT services and address the perceived need for VSAT competition under the “managed” scenario in a more controlled and controllable manner. In Qtel’s view, such an approach is more likely to result in a wider set of VSAT services than the more restrictive services proposed in the current consultation for the new VSAT licensees. Qtel believes that it would be confusing and disruptive to issue the proposed three new “closed user group” VSAT licenses while the grant of a second fixed network license to Vodafone is in progress. As Qtel has already stated in the general comments section of this response, ictQATAR should provide greater clarity as to its intended future licensing strategy and let the current phase of market liberalization progress prior to the issue of any new licenses. Any alternative, ‘piecemeal’ licensing approach is likely to send inappropriate investment signals to existing and future operators.



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Rather than proposing to issue new licenses to new entities, Qtel believes that ictQATAR should bring greater clarity to the industry by encouraging dealership agreement for further benefit of customers. Qtel notes that RigNet operates as a distributor of Qtel VSAT services and that any other entity wishing to provide similar services in a similar manner could be encouraged to do so. Furthermore; embassies and international and regional entities such as UN and NGOs should be obliged to purchase VSAT telecommunication services from appropriately licensed operators in Qatar to acquire VSAT services and use associated satellite radio spectrum.

Qtel believes that it is desirable for satellite news gathering and other services to be authorized, but notes that ictQATAR will need to closely scrutinize such usage to ensure that it is solely for its intended purposes and used only for the benefit of authorized parties. Qtel emphasizes that in many smaller telecommunications markets globally, VSAT services are widely used as a means of achieving illegal bypass of licensed international and national telecommunications services.

### ***QUESTION 2: ictQATAR invites comments on the proposed number of new VSAT Licenses and the approach for granting them.***

Qtel believes that the proposal to issue three restricted licenses for “closed user group” services should be reevaluated to ensure consistency with a future comprehensive licensing framework. Even if ictQATAR decides to move forward with issuing new VSAT licenses, Qtel believes that the market is unlikely to support three licenses in addition to Qtel, Vodafone Qatar and other permissions. As discussed in greater detail below, Qtel believes that the market for closed user group services will be limited, and that the market is unlikely to support three restricted licenses.

#### **b. Definitions**

### ***QUESTION 3: ictQATAR invites comments concerning points for clarification required for any of the proposed definitions.***

Qtel believes that it is premature to develop detailed licenses or definitions and that the broader licensing framework needs to be better developed before considering such details.

### ***QUESTION 4: ictQATAR solicits views about any definitions outstanding that should be included.***

While Qtel generally believes it is premature to develop detailed license requirements, if ictQATAR does nevertheless proceed with developing new licenses for VSAT services, it is critical that it develops a clear definition of “International Gateway Services,” which is not defined in the consultation, and yet is critical to the defined scope of the proposed licenses. Other terms such as Special Events,



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Registered Company, Holding Company and Subsidiaries, International Gateway Services and VSAT HUB should be defined.

### **c. Proposed License Scope**

The consultation proposes to allow licensees to provide services for “Closed User Groups” only. Licensees could provide “*International Gateway Services*” to members of closed user groups, but would not be permitted to connect such users to the public switched network or provide public telecommunications services. The scope of licenses could be modified following the strategic review in 2010.

***QUESTION 5: ictQATAR invites comments about the appropriateness of scope of the VSAT License given the fact no further public telecommunications networks or services can be authorized before 2010.***

Qtel believes that the proposed scope of licensing is confusing, unclear and likely to lead to compliance issues and abuse. First, based upon Qtel’s experience, Qtel expects that the highest demand for VSAT services is to connect remote locations in Qatar and provide voice and data services. The demand for a limited connection to other members of a closed user group only without connection to the PSTN and/or public Internet should be very limited, but may prove very difficult for ictQATAR to monitor effectively unless it is provided through a Hub station in Qatar.

Second, it appears to be inconsistent to allow the provision of “*International Gateway Services*” while simultaneously prohibiting a connection with the public switched telephone network. While “*International Gateway Services*” is not defined in the consultation, the term “*International Gateway Facilities*” is defined in Qtel’s licenses as:

*Telecommunications facilities and physical plant utilized in the State of Qatar to enable a Public Fixed or Mobile Telecommunications Network to connect with and switch traffic to or from foreign public fixed or mobile networks, including via terrestrial links, undersea cables, or satellite (apart from Very Small Aperture Terminals that are used for the provision of satellite services over Private Networks), and also including international transit links.*

This definition suggests that, while VSAT licensees might be prohibited from connecting their customers to the PSTN in Qatar, they would be free to connect to public networks outside of Qatar. Even if such licensees were allowed to provide international private leased circuits only, there would be no effective means to prevent the connection of such private circuits to public networks outside of Qatar and no means of ‘policing’ the use of such services for the avoidance of licensed international voice call services.

Finally, the consultation proposes that “*VSAT Licensees shall be permitted to self-provide or lease access for the direct, international transmission and reception of telecommunications services applicable to its own Closed User Group*”. Qtel believes



## **Proposed VSAT Licensing Framework – Qtel’s confidential submission**

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that it is extremely important that any VSAT operator in Qatar be required to route any and all telecommunications traffic through facilities located in Qatar. Such a requirement would be consistent with the existing requirement in the licenses of Qtel and Vodafone Qatar that international facilities be located in Qatar (Annex B, clause 1.4).

### **d. License details**

#### *i. Compliance Obligations*

#### ***QUESTION 6: ictQATAR invites comments about the scope of compliance obligations for VSAT Licensees serving Closed User Groups.***

ictQATAR proposes only very general compliance obligations for VSAT licensees. Qtel believes that any licenses issued by ictQATAR should contain detailed compliance obligations, similar to those that exist for individual licensees. If ictQATAR intends to proceed with the issuance of the proposed VSAT licenses in spite of the concerns raised in these responses, it is imperative that ictQATAR consults further on the detailed form and content of such prospective licenses.

