

SAMENA TRENDS

EXCLUSIVELY TO SAMENA TELECOMMUNICATIONS COUNCIL'S MEMBERS

BUILDING DIGITAL ECONOMIES

A SAMENA Telecommunications Council Newsletter

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Thuraya's future is simple to continue delivering quality, innovative, reliable and affordable satellite solutions ahead of our competitors



Exclusive Interview

Samer Halawi

Chief Executive Officer

Thuraya

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EDITORIAL

Satellite in a Broadband Centric Ecosystem

This month's issue of Trends highlights the ever-important satellite sector in the telecommunications realm. This area is sometimes overlooked in the now fiber and land based wireless environment we live and work in, with smart phones seemingly taking larger bites off our daily lives every day. In many areas, not just physical in nature, satellite has proven to be of high importance in many areas of business communications.

There are times where redundancy may be a negative term, as in terms of efficiencies. However, the world of ICT, this is something that is quite appreciated. In terms of network connectivity, largely inter-city or of larger scale, terrestrial communications capability should be robustly complemented by alternative means. In addition to business requirements, mostly physically remote in nature, networks must be able to manage nature's wrath and deal with situations that inevitably arise, though appearing unpredictable and fulminant to most of us. The recent earthquakes in the news alone provide certain vindication for satellite's important alternative routing role in the network.

The need for satellite communication backup and for providing a direct or redundant broadband capability—specifically, within the routine high-data and disaster management communications scenario—is now being widely understood in several markets of the world. Some of the latest communication satellite launches around the globe, including within the SAMENA region, evidence the growing focus on satellite communications. Thus, one of the most prominent examples of policy focus on satellite communications that we see is in the European Union markets.

As evident in its Digital Agenda, Europe plans to foster digital networks and services and is focusing on satellite broadband to facilitate great large-scale broadband projects. Surfaced in May 2010, some of the key goals of the Agenda revolve around the realization of socio-economic benefits from a "Digital Single Market", which should be created majorly based on ubiquitous broadband access for all over the next two years. Indeed, the broadband access envisioned in the agenda is based on Internet speeds that are greater than 30 megabits per second for all by 2013 and 100 megabits per second or more for the subscribers of higher speeds. Whether or not this model works for the SAMENA region, the issue is that the EU is considering satellite as an important integral integer in the broadband quotient. Expectedly, the satellite industry has been represented and supported well, and has had the opportunity to emphasize upon its potential roles that it can play in meeting the EU's (all stakeholders) broadband goals. Additionally, policy makers and regulators in the SAMENA region most assuredly are looking at similar digital agenda's to create strength and efficiency in the new digital world. The primary issue is the balance between the interests of the community as well as the means of managing costs and delivering results for all stakeholders on a free market basis.

Fortunately, for the satellite industry, the Agenda creates sufficient room for involvement and growth for satellite operators by maintaining that satellite communications should be part of the technology melting pot and thus blend well together with terrestrial networks to help meet the goals of the Digital Agenda. Supported by policy-makers, the satellite operators can continue to play an active role in the regional and global broadband proliferation process, and can use this growing opportunity to help draw attention to and resolve intra-industry issues that revolve around technological challenges, such as interference and reliability issues, and policy challenges. SAMENA also is looking to work closely with satellite operators and other industry stakeholders supporting growth in this particular area of interest.

The extent to which the satellite industry has been successful in projecting its prospective roles and potential for enhancing the global telecommunications and data communication capability, is visible in the way the EU has now required satellite operators to help execute its broadband agenda. The EU Commission's digital agenda commissioner Neelie Kroes' statement that fulfilling Digital Agenda requires we "secure investments from all players—incumbents, new entrants, mobile, fixed, and satellite" speaks strongly of the involvement that is sought from satellite operators in meeting future broadband goals. Many key policy-makers, including Kroes, seem to understand well that satellite technologies can be highly cost-effective in areas where copper, fiber, or terrestrial wireless broadband solutions may be less effective or efficient. How this will play out in the SAMENA region will be interesting and SAMENA shall endeavor to work with policy makers and regulators to ensure inclusivity of all-important stakeholders in the deployment of advanced broadband services.

The growing cost-effectiveness in satellite broadband, which is now being realized, has been a direct consequence of the satellite industry's focus on continually improving performance and reducing subscription costs. Potentially even greater reduction in costs for providing satellite broadband connectivity to a greater audience is highly probably in the near future. Over the long term, satellite service providers have proven to be very creative in developing additional service sets of critical merit to multi-tiered layers of the ICT ecosystem and most assuredly, will continue to prove their value to all networks alike.

Truly Yours,

Thomas Wilson
CEO & Managing Director
SAMENA Telecommunications Council



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TOP REGIONAL & MEMBER NEWS

du Signs Three-Year Support and Optimization Agreement with Cisco

du signed a three-year contract with Cisco for network support and optimization services to support existing and future network infrastructure growth. The contract has been financed through attractive finance terms arranged by Cisco Capital (Dubai) Limited and provides du with a predictable and optimized Total Cost of Ownership (TCO) over three years. The three-year agreement provides du with Cisco SMARTnet for rapid issue resolution and premium service options to help the service provider maximize operational efficiency. Additionally, Cisco will provide comprehensive network and voice infrastructure optimization services as well as on-site focused technical support services. Farid Faridooni, chief operating officer, Du, "We continue to strive to provide our customers with the best possible service, by constantly improving our network infrastructure. This agreement in collaboration with Cisco will ensure that we are able to further optimize our market offering, and deliver the uninterrupted and quality services our customers have come to expect. The strategic finance arrangements further reinforce the strength of our financial and operating position."

STC and RIM Announce the Commencement of a Strategic Partnership

STC and Research In Motion (RIM) signed a strategic partnership that aims at providing a wide range of content, applications and smart solutions for BlackBerry users in Saudi Arabia. The agreement, which was signed by Ibrahim Al Omar from STC and Sandeep Saihgal Managing Director Middle East of RIM, focuses on exchanging expertise between the two companies in a manner that serves mutual interests and enables customers to enjoy up to date services and technologies. As a result of this new partnership, STC announced the launch of BlackBerry Bold 9900 device in the kingdom. On this occasion, Eng. Ibrahim Al Omar, Vice President of the Retail Sector at STC, stated: "the strategic partnership between STC and RIM is based on launching the level of coordination between the two companies in order to serve their common interest and to fulfill customer's need for technologies and unique services. STC interest in this partnership confirms its leading role in launching and providing current and new smart devices to its customers, which is based on STC's strategy that revolves around the customer."

Etisalat to Bring Facebook to Every Phone in Africa

Etisalat Misr and Etisalat Nigeria have joined hands with Facebook to offer their customers a new experience of communications using Facebook mobile application on a Java-based feature phones. This experience will enable Etisalat Group customers to "Save More" on mobile internet package, downloads without incurring any data charges. The Facebook for Every Phone application provides a unique yet faster Facebook experience for feature phones than those of similar applications and mobile sites. It carries Facebook's most popular features and user experience to a wide range of Java handsets, on an optimized speed and exceptional network performance via "Etisalat's Group" network across 18 countries round the world.

Nawras Wins Best Innovation in HR at Asia's Best Employer Brand Awards

Oman's Nawras has won the award for Best Innovation in HR, at Asia's Best Employer Brand Awards held recently in Singapore. Ayesha Al-Shoily, Nawras Graduate and Soft Skills Manager, accepted the award which recognized the pleasingly different HR strategy that is an important part of the way the Nawras family works. "Almost 800 entries from across Asia were scrutinized by the 11 judges so this award is testament to the tremendous work that has been invested by our HR team as part of the successful growth of the Nawras family," said Kumail Al-Moosawi, Director of People. "Investment in our people is one of our main success factors. We are thrilled to receive this recognition because we believe that Nawras people are key to our pleasingly different customer service."

MTN to Rollout Africa-Centric Apps Development Competition

MTN is working on launching a competition for apps development whereby developers will keep in mind the realities of Africa and the Middle East. By way of this competition, MTN looks to facilitate faster acceptance of data-enabled technologies; digital content developed in view of the African and Middle Eastern users, in particular. According to Christian de Faria, MTN Group Chief Commercial Officer, the more user-friendly and relevant the app, the more differentiated it will be, thus increasing the likelihood of its adoption on a wide scale in two vast markets that are hungry for local solutions – not least of which is digital content with an African and Middle Eastern flair. At the moment, the app store to be hosted by MTN is undergoing development, while it stands to be launched across 21 countries where MTN runs its operations. The time duration till when the apps development competition will run is five months; the initial focus will be the Android OS based on the English language yet, rooted to the realities of the African and Middle East markets.

SLT Records 51 Percent Growth in Profit before Tax

Sri Lanka Telecom recorded a profit before tax of Rs. 3.26 billion in their first six months of the year. This is a 51 percent growth in comparison to the corresponding period of the previous year. SLT Group, chairman Nimal Welgama said SLT has strengthened its position as the country's leading Integrated Telecommunication Service Provider with strong market positions in Fixed, Mobile, International, Data, Wholesale and Broadband. "Sri Lanka is now strongly positioned on a platform of fast tracked development. The national vision is to make every citizen ICT empowered. Therefore, in line with the government's objectives of ensuring that ICT is accessible to all, Sri Lanka Telecom has already taken many initiatives to take the ICT in the country to the next level including playing a pro active role in enabling ICT empowerment in remote villages of the country," the SLT group chairman said. Meanwhile, Mobitel, the mobile arm of SLT group recorded a profit before tax of Rs. 1 billion and a net profit after tax of Rs 778 million recording growth rates of 36 percent and 44 percent respectively compared to corresponding period of the previous year.

Inmarsat's Announces New Voice Distress Service on Fleet Broadband

Inmarsat has rolled out the new voice distress service on FleetBroadband, to help its users in case of emergency. Built with support European Space Agency and the UK's Technology Strategy Board, the new voice distress service on FleetBroadband is free for use service. This new voice distress service can be used by implementing a simple software and hardware add-on, which provides a 'red button' for one-touch easy use. This free service will make sure that all non-priority telephone calls underway on the vessel's FleetBroadband are interrupted, connecting the caller directly to a Maritime Rescue Coordination Centre (MRCC). Using the enhanced capability of the FleetBroadband network, this new service immediately sends an email to the MRCC and network controllers to alert them to a call, providing additional data such as vessel name, identification and position. "This is a first for FleetBroadband, and demonstrates our on-going commitment to providing essential safety and distress services for seafarers," said Peter Blackhurst, head of Maritime Safety at Inmarsat. Blackhurst said that this new red-button voice distress service is ideal for vessels of all types and sizes because it's backed by a highly-reliable network that offers 99.9 percent connectivity at all times.

Telcordia Selected to Manage Number Portability in Chile

Telcordia has announced that the company has been selected by the Number Portability Committee on behalf of all Chile's service providers who are subject of Number Portability Implementation to manage the country's number portability system. With more than 15 worldwide number-portability implementations, Telcordia will provide managed services, training and carrier-grade software solutions for Chile's regulators, and fixed and mobile service providers to enable a number portability rollout scheduled for later this year. A number portability committee that represents all of Chile's service providers made the selection after evaluating Telcordia's background, technical capabilities and pricing model. Telcordia demonstrated proven experience in number-portability deployments in other global markets that are similar to Chile, such as Mexico. In addition to the lowest total cost of ownership in Chile for the system, Telcordia's successful track record of number-portability implementations and proven technical solutions were deciding factors in the bid process.

