
STRATEGIC SECTOR REVIEW

Consultation Response Document

The Supreme Council of Information & Communication Technology "ictQATAR"

27 June 2011

ICTRA 06/2011-2

Introduction

1. On December 2010, ictQATAR completed an assessment of the current state of competition in the telecommunications sector, its developments since the start of liberalization, and recommended policies to promote the sector's future development.
2. On 20 February 2010, ictQATAR published a consultation document ‘Strategic Sector Review’. The consultation document aimed to share ictQATAR findings and allowed operators and other industry stakeholders the opportunity to express their views and comments on ictQATAR's findings and preliminary policy recommendations.
3. Five responses were submitted to ictQATAR’s consultation document by the following parties (listed in alphabetical order):
 - 1) AT&T
 - 2) Friendi
 - 3) Qtel
 - 4) STC
 - 5) Vodafone Qatar
4. This document summarizes the key points made by the parties that responded to ictQATAR’s ‘Strategic Sector Review Consultation’ as well as ictQATAR’s position in regards to the issues referred to in the consultation document. This document does not intend to be comprehensive in nature but rather to provide a good understanding of the responses submitted.
5. This document will be followed by a publication of ictQATAR final report on the Strategic Sector Review.
6. All the documents referred above are available on ictQATAR’s website – <http://www.ictqatar.qa>

Key comments to ictQATAR’s consultation document and ictQATAR’s position

Subject	Question	Key Comments from Stakeholders	ictQATAR Position
Industry Evolution	Question 4.1.1 <i>What role should ictQATAR play in ensuring continued sector growth?</i>	<ul style="list-style-type: none"> ■ Qtel believes that mobile data will drive future growth. Qtel therefore sees ictQATAR’s role as helping the operators capture this opportunity by: promoting demand for broadband, adopting more pro-competition tariff approval policies and insuring operators have access to infrastructure (e.g., right of access) ■ Vodafone Qatar (VQ) believes ictQATAR should focus on ensuring a level playing field in the sector and conducting all regulatory processes effectively ■ Saudi Telecom Company (STC) suggests ictQATAR should make its regulatory priority promoting adoption of ICT rather than promoting competition 	<ul style="list-style-type: none"> ■ Continue to support sector objectives and development as stated in the Telecommunications Law, the By-Law and the Licenses. ■ Support the Qatar 2015 and 2030 vision by promoting competition to help diversification of the economy away from oil and gas. ■ Create incentives and promote the uptake of telecommunications services. ■ Helping to maintain a competitive level playing field and delivering competitive telecommunication services, which enable the development of the whole country. ■ Keep two regulatory priorities: promoting ICT adoption and maintaining a competitive regulatory environment
Sector Contribution to the Economy	Question 4.1.2 <i>What are the main factors inhibiting the sector from contributing to the economy, and how to address these issues?</i>	<ul style="list-style-type: none"> ■ Respondents noted several factors inhibiting the sector from contributing to the economy: <ul style="list-style-type: none"> – VQ says that a number of key processes required under the Telecoms Law and critical to the development of the Sector have not been implemented (for example, spectrum management, the consumer protection code, accounting separation of Qtel) – Qtel sees low broadband service penetration and problems with rolling out fiber-optic networks as factors inhibiting the sector’s growth – STC believes that low penetration of the fixed network is preventing the sector’s growth ■ To address these issues: <ul style="list-style-type: none"> – VQ suggests adapting the infrastructure approval process so that all regulatory processes and decisions 	<ul style="list-style-type: none"> ■ ictQATAR believes that for the sector to contribute more to the economy, the following issues need to be addressed: <ul style="list-style-type: none"> – Low uptake of fixed data services which prevents consumers and business from taking advantage of Internet-based services – High international connectivity prices which slow the uptake of broadband services – Low technological innovation in fixed broadband services which prevents high speed broadband (more than 8 Mbps) services from being offered in Qatar – Limited numbers of market parties (one in fixed and two in mobile) that are below international and regional benchmarks ■ ictQATAR is currently working on transferring regulatory processes that were conducted by Qtel before the start of liberalization to other parties and ictQATAR itself