#### *ii. Coverage Obligation*

#### ***QUESTION 7: ictQATAR invites comments about whether a coverage obligation should be imposed on a VSAT Licensee, and if so, what is the rationale for this.***

Qtel believes that it makes little sense to impose a coverage obligation on a VSAT licensee.

#### *iii. Fees*

ictQATAR proposes to impose a license fee of 1% of net annual revenue and 12.5% of net profit, which is the same level of fees to which Qtel and Vodafone Qatar are subject.

#### ***QUESTION 8: ictQATAR invites comments about the proposed fees.***

While Qtel does not support the issuance of VSAT licenses at this stage, it notes that if such licenses are to be issued, it is reasonable to impose fees on VSAT operators, equivalent to those that apply to other individual licensees.

#### *iv. License Period*

The consultation proposes a 15 year term for the proposed VSAT licenses.



## **Proposed VSAT Licensing Framework – Qtel’s confidential submission**

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***QUESTION 9: ictQATAR solicits views about whether the License period is reasonable. If not, ictQATAR welcomes views and supporting rationale about what the period should be for a VSAT License.***

Qtel comments that in view of the uncertain nature of the demand for VSAT services and the novelty of the proposed licensing regime, a shorter period of 3-5 years with specific renewal terms is more reasonable and appropriate. However, Qtel remains of the view that any such VSAT licensing is premature and should not be undertaken until a comprehensive licensing framework has been established. Once such a framework is established, it will be possible to more accurately assess suitable time frames for the duration of specific licenses.

### *v. Performance Bond*

***QUESTION 10: ictQATAR solicits comments about whether or not there should be a Performance Bond, and why.***

While there appears to be no need for a performance bond, Qtel notes that, given the potential for unlicensed ‘illegal bypass’ activities of international voice calls, often associated with VSAT operations, any such VSAT licenses should specify severe penalties for breach of the specific terms of such a license. The license should also detail the rights of ictQATAR in monitoring whether such breaches are occurring. These rights should include access to premises, the ability to investigate allegations of service misuse with licensee and VSAT customers’ personnel and the right to request any relevant documentation.

### *vi. QoS*

The consultation proposes detailed quality of service (QoS) parameters and that licensees should be required to offer a service level agreement to customers.

***QUESTION 11: ictQATAR invites comments about whether VSAT Licensees should be prescribed QoS parameters and obligations by ictQATAR or should this be left to the Licensees themselves, and why.***

Qtel believes that binding Quality of Service regulation is unnecessary and has the potential to stifle competition. The level of quality of service should be an element on which licensees compete against each other, rather than a regulatory obligation. Any regulation related to quality of service should be limited to reporting requirements only. Licensees should be permitted to develop service level agreements with varying degrees of guaranteed quality, rather than a one-size-fits-all regulated approach. Qtel believes that only if ictQATAR is able to demonstrate persistent quality of service problems, based on information submitted by licensed operators should it impose quality of service regulation.



## **Proposed VSAT Licensing Framework – Qtel’s confidential submission**

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***Question 12: ictQATAR invites comments about the indicative QoS requirements and if they are reasonable, if not ictQATAR requests supporting rational for the alternative suggestions.***

For the reasons discussed above, Qtel believes that binding Quality of Service regulation is unnecessary and should not be imposed. If ictQATAR decides nonetheless to proceed with issuing licenses and imposing QoS regulation, then it must revise the following parameters:

- Fault repair time: Qtel believes that licensees should be free to establish fault repair times within a service level agreement in order to enable licensees to compete on the level of guaranteed quality; such parameters should not be established by ictQATAR.
- Throughput and bandwidth utilization versus Committed Information Rate (CIR): Qtel believes that 99% is too high to be realistic given potential radio interference, weather impacts, technical faults and other impediments that may interfere with optimal service quality.
- Installation time: Qtel believes that the installation time parameter is too low given likely remote location conditions, equipment availability issues and availability of critical staff. A more realistic time frame is seven days.

### **e. Special Event Permits**

The Consultation proposes that ictQATAR would issue “Special Event Permits” that would allow use of VSAT technology for satellite news gathering and other limited purposes. The licenses would be provided to specially authorized entities for a specific limited purpose.

***Question 13: ictQATAR solicits comments about the scope, process, rights and conditions of the “Special-Event VSAT Permits”.***

Qtel supports the issuance of special event permits as proposed by ictQATAR as long as the proposed conditions are met, particularly with regard to the limitation on short duration and the prohibition on providing public telecommunications services within or outside Qatar. Qtel also urges ictQATAR to develop better greater clarity and consistency with respect to these proposed licenses by creating specific definitions and/or specifications with respect to the following:

- Special Events: ictQATAR should define what types of special events are eligible for the proposed licenses, including the maximum duration for such licenses.
- Types of services: ictQATAR should state specifically what types of services are authorized for the proposed licenses. Qtel urges ictQATAR to limit the authorized services to video and audio transmission only. ictQATAR should also specify whether such VSAT services are for relay of TV broadcast to a

## **Proposed VSAT Licensing Framework – Qtel’s confidential submission**

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specific point in Qatar (such as a TV studio) or are for further broadcast to other destinations.

- Authorized parties: Qtel urges ictQATAR to limit the type of entities eligible for the proposed special use permit to legitimate news organizations having a bona fide need to transmit real-time video and audio from a remote location that cannot be served by a licensed telecommunications service provider.
- Authorized space segment: ictQATAR should require that special event permits require the use of authorized space segment capacity purchased from a VSAT operator licensed in Qatar.
- Authorized destination: The destination for special-event transmissions should be specifically approved as a part of license issuance and approved by relevant authorities.