Vendtek Systems, Roshan, and M-Paisa Announce Partnership

VendTek Systems Inc., a developer and licensor of software for the global pre-paid and financial services market, has announced a partnership with Roshan and M-Paisa, Afghanistan's first mobile money transfer service. Through the partnership, the companies will help grow the financial services industry in Afghanistan and promote financial inclusion in the country. VendTek will develop additional mobile money functionality and provide consultancy support to M-Paisa as it expands the range of services available in Afghanistan. This partnership will enable M-Paisa to be at the forefront of product innovation and continue to meet the growing needs of the Afghan people and financial services industry to provide greater access for the unbanked population with new and much needed services. "We are very excited to partner with M-Paisa and Roshan to help support the growth of mobile financial services to Afghanistan," said Doug Buchanan, President and Chief Executive Officer of VendTek. "Our initial focus will be to introduce bank integration," continued Mr. Buchanan.

Türk Telekom Enters the German Mobile Market with Telefónica Cooperation

Turkey's most valuable brand Türk Telekom has engaged in yet another international cooperation. The major cooperation between the Türk Telekom Group and Telefónica Germany heralds the entry of Türk Telekom into the European mobile communication sector with the Türk Telekom Mobile brand. Türk Telekom Mobile customers have the opportunity to make unlimited calls in both Germany and Turkey for very affordable prices on a single SIM card. Mobile voice, data and value-added services will become available in the German market under Türk Telekom Mobile brand. Realized by the Türk Telekom Group in line with its convergence vision, Türk Telekom Mobile service will be put on offer also in other European countries with sizeable Turkish populations.

Qtel Extends SmartRoamer Service to All Customers

Qtel announced that its SmartRoamer service is now available for all Qtel customers. At launch the service was limited to Shahry customers. In response to the positive support SmartRoamer received, Qtel has now made the service available for all Qtel customers. Hala and Control customers can now make local calls for QAR 1 per minute in every country in the GCC, and can call back to Qatar for QAR 2 per minute. The cost for receiving calls is QAR 1.5 per minute, and customers can send SMS for QAR 1 per message. In the region, the service is available in Bahrain on the Batelco, Viva and Zain networks, while in Kuwait it can be accessed on Wataniya, Zain and Viva. Qtel customers in Oman can enjoy the SmartRoamer service on Nawras and Omantel; travellers in Saudi Arabia can access it on Mobily, STC, and Zain; and in the UAE, SmartRoamer is accessible on du and Etisalat. The service is available without the need to activate or subscribe.



Operator Leader's Vision

THURAYA 

Samer Halawi
Chief Executive Officer
Thuraya

Mr. Halawi has held several leadership positions in major regional and international telecom firms. Most importantly, he brings with him several years of experience in managing satellite telecom businesses and major customers across the Middle East, Africa and Asia Pacific

Q. Please give a brief account of your operations in regional markets?

A. Thuraya has a remarkable track record of success in the region, underlined by the fact we're the market leader in the satellite handheld sector with nearly 70% share within our coverage area. Our dominance in the handheld voice area is something we're emulating across other areas of the business, with our data, maritime and rural telephony solutions showing particularly encouraging growth over the past few months.

Q. Please tell us about the launch of Seagull 5000i maritime terminal that is in partnership with Addvalue?

A. Our latest maritime terminal, Seagull 5000i, is proving extremely popular. Developed in partnership with Addvalue Technologies Ltd., a Singapore-based company, Seagull 5000i is a compact maritime terminal developed to suit the functional and budgetary needs of maritime mobile users. A voice, data and fax terminal with a built-in GPS tracking system specifically designed for the harshest maritime and land environment, coupled with an affordable price plan (we don't have an unlimited price plan for voice that works on the seagull) is making this proposition the most attractive in the current marketplace.

Q. What other prospective partnerships or joint ventures are you planning to pursue in the near future?

A. And, continuing with our determination to make a significant impact in the maritime industry, we have another product launching in October in partnership with Comtech: MarineNet Pro. The state-of-the-art maritime broadband terminal delivers reliable high performance voice and data communications with speeds up to 444kbps, utilizing Thuraya's advanced satellite network. Demand for richer data, on-board content and availability of bandwidth-hungry applications, is driving substantial uptake in satellite maritime hardware and services. MarineNet Pro is well positioned to address the needs of the market and grab significant market share.



Q. How do you look at the future of satellite broadband industry amid the emergence of wireless and other traditional broadband access technologies?

A. The satellite broadband industry is experiencing huge growth, especially from maritime, broadcasting and other land based markets. It is predicted that the market will grow from 1.2 million satellite users in 2008 to 10.5 million satellite users in 2018 (Source: Euroconsult 2009).

Q. Do you agree that the increasing number of submarine cable will create competition to the satellite industry in terms of international bandwidth services?

A. The demand for data continues to grow exponentially. Submarine cables can address the bandwidth requirements of regions close to the sea but as we're all aware, not every region is close to the sea! For vast land bases such as Africa, submarine cables cannot reach any countries that lie in the middle of the continent – satellite is the only reliable and cost-effective communications solution. Which is where Thuraya IP proves extremely useful. Other points to consider are mobility and access in rural, remote and maritime areas; as a Mobile Satellite Services provider we tick all those boxes – submarine cables can't as they compete directly against Fixed Satellite Services.

Q. Please tell us about the launch of Thuraya's latest technology /product?

A. Thuraya IP, is a strong product in our portfolio, and one of which we are extremely proud. The smallest, lightest

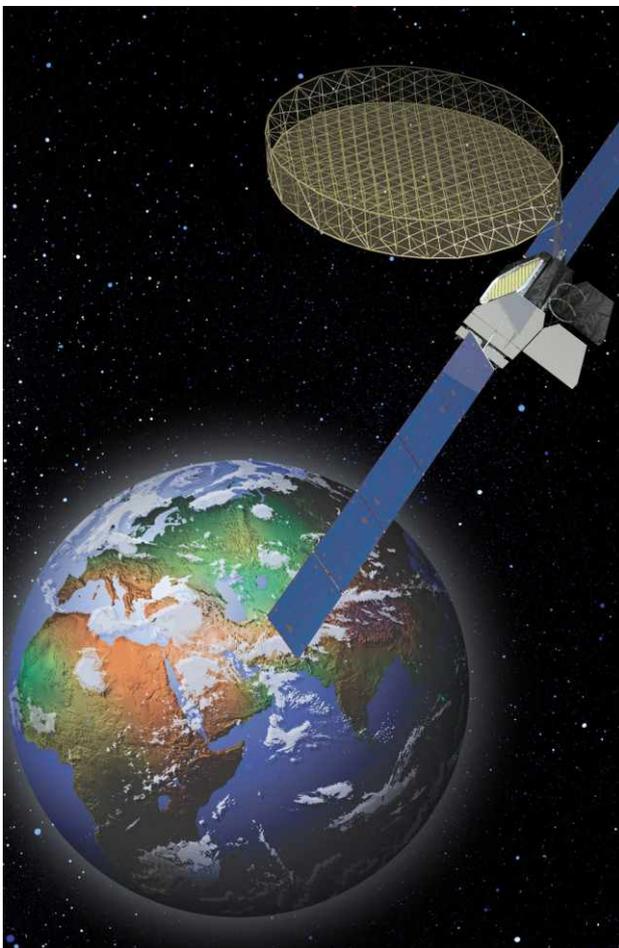
satellite terminal in the world (A5 sized and a mere 1.3kg in weight), Thuraya IP benefits significantly from our robust, technologically superior network by offering assured connectivity even in areas of high traffic, something other network providers cannot claim. The terminal is a favourite with media, oil & gas and governments across the world and has been the first choice for many disaster/relief operations over the past year. Size and portability are an obvious factor for many of our customers as is reliability but increasingly so is power and price. We've looked at the needs of the markets and addressed them with Thuraya IP, hence its success.

Q. What have been the major goals you have achieved so far?

A. As a company, we have achieved a lot. We're the world leader in satellite mobile handheld within our coverage area, our three generations of voice products have all been market leaders; the smallest, the smartest and the most rugged, our Thuraya IP, as mentioned previously, also sets new standards and our maritime solutions bring a new level of affordability to the satellite communications sector. Our focus is on quality, reliability, affordability and assurance whilst also delivering real solutions that address issues in the market. When you combine these factors, you'll find our propositions are head and shoulders above those of other providers.

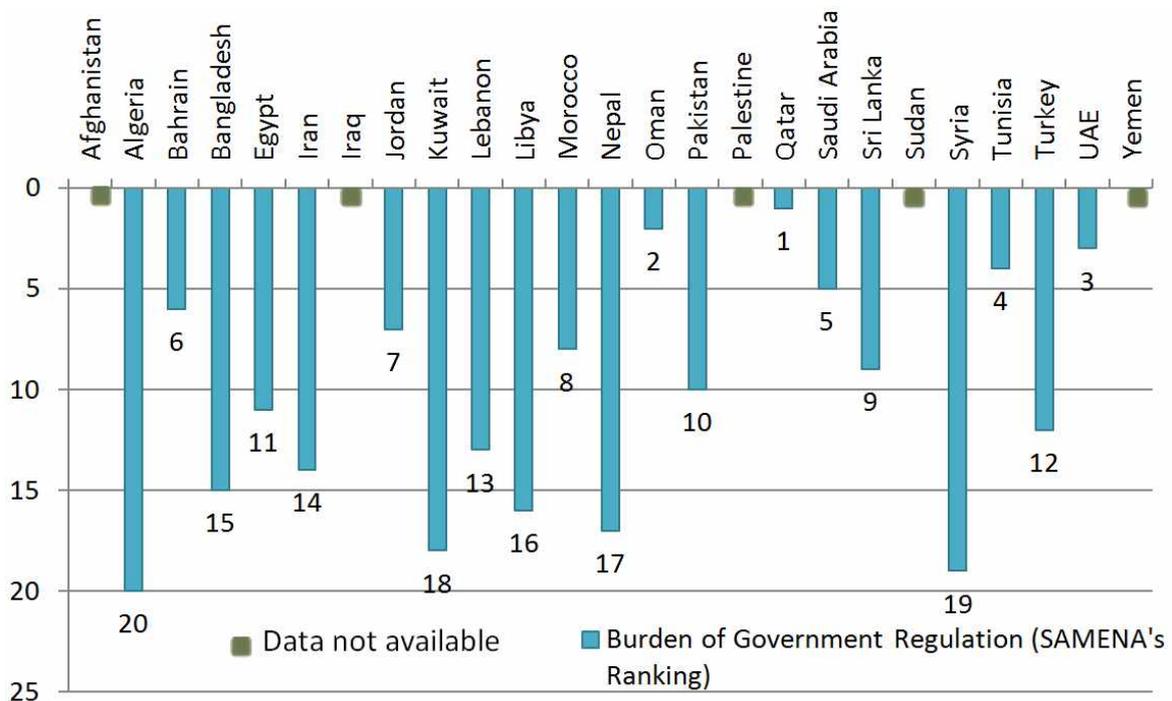
Q. What growth strategies are you planning to pursue in the future?