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Subject	Question	Key Comments from Stakeholders	ictQATAR Position
		<p>conducted by Qtel before the liberalization are transferred to ictQATAR or an independent party with the required authority and are conducted in a non-discriminatory and timely manner</p> <ul style="list-style-type: none"> - Qtel suggests that rolling out fiber may help to increase the sector’s participation in the economy - FRIENDI suggests that ictQATAR should foster service-based competition to increase the importance of the sector to the economy 	
ICT Initiatives	<p>Question 4.1.3 <i>What other initiatives can ictQATAR implement to facilitate an increase in both supply and demand for telecom services in Qatar?</i></p>	<ul style="list-style-type: none"> ■ VQ recommends that ictQATAR focus on fully deploying its 2015 vision to facilitate an increase in both supply and demand for telecom services in Qatar. ■ Qtel suggests allowing promotional pricing initiatives to increase demand for telecommunication services ■ STC recommends extending information and communication technologies (ICT) initiatives to all sectors and making Long Term Evolution (LTE) spectrum frequencies available to operators ■ FRIENDI recommends implementing class licenses to incentivize service-based competition in mobile markets 	<p>The following are initiatives ictQATAR is implementing to increase both supply and demand for telecom services in Qatar</p> <ul style="list-style-type: none"> ■ Continuing to adhere to ictQATAR’s objectives for the sector ■ Rolling out QNBN to increase supply of broadband services ■ Supporting development of local content for mobile and fixed data services ■ Continuing RAS implementation ■ Recognizing the need to implement operators obligations
Regulatory Framework	<p>Question 4.1.4 <i>What other legal initiatives or policies could be introduced in the next three years? Please rank them in order of their importance for supporting</i></p>	<ul style="list-style-type: none"> ■ STC proposes ictQATAR work towards increasing customer benefits, encouraging ubiquitous services and supporting the health of the industry ■ VQ suggests implementing policies and regulations enshrined in the Telecoms Law, such as consumer protection policy and spectrum policy. VQ also 	<ul style="list-style-type: none"> ■ Keep an “ex-ante regulatory approach” as the one of the approaches foreseen to secure a competitive environment for SP ■ ictQATAR is already addressing all the points mentioned by the respondents, within the current regulatory framework.

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	<p><i>the continued development of the telecom sector in Qatar.</i></p>	<p>recommends increasing fines in cases of noncompliance with obligations under the Telecoms Law and applicable regulatory framework</p> <ul style="list-style-type: none"> ■ Qtel considers amending the tariff approval process and removing the “ex-ante regulatory approach” as important initiatives. ■ FRIENDI thinks that ictQATAR should foster service-based competition to promote competition in the mobile industry in Qatar 	
<p>Competition in the Mobile Sector</p>	<p>Questions 4.2.1 <i>To what extent has the introduction of competition in the mobile sector been successful in Qatar? What additional measures could be taken by ictQATAR to promote more competition?</i></p>	<ul style="list-style-type: none"> ■ Qtel considers that the Qatari mobile market has reached a high level of competition ■ Operators suggest the following additional measures to promote competition: <ul style="list-style-type: none"> – FRIENDI urges ictQATAR to promote competition in content and applications – STC believes that introducing a third mobile operator will increase competition in the sector – VQ thinks that the tariff approval process needs to be more transparent. – Qtel thinks that allowing greater freedom in offering and pricing will promote competition 	<ul style="list-style-type: none"> ■ ictQATAR believes competition in the mobile sector has got off to a good start given that VQ currently has more than 21% revenue market share. ictQATAR’s careful approach to the liberalization of the market has therefore been successful. ■ Additional measures to make the sector more competitive that could be taken to facilitate access to land and RoW for operators include setting guidelines for access to infrastructure (currently being drawn up by ictQATAR’s technical department) and supporting operators in their dealings with government authorities, when possible.
<p>Competition in the Fixed Sector</p>	<p>Question 4.2.2 <i>What are the key challenges to introduce competition in the fixed market in Qatar?</i></p>	<ul style="list-style-type: none"> ■ Qtel and VQ see limits on the Rights-of-Way (RoW) to existing infrastructure, both public and private, as a major challenge facing the development of a competitive market in Qatar ■ VQ and STC think that delays in implementing Qatar National Broadband Network (QNBN) is a particular challenge within the fixed market 	<p>The introduction of competition in the fixed market in Qatar faces the following challenges:</p> <ul style="list-style-type: none"> ■ There are high expectations for the role of QNBN in increasing the penetration of and competition among broadband services in Qatar. Therefore any delay in its rollout will delay the arrival of competition with Qtel in the fixed market. ■ Delays in network rollout given issues to access civil infrastructure such as unclear processes to obtain permission