### **Comments.**

#### **Q1: ictQATAR invites comments on the proposed licensing approach for the VSAT services in Qatar.**

QSat welcomes ictQatar's decision to follow a managed approach. Considering the current scenario in Qatar of a fully restricted VSAT marketplace and the possible risks of full liberalization, we believe this is the ideal approach. However we would like to have a clear understanding about the statement under clause 4.2 - "Following an initial period establishing market competition, ictQatar would review the market and consider increasing entry opportunities to further encourage self-management by market forces."

We would like to have a clarification on what will be the initial period and the yardstick for measuring the market competition after this initial period.

We would like more information regarding how this licensing approach will affect the incumbent PT'T and if direct competition with the incumbent PT'Ts will be allowed. If so does the VSAT licensee be under any obligation to conform to any particular price structure or will prices be dictated by free market situations?

#### **Q2 : ictQATAR invites comments on the proposed number of new VSAT licenses and the approach for granting them.**

We fully support ictQATAR's approach to the granting of new VSAT licenses and believe that while 3 licenses maybe sufficient at the initial stage and issuing more licenses at the next stage would be essential to keep competition alive. ictQATAR should also specify the number of VSAT licenses that would be issued in the second stage, so that interested parties can prepare themselves for the second stage of license issuance. This transparent approach would also remove uncertainties for the successful bidders of the first stage regarding the future investment plans and the Return on investments (ROI).

With regards to the selection process (section 4.2.1.4) weightage should also be given to companies already established in Qatar or owned/operated by Qatar nationals as this would also provide an impetus for development of local companies and investment in Qatar.

QSat also suggest the Licensee should be able to offer resilience to their existing VSAT network in case of natural disaster like earthquake, from a backup VSAT hub located outside Qatar . This will ensure that the customers network spread geographically will not be effected with any work risk and can have the services running without any blackouts.

#### **Q3 : ictQATAR invites comments concerning points for clarification required for any of the proposed definitions.**

#### **Q4 : ictQATAR solicits views about any definitions outstanding that should be included.**

The list seems exhaustive and the definition of almost all the relevant terminologies explained in it.



**Q5 : ictQATAR invites comments about the appropriateness of the scope of the VSAT license given the fact no public telecommunications networks or services can be authorized before 2010.**

The scope of the VSAT license is appropriate in our view, however issues such as appointment of re-sellers of VSAT equipment, import and storage of VSAT equipment, appointment of companies as qualified installers etc by the Licensee has to addressed. Also the term “International gateway” in the service provision rights needs more explanation.

**Q6 : ictQatar invites comments about the scope of compliance obligations for VSAT Licensees serving Closed User Groups.**

**Q7 : ictQATAR invites comments about whether a coverage obligation should be imposed on a VSAT Licensee and if so what is the rationale for this.**

Coverage obligations should be imposed on a VSAT Licensee to the extend that the Licensee should have coverage over whole of Qatar's Land masses and the territorial waters off the coast of Qatar as well as over the whole of Middle East. Partial coverage over Qatar should not be deemed sufficient.

Many companies in Qatar especially those in the Oil and Gas sector and the embassies have multinational presence in various parts of Middle East and the Licensee should be able to provide service to the customer in all those areas.

**Q8 : ictQATAR invites comments about the proposed fees.**

Proposed industry fees may be reduced so as to encourage the use of VSATs and make it competitive enough against other competing technologies. VSAT technology should not be priced out of the marketplace totally and reduction in the industry fees can be a step in the right direction.

**Q9 : ictQATAR solicits views about weather the License period is reasonable . If not, ictQATAR welcomes views and supporting rationale about what the period should be for a VSAT License.**

We believe that the licensing period is reasonable considering the investment required and the ROI period. With this licensing period, Licensees will have the motivation to invest in new technologies and services as the market grows, which in turn will benefit the communication users with cost effective and advanced communication facilities.

**Q10 : ictQATAR solicits comments about weather or not there should be a Performance bond and why.**

QSAT believe that a performance bond is a reasonable requirement for foreign companies so as to ensure that the Licensee is providing service as promised to the end customer. Qatar based companies owned by Qatari nationals and which have been in the VSAT industry for atleast 5 years should be exempted from the performance bond or should be with a lesser percentage than the foreign companies.



**Q11 : ictQATAR invites comments about weather VSAT Licensees should be prescribed QoS parameters and obligations by ictQATAR or should this be left to the Licensees themselves and why.**

QoS parameters should be left to negotiations between the Licensee and the end customer on a case by case basis as the requirements of each customer would be different. However ictQATAR may require that the QoS parameters be specified in the SLA that is provided for each and every customer.

**Q12 : ictQATAR invites comments about the indicative QoS requirements and if they are reasonable. If not ictQATAR requests supporting rationale for the alternative suggestions.**

The QoS requirements as outlined by ictQATAR are reasonable, but as mentioned in the point above, not all customers would require all the mentioned parameters and therefore should not be obligatory. ictQATAR may instead require that the Licensee offer the indicated QoS parameters as an option to every customer who then may accept those parameters or propose their own.

**Q13 : ictQATAR solicits comments about the scope, process, rights and conditions of the “special-event VSAT permits”.**

We would like to have clear definition of the term “special events” and category of companies who are eligible for this. What will be the maximum validity period for this category of license?

Consider the example where a foreign company has won a short term project in Qatar for eg. 6 months. They wish to use VSAT for their communications. Can they apply for a special-events VSAT permit?

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We are happy to discuss these comments in detail with ictQatar. Please do let us know of a convenient time for this discussion. Kindly inform us, if you need any further clarification or for further information.