A. Thuraya's future is simple – to continue delivering quality, innovative, reliable and affordable satellite solutions ahead of our competitors. We see a future where everyone is able to communicate from even the most remote location; securely, safely and reliably, at the touch of a button. No complicated technology for the end-consumer – just switch and connect, as simple as that. And we believe we're the company to deliver this vision. To do this we'll work closely with our distribution network and service partners building world-class partnerships focused on the end-consumer, we'll listen to the market and constantly drive innovation and we'll stay true to our beliefs of quality, assurance, security and cost-effectiveness.





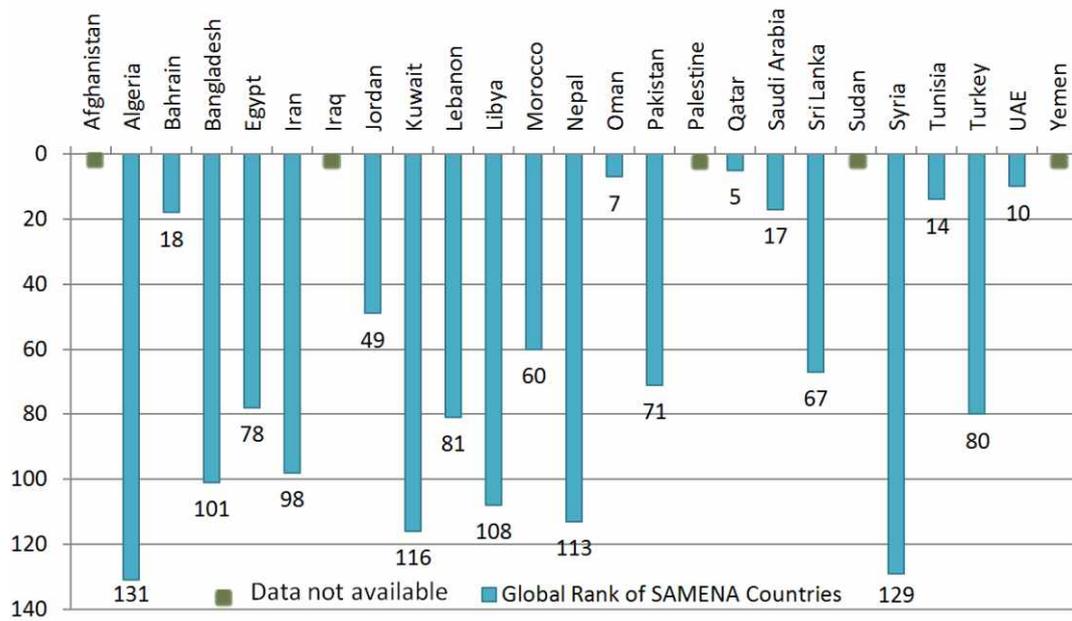
Burden of Government Regulation (SAMENA's Ranking)



Research Note: Ranking done by SAMENA based on data from The World Economic Forum. Within the SAMENA region, the Qatar government appears to have the highest priority to burden on Government Regulations. Oman is at number 2 among the top 5 regional markets, while there is no country from South Asia among the top 5 in terms of “Burden of Government Regulations”. Countries at number 3, 4, and 5 are UAE, Tunisia, and Saudi Arabia for it is evident from the recent developments in these markets, and the overall infrastructure in these markets.

Data Source: The Global Information Technology Report 2009-2010 by World Economic Forum & INSEAD
 Image Source: SAMENA

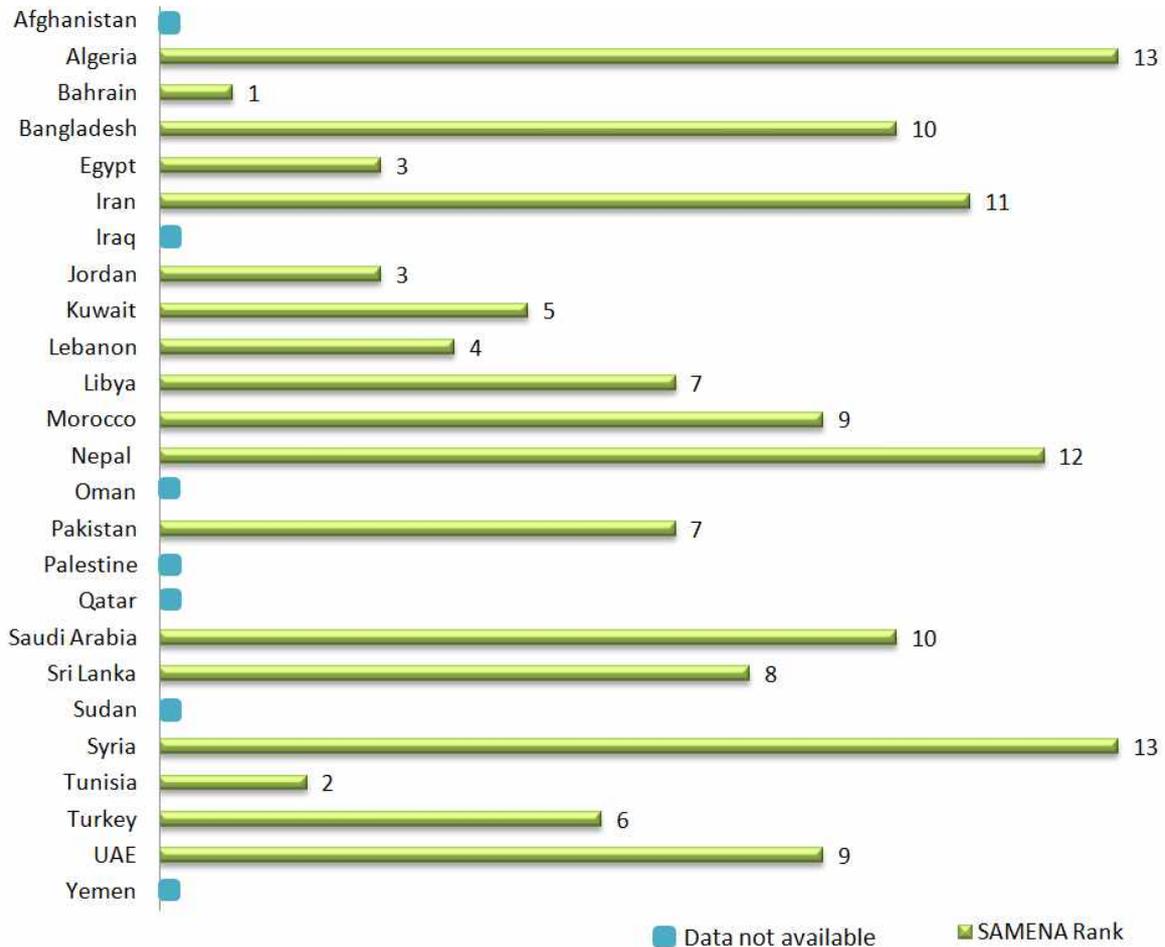
Global Rank of SAMENA Countries



Data Source: The Global Information Technology Report 20092010 by World Economic Forum & INSEAD

Image Source: SAMENA

E-Participation (SAMENA Rank)



Research Note: Ranking done by SAMENA based on the data from The World Economic Forum. Bahrain, Tunisia, Egypt, Lebanon and Kuwait are among top five countries in terms of E-Participation. Bahrain is leading the region while Algeria has the lowest ranking in terms of E-Participation. In the top 5 list, there is no country from among the five South Asian countries.

Image Source: SAMENA Telecommunications Council

Data Source: The Global Information Technology Report 2010-2011 by World Economic Forum & INSEAD

E-Participation (Global Rank of SAMENA Countries)