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			to use these facilities.
Access to Property, Site Sharing, and Rights-of-Way (ROW)	Question 4.2.3 <i>What can be done to improve access to property, site sharing, and RoW?</i>	<ul style="list-style-type: none"> ■ VQ suggests using the agreement between ictQATAR and Minister of Municipality and Urban Planning (MMUP) as a model for dealing with mobile site permissions ■ STC recommends ictQATAR try to evolve a joint construction program for new base stations and network developments, involving all the network operators. This will ease subsequent facility sharing among the operators 	<ul style="list-style-type: none"> ■ ictQATAR agrees with the points raised by the respondents to the consultation and will: <ul style="list-style-type: none"> – Facilitate agreements for obtaining land and civil infrastructure rights – Clarify processes on how to deal with different government authorities ■ ictQATAR’s technical department is now working on setting the guidelines for access to infrastructure in coordination with the Ministry of Municipality and Urban Planning
Access to Property, Site Sharing, and Rights-of-Way (ROW)	Question 4.2.4 <i>What additional role should ictQATAR play, if any, to promote access to property, site sharing, and greater use of RoW in Qatar?</i>	<ul style="list-style-type: none"> ■ STC and Qtel recommend that ictQATAR develops technical guidelines to regulate RoW. STC adds that ictQATAR should encourage commercial agreements between operators ■ VQ suggests that ictQATAR assumes a facilitator role to support negotiations with government agencies and property owners 	<ul style="list-style-type: none"> ■ Develop technical guidelines to regulate ROW ■ Take a facilitator role in supporting negotiations with government agencies and property owners ■ Encourage commercial agreements by facilitating dialogue and negotiations between operators as has been the case with the site sharing agreement
Service Availability	Question 4.3.1.1 <i>Does ictQATAR have any further role to play to encourage service availability?</i>	<ul style="list-style-type: none"> ■ VQ and FRIENDI believe that ictQATAR should work on consumer protection and preventing anti-competitive conduct ■ STC suggests ictQATAR takes an active role in promoting ICT adoption ■ Qtel sees ictQATAR’s further role as providing additional spectrum and tower sites to allow the deployment of mobile broadband 	<ul style="list-style-type: none"> ■ Promote ICT adoption in several industries to boost demand for data services ■ Promote the development of local content in Arabic to increase incentives to use mobile and fixed data services

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Service Availability	Question 4.3.1.2 <i>What other type of mobile services should be available in Qatar?</i>	<ul style="list-style-type: none"> ■ VQ states that there are still a number of services that can be introduced, including value added services such as content services, location based services, fixed services through mobile networks, and fixed mobile converged services ■ STC suggests introducing new ICT applications emerging with mobile broadband. These may include machine to machine (M2M) applications 	<ul style="list-style-type: none"> ■ ictQATAR would like to see value added services, location-based services and M2M applications more widely available in Qatar
Prices and Innovation	Question 4.3.1.2.1 <i>How do you expect mobile prices to evolve in the future, and how will this evolution affect the industry?</i>	<ul style="list-style-type: none"> ■ Qtel states that it is not possible to foresee how mobile prices will evolve ■ VQ, STC and FRIENDI hold the view that prices will continue to decline ■ FRIENDI sees that the impact on the industry will likely be an increased focus on cost per minute and optimized operations 	<ul style="list-style-type: none"> ■ ictQATAR expects mobile prices to continue to decrease. However the rate of decline in mobile prices is expected to be much less than over the past two years (as suggested by recent rises in mobile prices introduced by Qtel and VQ).
Prices and Innovation	Question 4.3.1.2.2 <i>How do you see the future of innovation in the mobile market, and what could ictQATAR do, if anything, to encourage continued innovation in the mobile market?</i>	<ul style="list-style-type: none"> ■ VQ expect to see more converged offerings merging fixed and mobile products, as the QNBN project comes into the market, giving customers more choice. VQ also expects to see further innovations in data services including access to superior internet and data offerings ■ VQ recommends that ictQATAR play a role in this space by ensuring there is a clear spectrum policy in Qatar and helping operators to roll out networks ■ Qtel believes that users will respond well to providers' offerings in terms of adopting innovative services at competitive prices ■ AT&T believe that introducing an Mobile Virtual Network Operator (MVNO) could cater to specific and new market segments and offer innovative and bespoke content services 	<ul style="list-style-type: none"> ■ ictQATAR believes it should continue to encourage innovation and customer choice by supporting the development of a sustainable competition in the mobile market
Quality of	Question 4.3.1.3.1 <i>Why</i>	<ul style="list-style-type: none"> ■ Qtel believes that current quality parameters are 	<ul style="list-style-type: none"> ■ ictQATAR believes quality of service standards are normally

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Service	<i>does quality of service remain low in the mobile industry in Qatar?</i>	<p>exceptionally strict by international standards since they apply to both the busiest 10% of calls and 95% of all calls</p> <ul style="list-style-type: none"> ■ VQ and FRIENDI sees difficulties with network rollout as the main challenge facing improved QoS in Qatar 	<p>lower at the start of a liberalization process, while the second operator develops its own infrastructure, in particular because the second mobile operator is highly dependent on temporary base stations, which cause additional quality of service issues</p> <ul style="list-style-type: none"> ■ Current quality of service standards are not exceptionally stringent as they were set at the start of liberalization by benchmarking best practice in advanced telecommunications markets ■ ictQATAR will start to publish QoS parameters soon
Broadband Availability	Question 4.3.2.1.1 <i>What steps should be taken by operators to improve the availability of broadband services and increase broadband speeds in Qatar?</i>	<ul style="list-style-type: none"> ■ VQ is of the view that availability of broadband and broadband speeds are a function of the degree of competition between operators. ■ VQ suggests ictQATAR should help with the delivery of QNBN to improve backhaul transmission and ensure operators have enough LTE spectrum to provide their advanced services. ictQATAR should also resolve issues hampering site acquisition and international connectivity ■ STC suggests that ictQATAR provide incentives to encourage stakeholders to invest in broadband 	<ul style="list-style-type: none"> ■ Operators should invest in the latest FTTX technologies to bring broadband services to households in Qatar ■ Operators should rollout networks in accordance with their license obligations to increase competition and allow better services (speeds) at lower prices
Broadband Availability	Question 4.3.2.1.2 <i>What role can ictQATAR play in the industry to help increase broadband availability and speeds?</i>	<ul style="list-style-type: none"> ■ Qtel suggests that ictQATAR works towards significantly reducing the cost of international bandwidth through bulk purchasing arrangements, subsidies and similar measures ■ Qtel also suggests that ictQATAR should be much more active in ensuring right of access to public and private infrastructure ■ VQ suggests that ictQATAR should facilitate the QNBN rollout to improve backhaul transmission and provide the market with LTE spectrum as well as resolving issues hampering site acquisition for radio access networks ■ STC believes that ictQATAR can provide incentives to 	<ul style="list-style-type: none"> ■ ictQATAR should support the creation of the QNBN and the rollout of its fiber access network ■ ictQATAR should work together with operators to look for solutions and alternatives in order to bring down the cost of international connectivity. ictQATAR ought to continue to support initiatives such as the GBI subsea cable, which will provide extra international transmission capacity and should be ready for service in the second part of 2011.