Thanks and Regards.

Ali A. Hadi

## Introduction

RigNet Qatar WLL submit this document in response to the consultation document

Question 1: *ictQATAR invites comments on the proposed licensing approach for the VSAT services in Qatar.*

Response 1 We are in agreement that continuance of a monopolistic environment with respect to VSAT service provision is not in the best interests of the Qatari general public nor the business communities who operate within the Qatari territories.

The consultative process chosen to engage the public's thoughts, ideas and general acceptance of the Framework we believe is a solid platform to start from, we do however have concerns on the statistical data that was presented in the VSAT LICENSING FRAMEWORK- A Consultation Document, especially with regard to average prices of VSAT terminals for consumer and professional applications, we believe this to be grossly inaccurate and will in fact drive wrong expectations to existing VSAT users and any perspective new end users.

We believe also that the current supply and future demand statistics are inaccurate; it would have been useful to provide the readers with the source of these statistics. Our own research into markets that have embarked on the liberalisation of the VSAT markets, the reports offered for consultation in these areas have contained clearer and more auditable details of how the statistics were collated.

There was an element of criticism levied at the current incumbents, albeit maybe not consciously, this was not warranted and should have been left out of the document.

The framework doesn't include any reference to the responsibilities of the regulatory bodies to address the most common historical problem that has manifested when delivering VSAT services to the corporate sector, namely carrier interference and the presence of "Rogue Carriers", this is deemed a "mission critical" intervention point that ictQATAR must address, the ability to "control" these problems will have material impact on the QoS the licensees would commit to.

Finally, the impending changes that will be driven through this liberalisation will have material effect on the current service providers; it is considered that there are a number of ambiguous and contradictory comments throughout the documents which will impact the clarity of the consultation response. We believe that the process adopted for this should have included an opportunity for a complete document clarification meeting, this would have allowed a clear and more confident and unambiguous response, what actually



transpired was that a clarification meeting request was refused by ictQATAR causing apprehension in the responses given throughout this document.

Question 2 *ictQATAR invites comments on the proposed number of new VSAT Licenses and the approach for granting them.*

Response 2 If we consider the market supply and demand forecast presented as being accurate, we believe that 5 licenses are too many, for the following reasons :-

- 1- The size of the country and locations where businesses and population are concentrated
- 2- The availability of more “cost effective” alternatives to VSAT solutions such as ( WIMAX, 3G Mobile Broadband, Terrestrial infrastructure reach ... etc )
- 3- The size of the Population and number of Business operating in Qatar having access to VSAT alternatives.
- 4- Regional and Global comparisons
- 5- Business sustainability and ROI of the licensees

**We believe that 2 new licenses in addition to the 2 tier 1 Telecom providers is adequate.**

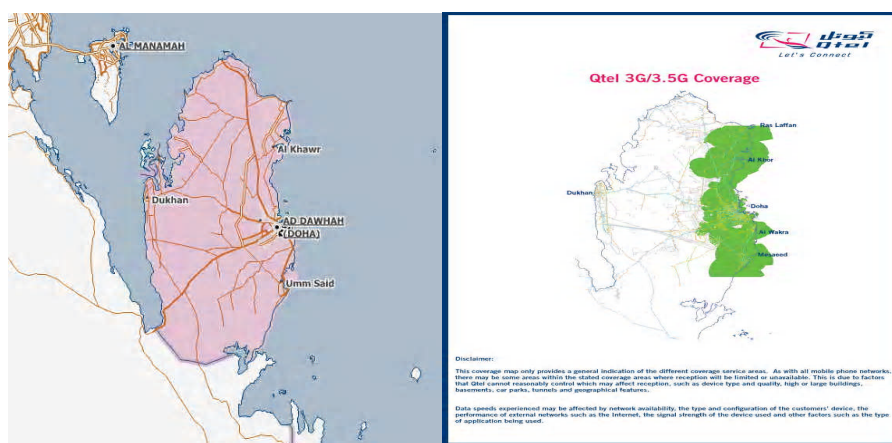
We offer the reader more detail to support our statement above:-

1.- The size of the country and population density,

The population of Qatar is approximately 1.6 million (source [www.qsa.gov.qa/Eng/index.htm](http://www.qsa.gov.qa/Eng/index.htm)) , this represent a continued growth but still relatively low population and it seems unrealistic to assume that 5 license would bring any real advantage to the State, it would be merely saturation.

2- VSAT competing technologies

The other more cost effective solution have extensive coverage in the State and it is not realistic to anticipate the “take up” of VSAT services when alternative technologies will be available



Qatar Mobile Coverage MAP  
(Source GSMWORLD.com )

(Source qtel.com.qa )

The schematics above shows the GSM and 3G /3,5G coverage across throughout Qatar

- 4- Regional Comparisons - Worldwide Benchmark Based On Number Of Providers (Year 2004), Benchmarks reveal that most liberalized markets have between (2) and (5) commercial VSAT providers, with a worldwide average of (3). In the table below , we will illustrate samples of different countries based on the number of population , GDP/ Capita , “Teledensity” in telecommunications, and the number of operators ;

Country	Population ( Millions)	GDP/CAPITA	Teledensity \$Tel/100 people	Number of Operators
INDIA	1027	455	3.38	13
KOREA	48	9666	7.6	3
MALAYSIA	24	3838	9.91	5
SINGAPORE	4	23015	47.6	5
EGYPT	65	1424	10.3	2
MOROCCO	30	1160	3.92	3
JORDAN	5	653	12.74	2
BRAZIL	172	3507	21.78	5
BOTSWANA	2	.047	.27	6
SAUDI ARABIA	22	8009	4.48	5

(Source CITC report on VSAT market survey during the VSAT liberalisation process KSA- Jan 04)

**If we consider the statistics for Qatar during that same period, we have the following**

Country	Population ( Millions)	GDP/CAPITA	Teledensity \$Tel/100 people	Number of Operators
Qatar	.760	?	28.92	1

The above suggests that at today’s population increase to 1.6 million, the teledensity index is thought to be high in the region of 60+, but still the comparatively low and insufficient mass to support so many VSAT service providers .