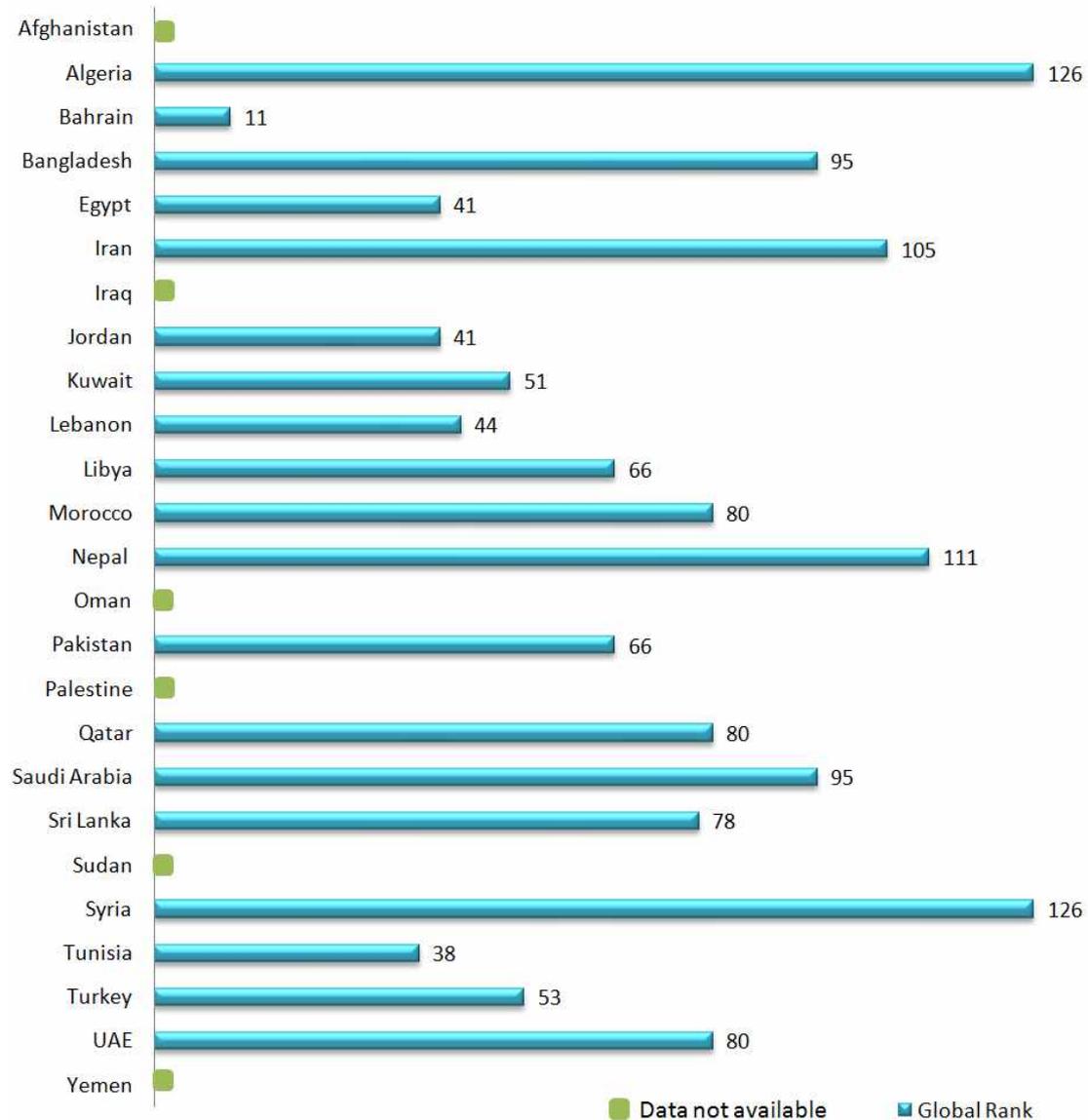
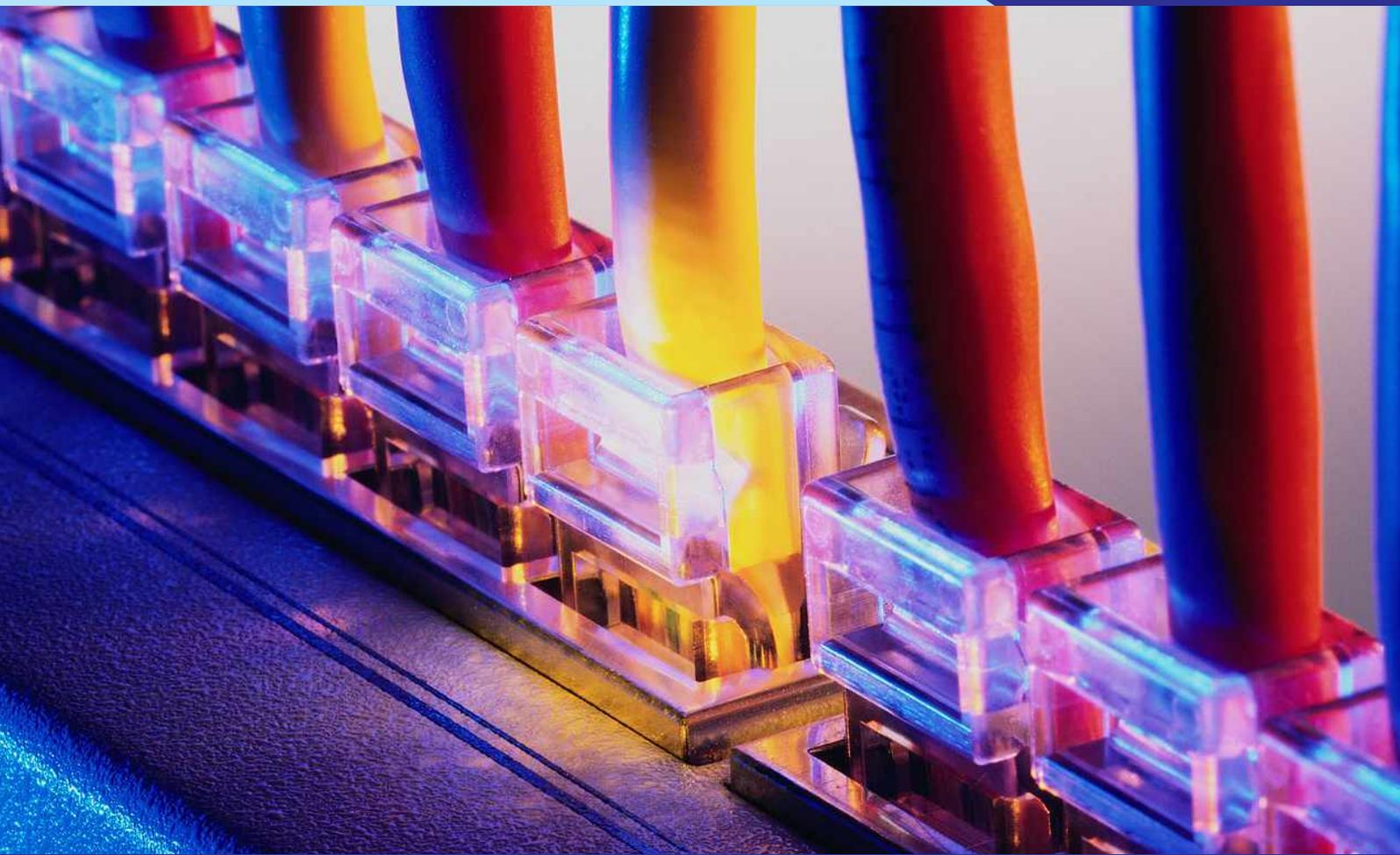


Image Source: SAMENA Telecommunications Council

Data Source: The Global Information Technology Report 2010-2011 by World Economic Forum & INSEAD



REGULATORY NEWS

Guyana Prepares for New Telecoms Law

The Guyanese Government has drafted a new telecoms law that will open up the market and create a new regulatory body. The Telecommunications Amendment Bill 2011 has been tabled for debate before the parliament goes into recess in the run up to the general election. Once it comes into effect, licences held by the incumbent Guyana Telephone and Telegraph Company (GT&T), Digicel and four internet service providers (ISPs) will be renewed. The minister for telecommunications will temporarily hold regulatory authority whilst a new watchdog, dubbed the Telecommunication Agency, is set up incorporating the existing National Frequency Managing Unit (NFMU). The new body will then manage the distribution of mobile, fixed, ISP and broadband wireless access (BWA) licences to incoming telcos. It will also establish a universal fund, into which all providers will have to pay a proportion of their revenues, which will then be used to ensure access to telecoms services in underserved areas. As well as ending GT&T's monopoly, the bill lays out a framework for preventing market dominance by strictly enforcing equitable interconnection rates.

Nigeria Telecom Regulator Warns Over SIMs

Nigeria's telecommunications regulator has warned subscribers and telecom operators over the sale of "pre-registered" SIMs, saying it could begin to crackdown on both users and operators over the illegal sales. The Nigerian Communications Commission (NCC) Media Relations Chief Reuben Muoka said that any act of selling pre-registered SIMs to Nigerian citizens is a violation of phone subscriber registration. Nigerians often prefer the pre-registered route because that means they do not have to pay activation fees or be forced to have their identities known by the telecom operator. However, Muoka said that those caught selling the SIMs would be "liable for conviction or a fine, imprisonment or both, to be in line with the Nigerian Communications Act 2003." He added that the NCC would also hold network service providers liable when such cards are found to be in use as they are "expected to ensure that New SIM Cards are not pre-registered before they are sold to members of the public through their various channels." "Members of the public are advised to go to their operators to register their New SIM cards. Do not be tempted to buy pre-registered New SIM card when the registration is free," he said.

Nepal Telecom Says No to ADB Subsidy

Nepal Telecom has proposed the government to let it construct broadband infrastructure itself, according to Nepal Telecommunications Authority. An ICT project is running with the subsidy from Asian Development Bank (ADB) and the project has earmarked \$6 million to expand broadband infrastructure but Nepal Telecom has asked the government to shift the subsidy amount into another heading paving the way for it to expand broadband infrastructure itself, according to NTA chairman Bhesh Raj Kanel. Asian Development Bank (ADB) has granted the subsidy worth \$6 million to construct wireless broadband — to make broadband service available to the grassroots level — into the rural villages under its Information and Communication Technology (ICT) project that has aimed at promoting e-governance. Under the project, at least one wireless broadband internet line along with Voice over Internet Protocol (VoIP) service will be installed in each village development committee (VDC) of each of the selected districts, Kanel said, adding that the steering committee of the project at the Prime Minister Office will take the decision in its another meeting. Nepal Telecom has put the pressure on the committee to shift the subsidy of wireless broadband service to another heading, a source at the ministry said, without elaborating on what kind of pressure it has created.

MNP Rollout in Afghanistan Slated for Next Year

The issue of a tender for augmenting mobile number portability (MNP), slated for mid next year has been announced by Afghanistan's Telecom Regulatory Authority (ATRA). The ATRA is known to be on the lookout for an international expert advisor who would provide technical assistance in formulating the MNP approach by way of which a request for proposals (RFP) will be issued for a systems house, eventually to implement and operate a MNP third party service; come, middle of next year. Amirzai Sangin, the Afghan minister of communications had stated that the country would usher in mobile number portability in a bid to foster competition in the mobile market amongst the five mobile service networks across the country. According to Sangin, the growth and vitality of the telecommunications sector in Afghanistan was one of the most remarkable success stories of the recent past. Since 2003, when the first two licenses were issued for GSM mobile services, mobile telephone subscribers had increased from zero to 17 million subscribers. More than US\$1.6 billion had been invested in modern infrastructure, with services crossing over 80% of the population and sustaining over 100,000 jobs across the nation.

PTA Seizes Three Illegal VoIP Gateways

Pakistan Telecommunication Authority (PTA) along with Federal Investigation agency (FIA) has conducted a successful raid in Multan and seized three illegal VoIP Gateways. This successful raid, which was made possible because of continuous monitoring, shows the commitment and persistent efforts; PTA is putting in curbing the menace of grey traffic. The confiscated illegal setup consists of gateways, Tellulars, Switches, Routers and number of SIMs of different operators. Moreover, the campaign against illegal telephony resulted in blocking of more than 60,000 mobile SIMs along with IMEIs. It may be added that PTA with the state of the art monitoring facility is observing the international traffic coming in to the country, round the clock. The aim of monitoring is to identify the illegal gateway exchanges and track the elements operating them.

UAE TRA Grants Al Maisan a Satellite Transmission Services license

The UAE Telecommunications Regulatory Authority (TRA) has awarded Al Maisan Satellite Communications Company (YahLive) a ten-year satellite services license for Broadcasting Satellite Transmission. This license enables YahLive to transmit direct-to-home satellite television services from the UAE. YahLive's services will be available throughout the Middle East, North Africa, Southwest Asia and Europe. YahLive's dedicated European coverage will provide regional and local channels to Arab Audiences in Europe. The signing ceremony was held in TRA's head office in Abu Dhabi. Commenting on the signing of the agreement, H.E. Mohamed Nasser Al Ghanim, TRA Director General said: "The UAE telecommunications sector continues its achievements in this field, as this is the second license granted within less than one month. We aim through granting such licenses to promote fair competition between operators and other companies working in the ICT sector, because we firmly believe that this competition will enable us to optimize the services in the UAE market."

Bahrain Presents Price Benchmark for Telecom Services

According to industry reports, Bahrain's Telecoms Regulatory Authority (TRA) has presented at the eighth annual meeting of the Arab Regulators' Network for Telecoms its fourth price benchmark study for telecom services in the Arab region. The benchmarking study, which is done by comparing the Arab region with the Organisation for Economic Co-operation and Development (OECD) countries, concluded that although prices have dropped in the Arab countries in 2010, there is still room for more improvements to close the price gap in comparison with those of the OECD countries.