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		operators, particularly tax concessions, that will attract investments	
Prices and Innovation	Question 4.3.2.2 <i>What steps can be taken to make broadband more affordable and to create more innovation within the sector?</i>	<ul style="list-style-type: none"> ■ STC suggests that ictQATAR should also encourage infrastructure sharing to reduce costs and lower taxes and fees paid by operators ■ VQ thinks that access to duct infrastructure needs to be addressed, together with appropriate pricing, to make broadband more affordable ■ Qtel states that ictQATAR should work to reduce the cost of international bandwidth and fund the rollout of fiber access in non profitable areas 	<ul style="list-style-type: none"> ■ ictQATAR will continue to support initiatives that will bring down the cost of international connectivity, as GBI has done recently ■ ictQATAR will encourage and facilitate civil infrastructure access and sharing ■ ictQATAR’s technical department is now working on setting the guidelines on access to infrastructure in coordination with the Ministry of Municipality and Urban Planning ■ ictQATAR will continue to promote the creation of local content, giving potential customers additional incentives to subscribe to broadband services
Quality of Service	Question 4.3.2.3 <i>Why does quality of service remain substandard in the fixed industry in Qatar</i>	<ul style="list-style-type: none"> ■ Qtel sees that unprecedented countrywide construction activities are having a negative affect on fixed QoS results ■ VQ and STC believe that the substandard QoS results reflect the lack of competition in the fixed market 	<ul style="list-style-type: none"> ■ Lack of competition has affected the quality of service in the fixed sector ■ ictQATAR will look into the number of players in the fixed sector and will enforce VQ’s license obligations
Health of the Industry	Question 4.4.1 <i>What are your expectations regarding the evolution of the telecom sector's financial health in the next three years? What conditions are necessary for further strong development in this sector?</i>	<ul style="list-style-type: none"> ■ Qtel believes sector revenues cannot be expected to grow indefinitely at recently observed rates. Growth will have to come from new services, especially broadband and related value added services ■ In order to secure further growth Qtel and VQ think that regulation needs to be predictable, proportionate and focused on ensuring a level playing field ■ VQ also emphasized the following considerations to support the healthy development of the telecom sector in Qatar: <ul style="list-style-type: none"> – Enabling mobile and fixed infrastructure planning and 	<ul style="list-style-type: none"> ■ So far the health of the sector is good , compared to international and regional benchmarks. Sector health may come under pressure if: <ul style="list-style-type: none"> – A fixed fiber network is not developed – Prices would continue to fall sharply ■ To support the sector’s health: <ul style="list-style-type: none"> – New revenue streams need to come from value added services as well as mobile and fixed broadband services – Efficient processes for infrastructure deployment and access to civil infrastructure must be developed