### **Regional Comparisons of VSAT Licensing**

- 1- Kuwait : the VSAT Market is closed
- 2- UAE : The provision of VSAT Service is limited to Du and Etisalat
- 3- Oman : Class 3 license is required, none was issued, and no limitations is set
- 4- Bahrain : due to the size of the market is Bahrain has adapted the open market strategy to target the outside VSAT market rather than the inside market, no limitations on the number of VSAT providers ( 10 Licensed VSAT providers )
- 5 Saudi: Saudi Market has 14 licensed VSAT providers, with an estimate of 35000 terminals across the Kingdom

Question 3 *ictQATAR invites comments concerning points for clarification required for any of the proposed definitions.*

Response 3 The VSAT definition is acceptable

Question 4 *ictQATAR solicits views about any definitions outstanding that should be included.*

Response 4 We require a Clear definition for Qatar corporate private networks as is pertains to closed user groups (inclusive of voice communications or exclusive)

We require definition on the Definition “International Gateway Facilities”: in existing Licenses for the Provision of Public Fixed/Mobile Telecommunications Networks and Services.-

“International Gateway Facilities”: telecommunications facilities and physical plant utilized in the State of Qatar to enable a Public Fixed or Mobile Telecommunications Network to connect with and switch traffic to or from foreign public fixed or mobile networks, including via terrestrial links, undersea cables, or satellite (apart from Very Small Aperture Terminals that are used for the provision of satellite services over Private Networks), and also including international transit links.

Definition from “Telecommunications and Data Communications Handbook By Ray Horak”

5.3.1.3.4 International Gateway Facilities (IGFs) are the switches owned by the international carriers. Located at landing points on each end of the international connection, they provide connectivity between the international carriers and the national and local carriers on the originating and terminating ends. The IGFs provide physical gates between the international and national networks. They also serve as protocol converters, converting between T-carrier and E-carrier, for example.

CLARIFICATION: We assume all reference to “International Gateway” in the consultation document is the same as the definition offered for “International Gateway Facilities” in the consultation document, and signal must land within the State of Qatar.

Question 5 *ictQATAR invites comments about the appropriateness of scope of the VSAT License given the fact no further public telecommunications networks or services can be authorized before 2010.*

Response 5 New VSAT license holders should be allowed to serve as a NFSP but reseller of FSP services for closed user group's telecom services at remote offshore locations - This seems to be barred under current proposed framework-. This provision makes it more attractive for new license applicants

The VSAT licensee should be able to interconnect with any Public Telecommunications license holder in the State of Qatar, so that their services can be provided over the VSAT network. If this is not possible, the VSAT services from the Public Telecommunications license holder will have benefits that will not give equal competition

Question 6 *ictQATAR invites comments about the scope of compliance obligations for VSAT Licensees serving Closed User Groups*

Response 6 For the benefit of the Qatar economy and local business infrastructure, closed user group's voice and internet VSAT traffic must be landed inside the Qatari borders. Any "grey areas" that may be left to interpretation will open the flood-gates and will erode the incumbent's telephone and internet revenues. None compliant remote VSAT terminals are extremely difficult to regulate, therefore it is important to ensure strict compliance governance from the onset. We currently have first hand experience of trying to manage the "confusion" that exists now with respect to space, equipment, terminal, importations, type licensing rules, the compliance procedures must be cast in stone long before any new VSAT licenses are issued.

Question 7 *ictQATAR invites comments about whether a coverage obligation should be imposed on a VSAT Licensee, and if so, what is the rationale for this.*

Response 7 Demand and economic feasibility should be the primary drivers of coverage areas, not government mandates. Suggest government subsidized coverage areas where it is found economically unfeasible to support coverage areas but beneficial to the general public or broader welfare of area. A government supported process to determine coverage area feasibility could be setup on a case by case basis to ensure fair analysis. It should be noted that all satellites that would be used to provide the BW for the VSAT services will have a full coverage of the territory.

Question 8 *ictQATAR invites comments about the proposed fees.*

Response 8 **The proposed license fee is excessive and should be revisited.** The purpose of breaking the current monopolistic environment is stated to be to permit opening of the telecommunications market, enabling opportunities, encouraging investment and liberalizing communications network and service provision choice for customers- choice that efficiently and effectively supports business performance requirements and budgets is to encourage competition whilst delivering more economic solution to the public and business communities , imposing these fees would be against the general principles above and also is out of synch with other GCC counties. The cost is prohibitive and may exclude potential licensees in an untested market. It would be beneficial to understand what is this effective "tax" for, what does the licensee and end user get from paying this premium

By way of illustration, we offer the reader the following VSAT and license comparisons to support our comment that the proposed charges are unreasonable and should be revised.

#### **Saudi VSAT Licensing**

- This License shall be valid for ten (10) years; the license may be renewed for a similar period.
- The Licensee shall pay the following fees in accordance with the terms of Article 7 of the General Conditions of this License
  - Fees paid once S.R. (30.000) against issue of License.
  - Commercial Provisioning Fee amounting to an annual payment of S.R. (30.000)
  - An Annual Fee S.R. (25.000) against administrative works and services provided by the Commission pursuant to its Statutes.