A SNAPSHOT OF REGULATORY ACTIVITIES IN SAMENA REGION

With the ever growing internet applications, the demand for high speed broadband is increasing many folds. The conventional copper access networks having obvious limitations are unable to meet the increasing demand of very high speed broadband. Globally the Access Network Providers are replacing the existing copper in the local loop with fiber optics. To avoid the mushroom laying of optical fiber, regulatory guidance is most imperative, because without this regulatory intervention no access provider will like to cover the thinly populated areas and would like to serve the metropolis only. This is a natural phenomenon as the return on the capital investment will be meager. On the other hand over provisioning due to network duplication will occur, where the capital cost is less. Apart from these issues the restricted features of the network will obstruct the materialization of competition. As a result to encourage the goal of wider network deployment and to enhance competition many countries started implementing FTTH policies. To stimulate the economic activities the administrations have started giving due importance to the infrastructures for the whole economy. The approach adopted by the developed countries to attain an efficient fiber access network with wider coverage was to build infrastructures, finance infrastructures and share infrastructures. The network economists recommend the need for market regulation by a disaggregated approach. It advocates that regulation is only suitable in the case of a monopolistic blockage, i.e. infrastructures which are not contested by actual or probable competition. This entails that regulatory intervention should be strenuous on the infrastructure layer.

Country-wise Regulatory Activities

Afghanistan

Afghan Telecom regulator announced its plans to issue a tender for a single 3G license. Bidding for the license, which will permit use of spectrum in the 2100 MHz band, begins on August 1, 2011 and will close on October 1, 2011. Regulator hopes to announce the winner the following month. Whilst there is only one new license up for grabs, the four existing GSM providers will have the opportunity to upgrade their licenses by matching the winning bid, meaning a possible five 3G license holders by 2012. At least one telco will be upgrading its license. In April 2011 local provider Roshan showed its intention to launch 3G services in near future. The regulator also issued a tender for augmenting mobile number portability (MNP), scheduled for mid next year and is known to be on the lookout for an international expert advisor who would provide technical assistance in formulating the MNP approach by way of which a request for proposals (RFP) will be issued for a systems house, eventually to implement and operate a MNP third party service.

Algeria

Due to sector friendly regulations Algeria has witnessed stable development in its fixed-line market, but some slide has emerged in recent two years while the mobile market has showed favorable development. By 2010, the mobile subscribers have exceeded 30 million, with a penetration rate of about 90%.

Bahrain

The Regulator released its first mobile quality of service (QoS) report for the Kingdom. The audit identified that all three mobile operator, Batelco, Viva and Zain were achieving good performances compared with benchmarked mobile operators in other markets including UAE, France and Germany. The evaluation included the voice, SMS & MMS, e-Mail and data services over computer and smartphone; and was performed with a method designed to gather a faithful qualitative record of the end user's point of view. The regulator launched the much anticipated Number Portability service from July 17, 2011 for mobile telephony (and for fixed telephony it will start from October 4, 2011). At the 8th annual meeting of the Arab Regulators' network for Telecommunications, Bahraini Regulator presented the 4th price benchmark study for telecommunications services in the Arab Region. The benchmarking study was done by comparing the Arab Region with the OECD countries. The study was concluded on the fact that although prices have dropped in the Arab countries last year, there is still room for more improvements to close the price gap in comparison with those of the OECD countries.

Bangladesh

The Telecom regulator approved fixed-wireless operator RanksTel to resume commercial operations after a 16-month shutdown. The regulator restored RanksTel's license and spectrum, after the operator withdrew the case it had filed against the government following its shutdown for alleged involvement in illegal VoIP call termination. RanksTel also refunded some outstanding shared revenue fees and annual spectrum/utilization charges. But unpaid interconnection charges with the country's mobile operators would be refunded after operations resume. The regulator also plans to return licenses to four other fixed-wireless telcos – Dhaka Phone, National Phone, PeoplesTel and WorldTel, after they meet the conditions. The licenses of the five PSTN service providers were cancelled in March last year due to allegations of illegal call termination activities. The Regulator also reduced the Leased Internet Access Tariff. The monthly rental bandwidth price for leased internet access through submarine cable will be maximum Tk 10,000 per Mbps (for duplex channel, under any slab structure).

Egypt

According to figures officially released by the regulator the number of mobile phone subscriptions in Egypt rose 27% year-on-year to 74.58 million in April. In April 2010, Egypt's three mobile operators, Etisalat Egypt, MobiNil and Vodafone's Egyptian unit, had 58.67 million subscriptions. Egyptian fixed line incumbent Telecom Egypt (TE) has reported that between January 1, 2011 and May 31, 2011 it lost some EGP85.56 million (US\$14.36 million) stemming from network related damages and thefts that occurred in the wake of the country's civil unrest at the start of the year. The telco said that losses relating to fixed assets stood at EGP62.76 million in the first quarter of the year, representing 0.45% of total net fixed assets at end-March 2011, while from April 1 to May 31 copper and fiber-optic cable losses due to theft or damage totaled EGP22.81 million.

Iran

Iranian government said that Iran has taken the necessary technical measures to prevent the "Internet in a suitcase" plan. The New York Times reported on June 12 that the U.S. administration is leading a global effort to deploy "shadow" Internet and mobile phone systems that dissidents can use to undermine governments that seek to silence them by censoring or shutting down telecommunications networks. The effort includes secretive projects to create independent cellphone networks inside foreign countries, as well as one operation out of a spy novel in a fifth-floor shop on L Street in Washington, where a group of young entrepreneurs who look as if they could be in a garage band are fitting deceptively innocent-looking hardware into a prototype

"Internet in a suitcase." Financed with a US\$2 million State Department grant, the suitcase could be secreted across a border and quickly set up to allow wireless communication over a wide area with a link to the global Internet

Iraq

The regulator imposed a fine of US\$262 million on Zain Iraq for releasing unlicensed mobile phone lines. The fine is awaiting final approval from a parliamentary committee launched on July 9 to look into the issue. Head of the board of trustees in the commission told that Zain has released 5 million unlicensed mobile phone lines: "Therefore, the commission has imposed a US\$262 million fine. The commission is awaiting results of the parliamentary investigation into the issue to put the fine into implementation." The company was launched in 2007 and rushed to get its SIM cards out to the people without authorization, to compete with the two main operators - Asia Cell and Korek Telecom - both owned by Kurdish businessmen in Iraq. The authorities fear the unlicensed SIM cards could be used by insurgent groups for communication and for detonation of explosive devices.

Jordan

The Regulator during the reporting month issued a public consultation for the stake holders on Instructions on Accounting Separation in Telecommunication Sector. Deadline for submission is August 14, 2011.

Kuwait

Following the intervention of the Ministry of Communications (MoC) four leading Kuwaiti internet service providers (ISPs) have agreed to lower their charges by 15% to 25%. The agreement which was signed by FASTelco, Qualitynet, Gulfnet Communications and Zajil Telecom (KEMS) will come into effect from July 22. Also under discussion was a 'fair usage' policy that had been mooted by the respective telecoms operators. A stipulation on download limits was suggested by the ISPs as a partial compromise, but the MoC rejected the idea after coming under mounting political pressure. The Ministry of Communications the main provider of internet services to these companies knows how the companies exploit the situation to monopolize the service, yet it has not taken any measure in this regard. The MoC acts as both Kuwait's telecoms regulator and its sole fixed line telephony operator. In November 2010 the MoC announced that it intended to establish an independent telecoms regulator as part of its ongoing intention to privatize the country's fixed line telephony market. No date was given for the introduction of a separate regulator, but the MoC claimed that no further ISP licenses would be issued in the interim period.

Lebanon

The Cellular Competition Intensity Index for 2011 ranked Lebanon in 19th place among 19 countries in the Arab world, unchanged from 2010 but down from 15th place in 2007 and 11th place in 2006. The index rates the intensity level of competition in the region's cellular markets by comparing the state of every market relative to the other markets. The index, designed by the Arab Advisors Group, takes into account nine categories, with each category assigned with a weight based on its importance as an indicator of competitive behavior. The categories include the number of licensed and expected operators in 2011, the number of working operators, the market share of the largest operator, the number of pre-paid plans, the number of post-paid plans, the availability of smart phone plans, the availability of corporate offers, the availability of 3G services, and the availability of international long distance competition. The index added the availability of smart phones packages to the 2011 index, in line with the increased adoption of mobile broadband and smart phone usage in the MENA region, which contributes to overall market competitiveness. Lebanon received a score of 33.80%, way below the regional average of 58.14%, but up from 31.2% in 2010. The Regulator hosted the 8th Arab Regulators Network of Telecommunications and Information Technologies (AREGNET) Plenary meeting that entailed the Presidency handover from the National Communications Authority in Sudan to the TRA of Lebanon. The AREGNET is an independent organization that was founded in 2003 and is composed of 21 members. AREGNET aims at offering a platform where members can exchange ideas and experiences, coordinate in view of accomplishing the homogeneity in the practice of regulations and encourage the modernization of telecommunications networks and services. The AREGNET annual plenary meeting is an opportunity for members to review the Network's commitments and update their expertise vis-à-vis future challenges. The Plenary meeting was attended by the Authority heads and officials from 21 Arab countries.

Morocco

During the reporting month the government of Morocco returned to the previously shelved idea of selling part of its 30% stake in Maroc Telecom, to help fund a raft of public spending introduced to appease popular protests calling for reforms. The Kingdom of Morocco retains a 30% stake in Maroc Telecom, which is 53%-owned by France's Vivendi Universal; 17% of the telco is publicly floated. In October 2010 the government reportedly scrapped plans to sell an 8% stake in Maroc Telecom this year, as it had opted for alternative methods to plug its budget deficit, including bond sales. An 8% slice of the incumbent PSTN operator is worth MAD10.1 billion (US\$1.3 billion). The government has proposed a multibillion-dollar package including raising public sector wages to appease protestors and avoid risking an escalation into revolt as seen in other Arab countries. It has already begun raising additional funds via selling off state assets in sectors including banking.

Nepal

The Regulator is preparing to take action against thirty ISPs as they continue to fail to provide detailed reports to the regulator. The regulator had asked all internet service providers to provide it with their total number of subscribers, areas where services have been expanded, and type of services they are providing. Only eighteen out of 48 ISPs responded to the NTA's request. The regulator publishes a report on the telecommunications sector every month but has had difficulty providing an accurate report on the internet sector. The latest report puts the number of internet users in Nepal at 2.86 million, of which around 2.58 million use GPRS to access the internet. Internet penetration stands at 10.03%. NTA officials suspect that ISPs refuse to provide customer numbers out of fear that prospective customers will choose a company with the largest subscriber base. The Nepalese Parliament has called on the telecom regulator to explain the irregularities in the award of telecom licenses. The Public Accounts Committee says that awarding so-called Limited Mobility licenses with a roaming facility between the coverage areas enables the license holders to offer a service that is comparable to a full mobile network, but at a fraction of the license cost. "The regulator has granted the license of limited mobility to UTL with roaming facility which is not different than granting the license of mobile service," another committee member said, adding that the government lost revenue worth Rs 210 million due to its decision of granting limited mobility license. The subcommittee has directed regulator to explain its decisions to the politicians.