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		<ul style="list-style-type: none"> building consent processes to be undertaken efficiently and effectively – Maintaining ictQATAR’s current approach to managed competition based on two public mobile and fixed licensees – implementing the QNBN model and rollout ■ STC recommends promoting ICT applications in different national sectors and mobile broadband 	<ul style="list-style-type: none"> – A fibre network must be successfully implemented.
Industry Risks	Question 4.4.2.1 <i>What can the industry do to reduce the high dependence on voice revenues?</i>	<ul style="list-style-type: none"> ■ VQ believes that operators should broaden their offerings. If ictQATAR can help operators build infrastructure with less delay, this will in turn promote the availability of non-voice services ■ STC believes the industry can promote ICT applications in different national sectors as well as building QNBN and introducing broadband services could reduce high dependence on voice revenues ■ FRIENDI sees increase penetration of data services as a means of reducing dependence on voice revenues 	<ul style="list-style-type: none"> ■ ictQATAR is of the view that the industry can: <ul style="list-style-type: none"> – Increase uptake of fixed and mobile data services – Promote the adoption of value added services – Greatly increase levels of non-price competition in areas such as service quality and customer call centers
Industry Risks	Question 4.4.2.2 <i>What additional risks do you see that could jeopardize the financial health of the industry?</i>	<ul style="list-style-type: none"> ■ VQ sees the following additional risks to the financial health of the industry: property developers that impede access rights to civil infrastructure; low infrastructure quality; and the introduction of further licensed operators ■ STC believes risks that could jeopardize the financial health of the industry include: the impact of Over The Top (OTT) players; the slow introduction of broadband services; and a lack of ICT enabled applications used in other sectors 	<p>ictQATAR sees the following issues as potential risks to the financial health of the industry</p> <ul style="list-style-type: none"> ■ Entrance of VOIP operators, such as Skype players, since they could force further price declines ■ Low ICT adoption by other sectors of the economic ■ Potentially drastic price declines in international voice prices and mobile price
Industry	Question 4.4.3.1 <i>To what</i>	<ul style="list-style-type: none"> ■ VQ sees that further growth will likely come from value added services, video and content. Mobile and fixed data 	<ul style="list-style-type: none"> ■ Comparing Qatar’s revenues from mobile and fixed data to those of other countries shows that there is room for the

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Opportunities	<i>extent will mobile and fixed data provide a sufficient opportunity for the industry to grow further?</i>	<p>services can also provide a significant growth opportunity for operators if the latter are empowered to capture an appropriate portion of the value chain and monetize different types of services</p> <ul style="list-style-type: none"> ■ AT&T believes that additional growth can come from enterprise customers, specifically machine to machine applications ■ FRIENDI states that growth in this domain will be limited to specific high-end segments 	sector's development to benefit from increasing availability of mobile and fixed data services
Industry Opportunities	Question 4.4.3.2 <i>What other opportunities will fuel future growth, and what role (if any) should ictQATAR play in facilitating such growth?</i>	<ul style="list-style-type: none"> ■ STC believes that future growth will be fueled by the adoption of ICT by both consumers and businesses in different sectors of the country's economy and mentions that ictQATAR can play a leading role in improving ICT awareness and adoption ■ Qtel suggests that ictQATAR consider reviewing the appropriateness of its regulatory approach given market conditions. ■ VQ believes that ictQATAR should take the following actions to facilitate industry growth: <ul style="list-style-type: none"> — Implement the QNBN model and rollout — Support efficient and effective mobile and fixed infrastructure planning and building consent processes — Maintain ictQATAR's current approach to managed competition based on two public mobile and fixed licensees — Increase regulatory certainty and 	<p>ictQATAR is taking and will continue to take an active part in facilitating the growth of the sector through its support of the following initiatives</p> <ul style="list-style-type: none"> ■ Successfully rolling out the QNBN fiber network ■ Promoting the adoption of ICT in other industries and its use by consumers and enterprises through e-government, e-education and e-health initiatives among others ■ Enabling efficient and effective mobile and fixed infrastructure planning and building consent processes by facilitating interactions between operators and government to clear RoW issues and land acquisition permissions

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		<ul style="list-style-type: none"> – Ensure that minimal government taxes, fees, and levies are imposed (including fees charged by ictQATAR, such as the industry fee) ■ AT&T suggests that class licenses for the resale of mobile services would stimulate further competition and enable the sector to exploit growth in submarket segments 	
Mobile Investments	Question 4.5.1.1 <i>To what extent are current investment levels sustainable rather than a temporary phenomenon?</i>	<ul style="list-style-type: none"> ■ Qtel does not see any reason for investment levels to drop ■ STC believes that continued investments are assured by new infrastructure deployment ■ VQ states that investment levels depend mainly on two drivers: population growth and certainty concerning the regulatory and licensing structure 	<ul style="list-style-type: none"> ■ Mobile investment is likely to slow after the increase created by deployment of the second network. However, it will probably continue to develop at a steady pace as operators continue investing in new technologies ■ Investments in fixed technologies will likely increase with the implementation of the QNBN
Mobile Investments	Question 4.5.1.2 <i>What role can ictQATAR play (if any) to boost further investments in the mobile industry?</i>	<ul style="list-style-type: none"> ■ STC believes that ictQATAR should help with fiber rollout ■ VQ suggests ictQATAR should take a role in <ul style="list-style-type: none"> – Enabling mobile and fixed infrastructure planning and building consent processes to be undertaken efficiently and effectively – Increasing regulatory stability, ensuring cost-based pricing and no anti-competitive practices – Ensuring minimal government taxes, fees, and levies are imposed ■ STC recommends that ictQATAR promotes broadband demand through ICT adoption, expedites QNBN to ease LTE eNodeB deployment and frees LTE frequencies, specially through digital dividend 	<ul style="list-style-type: none"> ■ Enabling efficient and effective mobile and fixed infrastructure planning and building consent processes while balancing other public policy objectives. ■ Expediting QNBN to ease LTE eNodeB deployment