- An amount paid for each License renewal S.R. (10.000) against License renewal.
- an annual fee for the spectrum usage assigned to the Licensee as per the CITC spectrum fee schedule;
- a fee for the usage, reservation and assignment of numbers to the Licensee as per the CITC Decision No. 34/1425 dated 4/1/1425H.

#### **Bahrain VSAT Licensing**

- Individual License for Very Small Aperture Terminal (VSAT)  
This license allows the use of Very Small Aperture Terminal, a digital satellite data network with small antenna diameter, for private purposes only
- Available since Q1, 2004, No restriction on number of licenses available
- Initial Fees : BD 5,000
- 1% of gross annual turnover attributable to licensed activity

#### **Kuwait VSAT Licensing**

A new telecom regulatory body was announced October 10 2008. no information yet.

#### **Jordan Class Licensing**

- The Licensee shall pay to the TRC an Initial License fee of JD 30,000 (thirty thousand Jordanian Dinars).
- Annual License Fee The Licensee shall pay to the TRC an annual License fee based on a percentage of the operating revenues arising from its Licensed Activities. The percentage shall be determined by the TRC, but shall not exceed 1% of such revenues. This annual License fee shall be recovered from all Licensees in order to recover the costs of the TRC regulating the Jordanian telecommunications and information technology sector, as detailed in this License Agreement and/or Regulations.
- Contributions Related to Universal Service -The Licensee shall abide by any Regulations related to universal service, including obligations, as determined by the TRC, regarding the sharing of costs of universal service through contribution to a universal service fund to increase the provision of universal telecommunications and information technology services in the Hashemite Kingdom of Jordan in accordance with Article 86 of the Telecommunications Law.

#### **Oman VSAT Licensing (Class III License)**

- This License is granted for a period of five (5) years as of the effective date and can be renewed in accordance with the provisions of the Act.
- ROYALTIES AND LICENCE FEES Payment of the License Application fee of (Ro 500) Five Hundreds Rial Omani. The Licensee shall pay to the government of the Sultanate of Oman a royalty of seven percent (7%) of the Licensee Gross Revenues each year during the license term, with each annual Royalty calculated on the basis of revenues realized through 31 December of the relevant year and paid before 30 January of the following year. The Royalty shall be proportionately calculated with respect to the first year of this license.
- The Licensee shall pay to the Authority the following fees:

- An Initial License Fee of Two Thousand Five Hundred (2500) Omani Rials shall be paid to the Authority immediately upon the issuance of the Authority decision to grant the License and prior to its receipt. Failure to pay the fees within thirty days from the date of notification on final approval of the License will deem the Licence revoked without any need to take further procedures.
- The applicable Annual License Fee shall be paid to the Authority in cases where the licensee's gross annual turnover exceeds 1 million Omani Riyals commencing from the Effective Date. The fee shall be a percentage of this gross turnover and no higher than necessary to meet the Authority's expected costs and expenses for each financial year according to its projected budget. The Licensee shall be notified of its share before the end of October each year and the Annual Fee shall be paid no later than 1<sup>st</sup> January of each year thereafter. In case of delay, the licensee shall incur a proportion for each day of delay equal to the annual interest on loans of commercial banks published from time to time by the Central Bank of Oman

#### UAE

There is no VSAT licensing None

Question 9 *ictQATAR solicits views about whether the License period is reasonable. If not, ictQATAR welcomes views and supporting rationale about what the period should be for a VSAT License.*

Response 9 The Term stated is reasonable

Question 10 *ictQATAR solicits comments about whether or not there should be a Performance Bond, and why.*

Response 10 A performance bond should be required to serve as a companies commitment to the market but must remain wholly separate from penalties resulting from QOS failures and become refundable if VSAT license is revoked due to QOS failures.

Question 11 *ictQATAR invites comments about whether VSAT Licensees should be prescribed QoS parameters and obligations by ictQATAR or should this be left to the Licensees themselves, and why.*

Response 11 Realistic prescribed QOS guidelines for VSAT services is beneficial, attempting to enforce them by imposing penalties is counter productive. Competition and corporate initiatives should bring incentives to perform, not government mandates. This should be left to the licensee, as the different Closed User Groups may have different expectations to the service. The QoS commitments will have a material impact on the price of the service.

Question 12 *ictQATAR invites comments about the indicative QoS requirements and if they are reasonable. If not, ictQATAR requests supporting rationale for the alternative suggestions*

Response 12 Installation time should be removed from the QoS, as VSAT services can be time consuming on complex redundant system. The licensee should also be able to freely import any equipment used for its services, as import delay may extend the time for service to restore.

Response time are critical but must be considered along with firm QHS &E principles especially for land based responses, when night driving in remote locations should be avoided if at all possible to mitigate the obvious risks associated with that function.

For offshore locations, there is an inherent risk associated with timely travel to and from the location, inclement weather being the major risk.

Time to installation is highly contingent upon current ictQatar & Qatar customs processes, sometimes taking up to 2 weeks or longer, especially during holiday periods.

Guarantees from the service providers to deliver in a set time frame is unrealistic without the storage of ready replacement stocks in country. Ready stocking is currently discouraged by ictQatar with the current requirements to obtain terminal licenses for satellite modems that are shelf stock.

Type approval processes for new technology is also a factor to consider with delivery time of service.

99.5% uptime must be clearly defined, and exclude conditions outside of the service providers sphere of control; i.e. helicopter and sea transport, customs clearance, weather, space segment and other external activities that can not be controlled or influenced directly.

Question 13 *ictQATAR solicits comments about the scope, process, rights and conditions of the "Special-Event VSAT Permits".*

Response 13 Measures must be taken to ensure use is truly for special events purposes; i.e. newscast events. With the advent of smaller and mobile VSAT technology measures must be taken to ensure its intended use, locations, and durations.