Oman

During the reporting month regulator approved a pilot project to connect households in Ma'bailah North and Ma'bailah South to a fiber-to-the-home (FTTH) network. The aim of the nine-month project is to test the technical feasibility of the fiber-optic infrastructure where the government has already allocated a budget for building a FTTH network as part of Muscat Wastewater Project implemented by Haya Water Company. The project will be rolled out by fixed line incumbent Omantel and second national operator Nawras, which will select users in a maximum of 400 buildings in the two regions. The selected users will be supplied with free high speed internet over the FTTH network during the trial period to test the service and ensure its stability. Omantel has already deployed FTTH infrastructure in partnership with Chinese vendor Huawei. The operator's fibred network was launched in March 2010 in newly developed residential areas of Muscat, providing broadband internet at download speeds of up to 80Mbps and also supporting services such as triple-play, video on demand (VoD) and high definition (HD) television. According to statistics issued by the Economy Ministry, subscribers of fixed-phone services in the country fell 2.2% to 275,520 at the end of April 2011, from 281,755 in the corresponding period of 2010. The total number of subscribers of billed and pre-paid mobile service provided by Oman Mobile and Nawras also declined by 2.7% to 4,482,817 from 4,606,133 recorded at the end of 2010, the figures showed.

Pakistan

While the telecom sector is trying to form a single International Clearing House (ICH) primarily aimed at curbing gray traffic, the Ministry of Interior has come down hard on parallel private telephone exchanges by recommending to enhance the sentence for violators from three to seven years and fine of Rs10 million to Rs50 million besides making it a non-bailable offence. In order to encourage the people by offering incentives, it was also decided in the meeting that Rs20 million cash reward will be given to anyone who will point out the gray traffic to the authorities and 10% of the recovered money will also be given to the informer. The Islamabad High Court has reportedly dismissed petitions and appeals lodged by a number of Pakistan's domestic and international long-distance (DLD and ILD) operators related to the issue of payments under the Access Promotion Contribution (APC) scheme for the country's Universal Service Fund. With the case against the regulator and the government now concluded, the regulator has said that any outstanding payments are now due, and it has issued orders for the recovery of these sums. Telcos had challenged the constitutionality and legality of the APC regime, as well as enforcement orders previously issued by the regulator, arguing that it had not been implemented with the correct legal authority. Meanwhile, the regulator has also confirmed that it had suspended the licenses of fixed line operators WorldCall, Multinet, Red Tone, Wisecom and 4B Gentle with immediate effect, despite such suspensions having earlier been stayed by the courts. In recognition of his significant contributions for the proliferation of Information Communication Technologies (ICTs) in the country, the head of the regulatory body Dr. Mohammed Yaseen has been awarded the Best Regulatory Leadership Award 2011 by Monthly "Teletimes". Lately he received award of excellence for ICT Development in Pakistan by NetSol Technologies. He was also recognized as Best Telecom Regulatory Leader of the Year 2010 by South Asian, Middle Eastern and North African (SAMENA) Telecommunication Council. The Pakistan government has revealed plans to issue the country's first 3G concessions in October 2011, with the state hoping that the sale process will generate as much as US\$1 billion. A committee of the cabinet has agreed in principle to launch 3G services as soon as possible without any conditions. It is expected that the Economic Coordination Committee will, in the first week of August, give the go-ahead for an open auction for the 3G licenses, with the sale itself to be conducted in mid- to late-October. The number of concessions that will be made available will be decided based on how much 3G spectrum is available, with one noting: The regulator will meanwhile advise the Ministry regarding what spectrum is available next month. While it has not yet been confirmed whether the to-be-auctioned 3G licenses will be offered only to existing operators, a regulator authority official did reportedly suggest that this could be the case.

Palestine

During the reporting month the Ministry of Telecom and Information Technology in a bid to provide the best communication services to its citizens in terms of price and comprehensiveness and quality of service, intends to evaluate performance of the mobile network through a consultative body. The Ministry calls for advisory bodies that wish to participate in the evaluation send their proposals to the Ministry not later than August 8, 2011. The Palestine Telecommunications Company (PaTel) announced the financial results for the first half of 2011. Consolidated net operating revenues grew by 11% to reach US\$257 million at the end of the first half of this year compared with US\$231 million at the end of H1-2010, according to a statement. With regard to the operating revenues of each segment, the company achieved a growth in its mobile, fixed line and data revenues by 13.5%, 3.4% and 67.2% respectively. The consolidated operating income for the company reached US\$ 91 million by the end of H1-2011 compared with US\$78 million by the end of H1-2010, a growth of 16.3%, according to the statement.

Qatar

The regulator presented a new strategy document entitled 'Qatar's National ICT Plan 2015: Advancing the Digital Agenda'. The document presents Qatar's plans to invest US\$550 million to accelerate the nationwide rollout of fiber-to-the-home (FTTH) broadband network infrastructure that will reach at least 95% of households and businesses over the next five years. Elsewhere, regulator has entered into a joint venture with Eutelsat Communications to build and operate a communications satellite set to be launched in 2013, helping to support the National ICT Plan's five strategic thrusts to 'create a sustainable digital future', including: improving connectivity, boosting capacity, fostering economic development, enhancing public service delivery and advancing benefits to society. Reportedly, 89% of households and 85% of individuals owned PCs by the end of 2010, while residential broadband usage jumped from 41% of households in 2008 to 70% in 2010. Qatar National Broadband Network Company (Q.NBN) has recently signed a Heads of Agreement (HoA) with Qatar Telecom (Qtel) to support the government's plan to build a nationwide fiber broadband network. The HoA is the first step to define a framework through which the two organizations can work together to realize Qatar's ultimate goal of bringing very high speed broadband services to 95% of households and 100% of government and businesses in Qatar by 2015. The new fiber network, to be built by Q.NBN Company, will accelerate fiber penetration to homes and businesses in Qatar, thus enabling telecom operators to more quickly bring the next generation of broadband services to consumers in Qatar. Q.NBN is a fully independent company with the government mandate to accelerate the rollout of a nationwide, open, and accessible high-speed broadband Fiber to the Home (FTTH) network.

Saudi Arabia

During the reporting month, the regulator launched seven versions of the new awareness of information security aimed at users of telecommunications services and information technology. New versions addressed the topic of information security comprehensively; reviewed through a number of important issues in this respect; as handle no wired network security, and ways to protect email, how to protect privacy in the digital world, as well as to address the subject of spam (SPAM) through the review of the month and protection methods. New publications are also discussed the topic of young people and to protect children from the dangers of the Internet, browsed in this context a number of tips to protect your computer from online risks, personal as well as to address the phenomenon of phishing e-mail through the definition, and identify potential damage with aspects of prevention. These versions come as one of the functions of body awareness to users in Saudi Arabia with everything surrounding the telecommunications and information technology concepts, behaviors, and practices be publicized, and addressed to promote the concept of safe techniques for communication and information technology. The Saudi Telecom Company (STC) has reported a net profit of SAR2.26 billion (US\$601.5 million) for the three months ending June 30, 2011, up 9% from the figure of SAR2.06 billion generated during the same period one year earlier. Officials from three mobile network companies in the Kingdom Saudi Telecom Company (STC), Etihad Etisalat (Mobily) and Zain Saudi signed an agreement to enable their customers to switch their telephone numbers from one company to another. Governor of the Commission attended the signing of the agreement at the CITC headquarters. Stipulations incorporated in the agreement to enable the simplification of the number transfer, a process known as porting, include that a disconnection of the transferred number should be temporary. No application for transfer should be rejected except on valid reasons such as the nonpayment of the required fee. A number cannot be ported within two months after it is issued. This move makes Saudi Arabia the only country in the Middle East, North Africa and other Muslim countries where porting is available.

Sri Lanka

During the reporting month as per data released by the Central Bank, Sri Lanka's mobile users grew 18.5% in the first quarter of 2011 to 17.8 million, a slower pace than in previous years, but there was strong growth in internet users. Sri Lanka has had mobile user growths in excess of 30% for several years but the country only has a population of 20 million. Fixed access users grew 3.7 percent in the first quarter to 3.59 million with wire lines users also growing at the same pace to 907,887. Sri Lanka's shrinking wire line sector received a boost after Sri Lanka Telecom, the sole wire line operator started to aggressively promote broadband use. A category called 'internet and email' users which the central bank said included mobile broadband connection showed an explosive 169% growth in the first quarter from a year earlier.

Sudan

Zain Sudan is in talks with South Sudan to acquire a mobile license to operate in the newly independent country. Then known as Sudan Mobile Telecom Company (Mobitel), Zain Sudan was awarded a 15-year license from Khartoum in 1996 and went on to launch services in February the following year. After receiving permission from the Ministry of Telecommunications in 2007, Zain began operating in the region in April 2008 in competition with established operator Gemtel. Zain will continue to operate in the South as usual until a new license is agreed, and the firm will split its Sudan operations after the South obtains an international dialing code. Zain is gearing up to expand 3G services in South Sudan, investing nearly US\$110million in fiber and its core network in 2011, while it has invested US\$1.2 billion in the past three years in Sudan as a whole.

Tunisia

During the reporting month, Tunisia and France signed a co-operation agreement for the implementation of the French "Passport for Digital Economy" program in Tunisia, as well as "a joint declaration on co-operation in the free-software field." The convention and the joint declaration were signed, during a meeting held in Tunis between Secretary of State in charge of Technology Adel Gaâloul and French Industry, Energy and Digital Economy Minister Eric Besson. The "Passport for Digital Economy" program, launched in 2006, comprises introduction of the information and communication technologies (ICTs) in the small- and medium-sized enterprises (SMEs). France allocated some 300,000 euros to fund this program in Tunisia. By virtue of the "Joint Declaration," assistance will be provided to the Tunisian Association of Professionals in the Free Software field and the French Federation of Industry and Free Software, for holding joint events, supporting and training skills, as well as exchanging expertise and experiences and achieving joint projects in this area. The French Minister said that the digital economy offers Tunisia the opportunity to integrate the higher-education graduates into the labor market, and especially in the country's inlands, pointing out that Tunisia possesses valuable skills and human resources that entitle it to become a "digital economy hub in the Euro-Mediterranean zone." In turn, Mr. Adel Gaâloul underlined that the Tunisian approach to the ICTs sector rests on modernization of basic infrastructure, the promotion of business climate and development of the information systems and ICT-based administrative services.