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Fixed Investments	Question 4.5.2 <i>What role (if any) can ictQATAR play in increasing levels of investment in the fixed industry in Qatar?</i>	<ul style="list-style-type: none"> ■ Qtel believes that QNBN could foster the development of tangential industries and promote national social and economic policies by: <ul style="list-style-type: none"> – Focusing on extending the reach of fiber in locations that are not economically viable – Limiting itself to the lowest level of the technology stack – Avoiding duplication in areas already addressed by other players – Structuring wholesale products in a way that encourages facility-based investments ■ Qtel believes that ictQATAR’s role should focus on reducing the cost of service by helping to decrease the cost of international bandwidth, developing access specifications for greenfield properties and ensuring infrastructure is available to operators at attractive rates in order to facilitate access in brownfield buildings ■ STC suggests that ictQATAR should encourage infrastructure sharing and promote broadband demand through fostering ICT adoption 	<ul style="list-style-type: none"> ■ ictQATAR has already started to play an important role in increasing levels of investment in the fixed sector in Qatar with the establishment of the QNBN at the end of March ■ ictQATAR should also promote and facilitate access to civil infrastructure ■ ictQATAR’s technical department is now working on setting the guidelines to access infrastructure in coordination with the Ministry of Municipality and Urban Planning
High Coverage	Question 4.6.1 <i>Should any services be subject to a universal coverage requirement?</i>	<ul style="list-style-type: none"> ■ Qtel states that it currently bears the burden of funding Universal Service Obligations (USO) in the fixed market at uneconomic prices. Qtel believes this may distort competition and would like ictQATAR to review this issue ■ Regarding broadband coverage, Qtel suggests that ictQATAR divides the market into areas by density and considers subsidizing deployment in low density areas ■ VQ says that as licenses require 100% coverage, there is no additional need for USO 	<ul style="list-style-type: none"> ■ Both, Qtel and VQ are under obligation to provide fixed Basic Services in Qatar (Fixed Licenses, Annexure J) and both operators are covering the whole of Qatar with their mobile networks.

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		<ul style="list-style-type: none"> STC recommends that universal coverage of internet access at a minimum speed should be required 	
Future Technologies and Products	Question 4.6.2.1 <i>What in your view is hindering the adoption of new technologies, particularly FTTH, in the fixed sector in Qatar?</i>	<ul style="list-style-type: none"> Qtel believes that the price of international bandwidth and difficult access for operators to civil facilities (both apartment buildings wired with copper and large development projects) are hindering the adoption of new technologies STC says that the high cost of investing in and implementing FTTx is slowing the adoption of FTTx in Qatar. STC also mentions that Qatar is at an early stage of fixed liberalization and this hinders the adoption of new technologies 	<ul style="list-style-type: none"> ictQATAR believes that the main reason for slow adoption of new fixed technologies in Qatar is lack of competition in the sector. The difficulties experienced by operators in accessing civil infrastructure and obtaining RoW pose additional hurdles to the rolling out fixed networks in Qatar.
Future Technologies and Products	Question 4.6.2.2 <i>What role (if any) should ictQATAR play in promoting adoption of new technologies?</i>	<ul style="list-style-type: none"> Qtel states that ictQATAR should ensure that wholesale regulation does not distort incentives to invest. In addition, ictQATAR should offer subsidies for providing international bandwidth capacity and help provide access for operators to civil facilities (e.g. apartment buildings wired with copper) VQ believes that ictQATAR should promote demand for broadband and ensure that spectrum is made available in a timely manner STC says that ictQATAR should provide subsidies and incentives such as tax exemption to incentivize operators to invest in new technologies. STC also mentions that ictQATAR should expedite QNBN deployment 	<ul style="list-style-type: none"> ictQATAR will: Promote demand for broadband in different industries and also among residential and enterprise customers Support the rollout of the QNBN fiber network Facilitate dialogue with government and other industry parties to ease access to civil facilities. ictQATAR is already working with the Minister of Municipality and Urban Planning (MMUP) to smoothe processes for allowing access to civil infrastructure by operators
	Question 5.1.1 <i>What additional policy issues should the SSR address?</i>	<ul style="list-style-type: none"> Qtel believes that ictQATAR should set measurable goals and periodically assess whether these goals are met STC is of the view that ictQATAR should free LTE lower frequencies through digital dividend and ensure fair agreements with Over The Top players 	<ul style="list-style-type: none"> Spectrum has been omitted from the SSR but this major issue is being dealt with in the spectrum consultation