## Schlumberger comments on ICT Qatar Questions

**QUESTION 1:** ictQATAR invites comments on the proposed licensing approach for the VSAT services in Qatar.

**Schlumberger's comment:**

Schlumberger agree with ictQatar on proposed approach for the “managed VSAT licensing”. This approach will be sufficient for the initial phase and transition from monopolistic to liberalized market.

Schlumberger would like to know if other VSAT providers who do not have license in Qatar will be able to provide their VSAT services in Qatar or become resellers under partnership agreement with the licensees.

**QUESTION 2:** ictQATAR invites comments on the proposed number of new VSAT Licenses and the approach for granting them.

**Schlumberger comment:**

Based on Schlumberger understanding of the document, there will be total of 5xVSAT licensees:

- Qtel
- Vodafone (Existing GSM operator)
- Additional 3xnew VSAT licenses

Schlumberger support the idea of competitive market with new comers. This will increase service quality. The proposed number of licenses is reasonable.

**QUESTION 3:** ictQATAR invites comments concerning points for clarification required for any of the proposed definitions.

**Schlumberger comment:**

No comments

**QUESTION 4:** ictQATAR solicits views about any definitions outstanding that should be included.

**Schlumberger comment:**

No comments

**QUESTION 5:** ictQATAR invites comments about the appropriateness of scope of the VSAT License given the fact no further public telecommunications networks or services can be authorized before 2010.

**Schlumberger comment:**

Schlumberger support ictQatar approach. ictQatar can review the scope in 2010 of VSAT licence for public telecommunication network and see if there is high demand on this option

**QUESTION 6:** ictQATAR invites comments about the scope of compliance obligations for VSAT Licenses serving Closed User Groups.

**Schlumberger comment:**

Schlumberger fully support the ictQatar scope of compliance obligation. Schlumberger has strong internal ethics policies. Compliance is one of Schlumberger's top priorities.

**QUESTION 7:** ictQATAR invites comments about whether a coverage obligation should be imposed on a VSAT Licensee, and if so, what is the rational for this.

**Schlumberger comment:**

Schlumberger do not recommend the option of coverage obligation as it will restrict the VSAT solutions, flexibility and bandwidth limitation

**QUESTION 8:** ictQATAR invites comments about the proposed fees.

**Schlumberger comment:**

On the basis of a minimal initial cost for license acquisition, we feel the recurring element of the license as described can be considered fair.

**QUESTION 9:** ictQATAR solicits views about whether the License period is reasonable. If not, ictQATAR welcomes views and supporting rational about what the period should be for a VSAT License

**Schlumberger comment:**

The proposed license period is reasonable. Schlumberger would like to know from ictQatar the term of cancellation of the license

**QUESTION 10:** ictQATAR solicits comments about whether or not there should be a Performance Bond, and why.



**Schlumberger comment:**

Performance bond obligation is not supported in the VSAT market. The complex processes could delay project contract winning. SLA and T&C can define the service quality and performance.

**QUESTION 11:** ictQATAR invites comments about whether VSAT Licensees should be prescribed QoS parameters and obligations by ictQATAR or should this be left to the Licensees themselves, and why.

**Schlumberger comment:**

QOS parameters and obligations should be left to the licensees. Requirements can change from client to client and project to project. This can also be mentioned in the SLA if required.

**QUESTION 12:** ictQATAR invites comments about the indicative QoS requirements and if they are reasonable. If not, ictQATAR requests supporting rationale for the alternative suggestions.

**Schlumberger comment:**

Same as 11, these parameters and obligations should be left to the licensees. The requirements can change from client to client and project to project. This can also be mentioned in the SLA if required.

### **Schlumberger's additional comment Questions**

1. Can ictQatar issue individual license to Oil and Gas Enterprises now prior to liberalisation?
2. Will ictQatar issue individual license to Oil and Gas Enterprises after liberalisation?
3. SCPC and TDMA are two technologies which have their place in the market. Suitable technology is deployed based on customer requirement and applications used. A lot of enterprises are using SCPC for their need of higher or guaranteed bandwidth. SCPC can be used with small and medium network. TDMA or DAMA will be more suitable for larger VSAT network
4. ictQatar stated that the average VSAT terminal price for professional application ranging from \$1,000 to \$6,000. The price is usually defined by satellite coverage (C-band or KU-band), bandwidth required, technology used (SCPC, TDMA, DAMA etc...), redundancy and marine or fixed terminal.

19 March 2009

Regulatory Authority  
The Supreme Council of Information and Communication Technology (ictQATAR)  
P.O. Box 23264  
Al Nassr Tower  
Doha, Qatar

Ref: ICTRA 02/09-VSAT

### **Response to the ictQATAR consultation on the proposed VSAT Licensing Framework**

SES welcomes ictQATAR's current initiative to implement a VSAT licensing framework in order to open up the market and enable competing VSAT service provision. This initiative follows the adoption of the new telecommunications law in 2006, and the first round of consultation documents on licensing regime focusing on promoting technology neutrality and reducing barriers to entry.

SES understands that the VSAT market is closed in Qatar and is of the opinion that the liberalisation of such market will be beneficial as it will be possible to meet not only the current demand, but also the expected growth of 30% on an annual basis.

In response to the set of questions presented in the consultation document on VSAT Licensing Framework, SES offers the following answers.

*Question1: ictQatar invites comments on the proposed licensing approach for the VSAT services in Qatar.*

SES agrees with the proposed transitional approach for the provision of VSAT services in Qatar, granting at this first stage a limited number of VSAT licences as well as Special-events VSAT Permits. However, SES would like to reinforce the need to review and possibly increase the number of VSAT licensees as soon as the market is ready for a further liberalisation.