Turkey

Turk Telekom has reported revenues of TRY5.85 billion (US\$3.5 billion) for the six months ended June 30, 2011, up from the corresponding figure of TRY5.25 billion a year earlier. Operating profit for the first half of 2011 increased from TRY1.50 billion to TRY1.74 billion year-on-year, while Turk Telekom reported net income of TRY1.12 billion in 1H11, down from TRY1.15 in the year-ago period. Fixed line revenues continue to account for the lion's share of Turk

Telekom's sales, despite slipping slightly to TRY2.10 billion year-on-year. During 1H11 ADSL and GSM revenues increased in tandem, to TRY1.46 billion. In operational terms, Turk Telekom's broadband customer base rose to 6.7 million by July 1, 2011, whilst fixed PSTN lines fell to 15.6 million, down from 16.3 million at end-June 2010. Turk Telekom's mobile unit Avea saw its subscriber base grow from 11.5 million to 12.2 million year-on-year; of these, 6.9 million customers were on pre-paid plans, with the remaining 5.4 million subscribers signed up to post-paid contracts. Turkcell reported that its second-quarter Group revenues rose by 1.7% to TRY2.28 billion (US\$1.34 billion), although the company recorded a net loss of TRY21.4 million (US\$12.6 million) compared to TRY422.3 million a year ago. The drop was put down to one-off items below the EBITDA line, mostly stemming from the impact of the non-cash devaluation in Belarus, as well as a provision regarding the Competition Board fine. Excluding all one-off items below the EBITDA line, Group net income would have been TRY472.4 million. Compared to the previous quarter, consolidated revenues rose by 7.6%. This was mainly due to the 6.9% rise in mobile voice and other revenues resulting from seasonally higher usage of the growing subscriber base in Turkey as well as from the 9.0% rise in mobile internet and services revenues.

United Arab Emirates

The regulator launched the Next Generation Network (NGN) Industry Forum in order to accelerate the transition of the telecommunications sector in the UAE to NGN. Commenting on the importance of the transition to NGN and the launch of the Industry Forum, the General Director of the Authority told that technical evolution in the last few years has brought drastic changes to the telecommunications industry throughout the world, which in turn has led predominantly towards IP-based NGNs. The convergences of telephony, data, and internet technologies have provided the licensees with the ability to offer their customers many new services. As a result of the transition to NGN, certain countries, regulators have established expert groups to discuss and analyze issues relating to NGN implementation; hence in UAE NGN Industry Forum is being launched. The regulator's intention is to play a vital role in promoting the migration to NGN and IMS infrastructure, and established the industry forum to discuss and analyze issues pertaining to NGN interconnection, interoperability and other issues related to NGN Transition with the purpose of creating an improved framework for the industry and ensuring that it is in accordance with the Telecom Law Article 13. The NGN Industry Forum will act as an awareness tool for the licensees regarding the importance of addressing the regulatory framework of the TRA when it comes to NGN deployment. It will aim at accelerating NGN migration in the UAE which will promote broadband penetration and will be used to set proof of concept trials on IP interconnection and the adoption of technical standards. Licensees can use the forum to highlight their concerns and recommendations regarding NGN deployments, while the TRA may use this

forum to address specific issues related to broadband, Bitstream, QoS, etc. which are related to NGN infrastructure. The regulator participated in the 8th Annual Meeting of the General Assembly of Arab ICT Regulators Network (ARGNET) hosted by the Republic of Lebanon through its Telecommunications Regulatory Authority and the General Secretariat of the Arab Network for ICT, in Beirut from July 6-7, 2011. Commenting on the UAE participation, TRA Director General said that our involvement in this meeting and in other similar meetings with the Arab countries is in accordance with one of the main strategies of the TRA, which is to promote the Arab collective work in the ICT field, providing the highest level of services to the people in Arab countries. The 8th Annual Meeting of ARGNET discussed several topics including the evaluation of on-going projects which were assigned to a few Arab administrations by the latest Arab Network meeting. Also the telecom regulator announced that the country's two telecoms operators, Etisalat and du, have launched fixed line network sharing on a trial basis, with a view to making the service available across the UAE by the end of the year. The soft-launch of bitstream access is being carried out with a select group of users and will give business and residential customers the choice of operator for their fixed line voice and broadband services for the first time. The trial is the final stage of testing designed to assess all aspects of the service, including the customer interface and inter-operator systems, the order and provisioning process, and the technical capabilities, as well as assessing the customer experience.

Regulations in the Era of Convergence

Convergence is taking place at each level in the value chain: Service, Network, and Terminals. Convergence has been defined as “The collapse of disparate technology, equipment and services into a set of common and ubiquitous technology, equipment and services”,¹ referred to sometimes as “triple play”. In telecommunications, the triple play service is a marketing term for the provisioning of the three services; high-speed Internet, television (Video on Demand or regular broadcasts) and telephone service over a single broadband connection. There are various types of converged applications, such as Voice over IP, which makes very low and flat rate calling plans possible, Television over IP, which provides much more flexible access and Radio over IP, which enable users to listen in real time or on demand.

Convergence is being applied to many fields, such as commerce, education, health, publishing, and manufacturing, etc. It has changed many aspects of our daily life: the way we communicate, the way we access content and entertainment, the way we make our purchases.

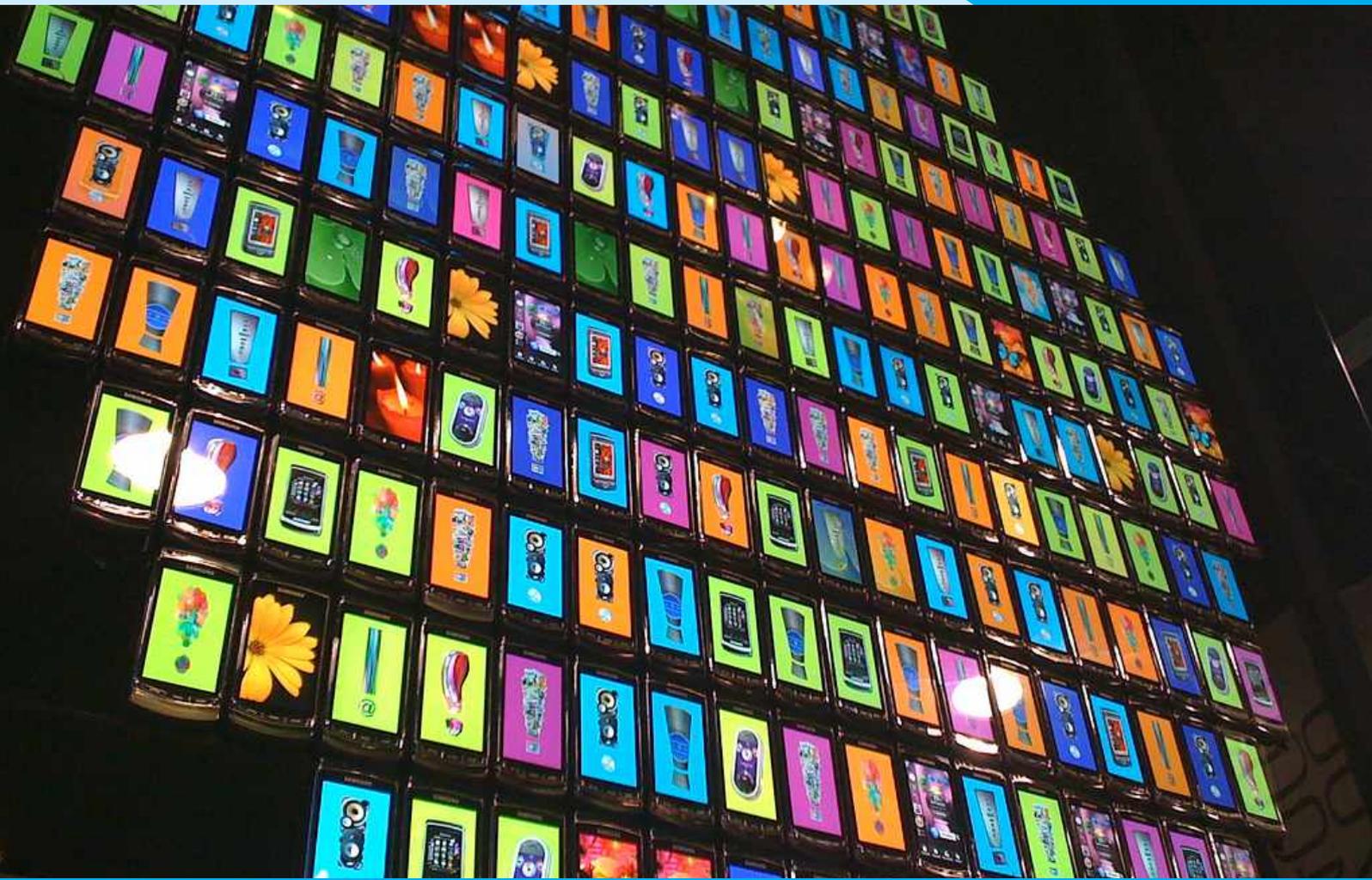
Although the SAMENA region have got a number of opportunities for convergence in the areas of infrastructure, technology, or services provision, the success of those ventures would depend on the availability of a number of critical policies and regulations success factors in the environment where those ventures will be established. The

regulation of converged services becomes even more difficult in emerging countries where situation is most of the time a “duopoly” situation. Such focus is bringing top-telecom operators investing in the deployment of platforms known as “Converged Triple Play Platforms” giving end users the possibility to benefit a bundled service while dealing for all services with one Customer-Operator-Organization instead of dealing with two or three different, going along with a cost reduction compared to fees paid by the end-user for services provided by separate service providers.

Governments on the other hand should ensure the necessary enabling environment to support ICT sectors. Conducive laws and regulations should address issues such as intellectual property, content, data protection, security, and cyber-crimes. Transformation towards convergence is marked by certain characteristics, which create an urgent need for adapting our regulatory framework. Regulatory responsibilities have to be clearly defined. Different regulatory frameworks of competition, interconnection, consumer protection should take into consideration existing operators' situation.

George Victor Salama
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¹ Internet industry association (IIA) Convergence Virtual Taskforce



TOP TECHNOLOGY UPDATES

MediaTek to Trial 4G LTE TDD Phone in China

MediaTek has developed a handset for use on China's upcoming fourth-generation (4G) mobile technology known as LTE TDD. MediaTek claims it to be the first LTE TDD phone. But because China's 4G networks are still undergoing trials, the device has yet to enter mass production. LTE TDD (Long-Term Evolution Time-Division Duplex), also known as TD-LTE in China, is one of Two LTE variants that provide higher data speeds than current third-generation (3G) networks. China has been the major supporter behind the technology and began large-scale trials using LTE TDD networks earlier this year. The trials, which are occurring in six Chinese cities, are projected to last until 2012 and will test how the LTE TDD networks can be used commercially. The other LTE variant, known as LTE FDD (frequency division duplex), is largely being used by telecommunication companies in North America and Europe.

Asia-Pacific will be LTE World Leader

The Asia-Pacific region will have the most LTE subscribers in the world by the end of 2014, according to a recent report from Pyramid Research. The biggest LTE markets in the region will be Japan and China by the end of 2014, China will overtake Japan as the country with the most LTE subscribers; two years later China will have nearly double the amount of subscribers in Japan, according to Pyramid and by the end of 2016, Pyramid estimates that there will be 238.1 million LTE subscribers in the Asia/Pacific, which will account for 5.8 percent of the region's total mobile subscriptions. South Korea, India and Indonesia will be the next-biggest LTE markets in the region after China and Japan. India will have 17.3 million LTE subscribers by the end of 2016.