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Subject	Question	Key Comments from Stakeholders	ictQATAR Position
		<ul style="list-style-type: none"> ■ FRIENDI believes that the SSR should address providing for the immediate entry of a service based operator 	
	Question 5.1.2 <i>Which existing policies should be reviewed based on the SSR?</i>	<ul style="list-style-type: none"> ■ VQ suggests reviewing access to property procedures, consumer protection policy and spectrum policy as well as increasing fines for noncompliance with obligations under the Telecoms Law and applicable regulatory framework ■ Qtel believes that there is a need for ictQATAR to ensure the effectiveness and continued appropriateness of existing policies 	<ul style="list-style-type: none"> ■ Access to property procedures and policies should be reviewed by ictQATAR
Third Mobile License	Question 5.1.3 <i>Should an additional mobile operator be introduced immediately in Qatar? Please elaborate. If not, when would it be appropriate to do so?</i>	<ul style="list-style-type: none"> ■ Qtel and VQ believe that a third operator should not be introduced at this time ■ STC suggests a third operator should be introduced as best practice shows three is the optimal number of mobile operators for creating a healthy competitive environment in a national market. It will be fair for the third mobile operator to be part of the QNBN deployment and also have a fixed license ■ AT&T and FRIENDI do not believe that introducing an infrastructure-based third operator would be wise at this time. However, introducing a MVNO operator could be viable 	<ul style="list-style-type: none"> ■ Not to introduce a third mobile licensed operator in Qatar this year. However, ictQATAR will closely monitor the market (especially price and quality of service levels) for mobile telecommunications services to assess whether competition is moving forward and will conduct a new assessment within a year from now, to decide whether to introduce another licensed operator into the market.
Prices	Question 5.1.4.1 <i>Should ictQATAR maintain its current regulatory requirements of price reviews and approvals as prescribed by the Telecommunications Law and Licenses? What changes could be made to</i>	<ul style="list-style-type: none"> ■ Qtel believes that ictQATAR should entirely remove ex-ante tariff controls. If ex-ante tariff controls remain, however, Qtel believes that the tariff review process should change: when reviewing prices and deciding whether they are below costs, ictQATAR should consider the combined price of a group of services comprising an offer, rather than the prices of individual offer elements. Qtel's view is that any offer elements should not need to cover their individual costs as long as the offer as a whole covers its consolidated costs and allows replication by competitors 	<ul style="list-style-type: none"> ■ Maintain the current tariff approval requirement as it is an integral part of the operators' obligations and required by law in Qatar. However, ictQATAR will revise its internal tariff approval process to make it more efficient. ■ ictQATAR has recently conducted a consultation process on market dominance. ■ DSP and related issues lie outside the scope of the SSR.

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Subject	Question	Key Comments from Stakeholders	ictQATAR Position
	<i>improve the tariff review and approval process?</i>	<ul style="list-style-type: none"> ■ VQ’s view is that current ex-ante regulation is still in order to prevent predatory pricing ■ STC suggests that the current state of competition may justify changes in tariff regulation 	
Quality of Service	Question 5.1.5 <i>Would the periodical publication of individual quality of service indicators by ictQATAR create an incentive for operators to improve the quality of mobile services offered to customers</i>	<ul style="list-style-type: none"> ■ Qtel believes that QoS parameters should be kept confidential to prevent misinterpretation by the public ■ VQ and STC think that publishing QoS is good for transparency 	<ul style="list-style-type: none"> ■ Publish quality of service results periodically on ictQATAR’s website, so customers can have a transparent view of service quality in Qatar ■ Quality of service measures were chosen according to best international practices and were accepted by the operators at the start of the liberalization process
Quality of Service	Question 5.1.6 <i>Are there other mechanisms ictQATAR could adopt to increase the quality of service in the mobile industry?</i>	<ul style="list-style-type: none"> ■ Qtel suggests that ictQATAR could assign additional spectrum, even if on a temporary basis ■ VQ believes that ictQATAR could conduct its own annual network audit (Drive Tests) and publish the results. This could be carried out by an independent third party on behalf of ictQATAR ■ STC says that ictQATAR should ensure effective operation of MNP 	<ul style="list-style-type: none"> ■ ictQATAR believes that periodic reviews of the operators’ quality of service performance are a good means of monitoring the development of these indicators ■ ictQATAR will issue data requests every three months to the operators to expedite the SSR process in future
	Question 5.2.1 <i>Are there other issues affecting the fixed sector that will be important for ictQATAR to look at apart from those already raised? Please explain.</i>	<ul style="list-style-type: none"> ■ VQ notes that the ability to roll out infrastructure and regulatory capacity, enforcement and compliance are all issues affecting the fixed sector that ictQATAR should address ■ STC believes that ictQATAR should look at fixed-mobile convergence and security concerns surrounding broadband applications 	<ul style="list-style-type: none"> ■ ictQATAR considers that obstacles impeding the rollout of civil infrastructure are hampering the development of fixed infrastructure