*Question 2: ictQatar invites comments on the proposed number of new VSAT Licenses and the approach for granting them.*

Regarding the proposed number, SES believes that 3 (three) new VSAT Licenses will afford reasonable competition in the market and allow the current demand to be met. It should be noted, however, that there are benefits that will arise for Qatar from granting further licenses in the future. SES also agrees that a competitive process followed by a beauty contest is adequate to grant the proposed 3 (three) new VSAT Licenses.

*Question 3: ictQatar invites concerning points for clarification required for any of the proposed definitions.*

No comments.

Question 4: *ictQatar solicits views about any definitions outstanding that should be included.*

No comments.

Question 5: *ictQatar invites comments about the appropriateness of scope of the VSAT License given the fact no further public telecommunications networks or services can be authorised before 2010.*

SES understands the telecommunications market in Qatar is in its initial phase of liberalisation, as ictQATAR has just issued a license for a second mobile operator and a second fixed network operator has recently been selected to further open the market to competition. Therefore, SES supports the proposed service provision rights for the new VSAT Licensees: (i) Closed User Group telecommunications service provision on a commercial basis; and (ii) international gateway in the context of serving Closed User Groups. SES also supports, at this stage of liberalisation, that VSAT Licensees shall not undertake: (i) Public Telecommunications Services; (ii) international gateway for non-Closed User Groups or for any third party entity offering any form of Public Telecommunications Services; and (iii) interconnection with public telecommunications networks (fixed and mobile).

However, SES believes that those restrictions should be reviewed in 2010 with an aim to broaden the services provided by VSAT Licensees.

Question 6: *ictQatar invites comments about the scope of compliance obligations for VSAT Licensees serving Closed User Groups.*

SES agrees with the compliance obligations for VSAT Licensees serving Closed User Groups proposed in the consultation document.

Question 7: *ictQatar invites comments about whether a coverage obligation should be imposed on a VSAT Licensee, and if so, what is the rationale for this.*

It is the opinion of SES that the proposed coverage obligation, i.e. within the State of Qatar including the territorial waters, is appropriate.

Question 8: *ictQatar invites comments about the proposed fees.*

SES believes it is important to that the same principles should be applied to VSAT licensees as are applied to other licensees offering services on a commercial basis in the State of Qatar and, therefore, agrees with the proposed fees.

Question 9: *ictQatar solicits views about whether the License period is reasonable. If not, ictQatar welcomes views and supporting rationale about what the period should be for a VSAT License.*

SES believes that a period of 15 years for a VSAT Licence is reasonable.

Question 10: *ictQatar solicits views about whether or not there should be a Performance Bond, and why.*

No comments.

Question 11: *ictQatar solicits views about whether VSAT Licensees should be prescribed QoS parameters and obligations by ictQatar or should this be left to the Licensees themselves, and why.*

The proposed framework would allow up to 8 different VSAT service providers in Qatar, 2 fixed operators, 2 mobile operators, 3 VSAT Licensees and the current re-seller of the incumbent services. Taking this into consideration, SES believes that there will be enough competing service providers to provide adequate QoS for a reasonable price for the market in Qatar. ictQatar should, therefore, let the VSAT Licensees set their own operational parameters with the aim of providing good quality services to their customers. In case a review shows that this has not been achieved and service is still poor, ictQatar may impose QoS parameters on VSAT Licensees.

Question 12: *ictQatar invites comments about the indicative QoS requirements and if they are reasonable. If not, ictQATAR requests supporting rationale for the alternative suggestions.*

No comments.

Question 13: *ictQatar solicits comments about the scope, process, rights and conditions of the "Special-Event VSAT Permits".*

SES believes that Special-Event VSAT Permits should not be allowed to undertake international gateway for non-Closed User Groups or for any third party entity offering any form of Public Telecommunications Services, as is the case for VSAT Licensees. Apart from this, SES agrees with the scope, process, right and conditions proposed for Special-Event VSAT Permits.

Finally, SES would like to thank ictQATAR for the opportunity to respond to this public consultation and would like to stress its willingness to work with ictQATAR in defining these new regimes. If ictQATAR would find it useful to examine any further documentation about the issues raised in this consultation response or to have a discussion with our industry experts, please contact me at [cecil.ameil@ses.com](mailto:cecil.ameil@ses.com) and I will be happy to provide assistance.

Cécil Ameil  
SES Senior Manager, European Affairs





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IctQATAR  
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Per email: [consult@ict.gov.qa](mailto:consult@ict.gov.qa)

29 March 2009

**RE: VSAT FRAMEWORK CONSULTATION**

Vodafone Qatar Q.S.C ("VQ") wishes to thank ictQATAR for the opportunity to provide comments on the VSAT Framework Consultation Document issued on 08 February 2009 ("Consultation Document").

VQ has the following comments, which we expand on below in this response and in Annexure A ("Response"):

1. We welcome the consultation process and make some recommendations for further processes.
2. While we acknowledge the fact that the proposed licenses are not classified as public telecommunication network licenses, we have concerns with the introduction of new telecommunication licenses providing voice and data services to specific segment of the market before the sector review which is currently planned for 2010.
3. We have concerns with the proposed time of the first new licensee entry to the market. Based on the proposed timeline, there will only be one year, or less, between the granting of the license and the sector review which is planned in 2010.
4. We would like to reinstate our point No. 8 in our letter dated 22 February 2009 in response to the licensing framework consultation document regarding the timing of sector review. We believe that the points above validate VQ's earlier submission for delaying the sector review.
5. VQ is strongly against the proposed scope of the VSAT licensee of having direct access to the international gateway.
6. We have concerns with the definition of "closed user group". The defined term is very broad.

We would like to request a meeting with ictQATAR, which could include Qtel and other interested stakeholder, to discuss the consultation document.