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	Question 5.2.2 <i>Of the legal requirements in place, which ones are working well? Which need to be reviewed? Please explain giving reasons.</i>	<ul style="list-style-type: none"> ■ Qtel believes that ictQATAR should entirely remove ex-ante tariff controls ■ VQ considers that current legal requirements are sufficient at this stage 	<ul style="list-style-type: none"> ■ ictQATAR believes that the current regulatory framework is sufficient to address current and potential future problems facing the telecommunications market in Qatar
QNBN	Question 5.2.3 <i>What is the role of the QNBN in developing infrastructure in the telecom sector? What role should existing players play in the QNBN?</i>	<ul style="list-style-type: none"> ■ Qtel believes the QNBN should focus on extending fiber to locations that are not economically viable for operators, limit itself to lowest level of the technology stack, and avoid duplication in areas that are already addressed by other players. Qtel also mentions that wholesale products should be structured in a way that encourages facility-based investments ■ VQ sees the role of QNBN as providing equivalent access for licensed operators to an FTTH network, co-location, ducts and metro-connectivity for fixed and mobile transmission ■ VQ considers the QNBN is best served by having the two operators as both fully committed customers of the QNBN and also potential investors in the QNBN company 	<ul style="list-style-type: none"> ■ ictQATAR believes QNBN should: <ul style="list-style-type: none"> – Roll out passive infrastructure across Qatar by leveraging existing civil infrastructure where available and rolling out new infrastructure in other areas – Provide wholesale access to licensed operators who then set up active infrastructure to provide services to end users
QNBN	Question 5.2.4 <i>What impact will the QNBN have on future competition in the sector? What should be done to ensure industry structure continues to support competition?</i>	<ul style="list-style-type: none"> ■ Qtel is of the view that QNBN should be designed not to stimulate competition but rather to promote investments in areas where it would be unprofitable to deploy infrastructure on a standalone basis ■ VQ is of the view that, if executed successfully, the QNBN will have a significant positive impact on competition by allowing licensed operators to compete on a level playing field. ictQATAR’s role remains one of supporting the development of the QNBN and ensuring the viability of the model is not damaged by the behavior 	<ul style="list-style-type: none"> ■ ictQATAR believes the QNBN will have a significant positive impact on the development of the fixed market and competition in the sector

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		<p>of Qtel, through its powers under the applicable regulatory framework, notably DSP access regulation</p>	
	<p>Question 5.2.5 <i>Which of the options listed above would be more appropriate to develop competition in the fixed market in Qatar?</i></p>	<ul style="list-style-type: none"> ■ Qtel sees that competition should be based on infrastructure in densely populated areas and on service in other areas where infrastructure-based competition is not economically viable ■ VQ believes that ictQATAR’s consideration of the three options outlined is premature given the relatively short time VQ has held a Public Fixed Telecommunications Networks and Services License 	<ul style="list-style-type: none"> ■ ictQATAR is of the opinion that supporting the QNBN is necessary for greater competition in the fixed telecom sector in Qatar. ictQATAR will continue to enforce the fixed license requirement to Vodafone Qatar. ■ Investigate and start procedures for the introduction of a new service-based provider in Qatar within one year to improve competition in the fixed market.
	<p>Question 5.2.6 <i>Are there any other options ictQATAR should consider?</i></p>	<ul style="list-style-type: none"> ■ Qtel suggests ictQATAR should consider liberalizing the use of 900MHz and 1800MHz to allow operators to deploy services in those bands ■ VQ recommends that ictQATAR develop a communications campaign to explain the QNBN decision, its benefits and its progress to key stakeholders and the public. ■ STC recommends introducing a third operator with both fixed and mobile licenses to put it on an equal footing with Qtel and VQ in competing for ICT applications 	<ul style="list-style-type: none"> ■ No further options to consider
	<p>Question 5.2.7 <i>What role could new WLL technologies in Qatar potentially play in helping to further develop the broadband market?</i></p>	<ul style="list-style-type: none"> ■ Qtel believes that the role of WLL will be to deliver broadband in remote areas and complement fixed broadband ■ Qtel believes that a WLL operator should not be introduced. Rather, existing operators should deliver this technology as part of their technology mix ■ VQ sees that mobile operators could provide fixed services via their radio access networks, if there was appropriate demand. However, given high mobile penetration, accessible mobile broadband products and high rates of 	<ul style="list-style-type: none"> ■ Technology neutral WLL technologies should be part of the current technology mixed of existing operators a complementary form of access. ■ The availability of spectrum for the implementation of WLL will be analyzed by ictQATAR within the Spectrum Policy Review

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		<p>urbanization, it is not clear that there would be strong demand for such services</p> <ul style="list-style-type: none"> ■ STC does not recommend investment in WLL, but believes investments should be directed at LTE 	
	<p>Question 5.2.7 <i>Should CS/CPS be introduced in Qatar? What could be the consequences of their introduction for the fixed voice market?</i></p>	<ul style="list-style-type: none"> ■ VQ sees that introducing any further licensees to offer such services would be destroy value in the market ■ Qtel and STC believe that CS/CPS has no value to customers 	<ul style="list-style-type: none"> ■ CS/CPS should not be introduced immediately in the market in Qatar for the reasons stated in the consultation document