Ascom, Sequans Sign LTE Agreement

Ascom Network Testing and Sequans Communications have signed a licensing agreement that will address their common customers' needs related to LTE technology rollouts. Under the agreement, Ascom will receive licensed access to the Sequans LTE modem interface, enabling Ascom to develop support for the Sequans modem within the TEMS Portfolio. The agreement includes updates and technical support for the interfaces, as well as for further collaborative projects as LTE and other advanced wireless technologies evolve. TEMS products resulting from the partnership will be used by wireless operators and network service providers to analyse the performance of LTE networks. Operators will be able to further use their investments in TEMS tools to accelerate LTE network trials and rollouts. Both Sequans and Ascom will benefit from expanded market opportunities stemming from LTE network adoption.

Clearwire Set to Introduce LTE Network

US WiMAX operator Clearwire has announced its intention to roll out a new fourth-generation network using Long Term Evolution (LTE) technology. Clearwire has indicated that the robust, all-IP infrastructure already deployed in its WiMAX markets will be leveraged to serve the company's LTE needs, delivering significant capital cost savings, comparable to similar overlays carried out by operators using existing 3G architecture. Further, Clearwire has confirmed that the network will be 'LTE-Advanced'. Clearwire's LTE implementation plan, which is subject to additional funding, is likely to involve the deployment of Time Division Duplex (TDD) LTE technology. Clearwire's chairman and interim CEO commented: 'Clearwire plans to raise the bar again for mobile broadband service in the United States.'

One2free Launches First 4G LTE Service in Hong Kong

one2free introduced Hong Kong's first 4G LTE mobile broadband service. "4G LTE/DC-HSPA+ network is the world's first and offers delivers sizzling speeds and an uninterrupted user experience at the speed of Hong Kong life," said CEO of CSL that owns the one2free network. According to the company, with its 4G LTE service, a 10MB file download takes 5 seconds, compared with around 25 seconds when using 3G service while an 8GB HD movie download will take less than an hour rather than around five hours with 3G. One2free is also offering 12 months free 4G LTE mobile broadband to the first 100 customers who sign up for the two-year mobile broadband service plan dubbed Xtreme 1GB that costs HK\$187 per month or 5GB that costs HK\$287 per month. The special launch offer is available only from one2free Mongkok or Causeway Bay stores from 6pm on August 3, the firm added.

Sierra Receives AT&T, Verizon Approval for LTE Modules

Wireless modem manufacturer Sierra Wireless' AirPrime MC7700 embedded wireless module has achieved technical approval for the AT&T LTE network, and its AirPrime MC7750 module has also achieved technical approval for the Verizon Wireless LTE network. Sierra Wireless AirPrime MC77XX Series embedded mobile modules allow OEMs to take utility of the mobile networks, delivering up to 100 Mbps download speeds and 50 Mbps upload speeds and integrated GPS features. The modules are compliant with existing 2G and 3G networks. Sierra Wireless embedded modules support Windows, Linux, and Android OS to enable mobile integration in a range of devices. The AirPrime MC7750 module also supports over-the-air device management (OTA-DM), allowing OEMs to include provisioning, servicing, and customization options.

Optus Launches Commercial 3G Femtocell Service

Australia's Optus has launched femtocell service called Optus 3G Home Zone combined with unlimited call offer. Optus mobile customers who purchase the Optus 3G Home Zone will be able to make unlimited standard national calls from as little as \$5 a month within the Home Zone footprints. The Home Zone device offered by Optus provides dedicated mobile coverage for up to four simultaneous users within a 30-metre radius of the Home Zone unit. The launch of the Optus 3G Home Zone service follows a commercial pilot which commenced in April 2011. With today's launch, Optus is extending the service to all major capital cities as well as large regional centers. Optus mobile customers on plans of \$59 per month or more will be able to purchase the Optus 3G Home Zone service for just \$5 per month over 24 months, while customers on mobile plans of \$49 per month, or less, will pay \$15 per month for the service.

T-Mobile Hungary Deploys HSPA+ at 300 BTS

Magyar Telekom (MTel's) wireless arm T-Mobile Hungary had deployed HSPA+ mobile broadband technology at 300 locations across the country by the end of last month. The upgrade is part of a wider network development programme and will allow users in those areas covered to receive download speeds of up to 21Mbps. Going forward the cellco will continue the phased rollout of HSPA+ with a view to upgrading all base transceiver stations (BTS) on its network. The cellco says the 21Mbps service has now been connected in a number of new areas, including some parts of Kazincbarcika, Nagyszenas, Harkany, Balatonboglar and Tokol. To support its rollout plan T-Mobile is launching a promotional offer from today (1 August) promising super fast mobile internet packages with a 16GB data download cap, dubbed Net&Roll M, priced at HUF6,990 (USD37.4) per month, and a 26GB package, Net&Roll L, costing HUF9,400.

SMART to Launch Rocket HSPA+ Dongle

SMART Communications has expanded its broadband portfolio with the new Smart Bro Rocket, a fast mobile broadband prepaid service running on the operator's nationwide HSPA+ (Evolved High-Speed Packet Access) network. The Rocket delivers speeds of up to 12Mbps and runs on Smart's HSPA+ network which is expanding to cover key areas in Metro Manila and more key cities in the Visayas and Mindanao. The Rocket is the fastest sibling among the Smart Bro Plug-It iterations. The entry-level Starter Kit, which delivers speeds of up to 2Mbps, while running on Smart's nationwide 3G network, was recently launched by Smart at P995. The Power Plug-It, which sports a fresh and more user-friendly interface and can reach speeds of up to 3.6Mbps, is available at P1, 245. The company said its device-driven strategy for the Smart Bro portfolio complements the massive network modernization effort which has resulted in "the fastest speeds observed among all mobile broadband service providers," according to benchmark tests conducted recently by NESIC Philippines, Inc.

KPN's Telfort Launches IPTV

Telfort, a wholly owned brand of Dutch incumbent KPN, has launched a triple-play offer in the country comprising IPTV, as well as broadband and telephony services. Broadband TV News reports that the unit is using KPN's IPTV infrastructure to host the service which is available at an additional EUR11.00 (USD15.70) per month and includes 55 TV channels and 90 radio stations. The basic tier also includes 'pause live TV' and catch-up TV from the three public channels Nederland 1, 2 and 3. Further, customers on the basic tier may also access the company's video-on-demand library consisting of around 2,000 titles. A 'premium' tier is

also available offering live sports channels Eredivisie Live and Chellomedia's Sport. A dedicated kid's bouquet is also available, and customers wishing to take the service need to be on a Telfort internet Plus or Telfort internet Max subscription plan.

CENX Expands 4G-LTE Wireless Backhaul Platform

CENX operator of the world's first and most connected Carrier Ethernet exchanges, with more than 15 million accessible ESLs (Ethernet Service Locations), has announced further expansion of its industry leading 4G-LTE wireless backhaul platform, including support of LightSquared's deployment of its nationwide 4G-LTE wireless broadband network. Wireless operators implementing LTE require (i) ubiquitous Ethernet backhaul, which means integrating multiple access providers across a region, (ii) a certain path to multi-class of service, which is the only way to secure the lowest cost per bit, and (iii) support systems for monitoring backhaul and SLAs that are Ethernet ready. CENX's comprehensive OSS platform resolves all three challenges; it features systems and processes for rapid integration of diverse backhaul providers together a complete set of processes for order fulfillment, tracking, provisioning, turn up testing, and operational performance/fault monitoring. LightSquared Chief Network Officer said "Our decision to work with CENX was based on their unparalleled expertise in Carrier Ethernet and its exchange services." While President of CENX said "We are proud to be supporting LightSquared's development of its industry changing network".





Stimulating Digital Innovation in the MENA Region

The Middle East and North Africa (MENA) region has a substantial opportunity to boost national economies and increase productivity by developing a vibrant and innovative information and communication technology (ICT) sector. However, the region's innovation ecosystem does not yet offer sufficient support to unlock entrepreneurs' ideas and investors' capital. It will take a concerted, collaborative effort from governments and the private sector to stimulate digital innovation and ensure that it is engrained in MENA countries' future growth.

“Around the world, the ICT sector has transformed societies and economies over the past decade, via a steady stream of innovative new products and technologies.”

Why is ICT innovation important to the MENA region? Around the world, the ICT sector has transformed societies and economies over the past decade, via a steady stream of innovative new products and technologies. These innovations have changed the way we interact with each other. They have helped entire sectors – such as transportation and utilities – to operate more efficiently and at lower costs. ICT also has spurred widespread innovation across national economies. The impact ICT has had in a relatively short period has been remarkable: The European Union, for example, credits the ICT's multiplier effect with contributing 40 percent of Europe's productivity gains over the last 10 years.

Governments -- both in developed and emerging markets -- have recognized the potential of ICT and prioritized ICT innovation on their national agendas. Recent examples include the EU's Digital Agenda, Malaysia's ICT Strategic Roadmap, Germany's ICT 2020 Research for Innovation, and the U.S.'s Strategy for American Innovation. These programs all strive to establish national ecosystems capable of promoting ICT innovation at all levels, through a comprehensive and well-coordinated agenda of government policies.

To date, the MENA region as a whole has shied away from promoting innovation. In 2007, the Arab world spent an average of 0.3% of its total GDP on overall research and development. That is a small fraction of the 2.3% average that countries within the Organization for Economic Cooperation and Development (OECD) spent on R&D. In the last 13 years the MENA region filed a total of 3,224 patents, compared to some 1.7 million patents for Japan alone. In terms of entrepreneurship, the MENA region also lags global peers. According to recent World Bank data that measures the number of new firms created per 1,000 people, the five MENA countries included in the survey (Algeria, Jordan, Oman, Morocco, and Egypt) averaged just 0.9 startups. That result trails by a significant margin countries such as France (3.08), Finland (3.37), Singapore (7.4), and the United Kingdom (8.05). It is also worth mentioning that software piracy has had a deleterious effect on innovation in the MENA region: In 2009, software piracy accounted for more than \$1.4 billion in losses, further reducing the attractiveness of the ICT sector for entrepreneurs. As a result, ICT generates approximately 2 percent of GDP in the MENA region. That number is far higher in truly innovative countries; In Korea, for example, ICT accounts for about 8 percent of GDP.

If the MENA region can address these issues, it has an opportunity to become a significant contributor to ICT innovation globally. Jordan, for example, has emerged over a relatively short period of time as a regional powerhouse in ICT innovation, mainly because of sound government policies and strong partnerships between the public and private sectors. The country's ICT sector now includes hardware, software, consulting, programming, and installation; it employs more than 11,000 people and can tap into a steady inflow of more than 6,000 IT graduates per year. Jordan's King Abdullah II Fund for Development (KAFD) has established Oasis 500, an ICT seed capital fund for innovative startups. This growth has attracted the attention of major international ICT companies. Intel Capital, for example, has invested in two Jordan-based ICT startups — Jeeran, a Web-community platform, and ShooFeeTV, which aggregates Arab satellite TV listings and entertainment content.

To build an innovation ecosystem geared to support the development of a local ICT sector, governments must play a leading role. They have an array of options at their disposal to help stimulate digital innovation. They can implement policies and regulations to support and protect entrepreneurs. They can back and create incentives for funding. Governments also can aid in the development of an advanced, competitive, and high-speed ICT-backbone infrastructure. Finally, they can promote the development of young talent.

Governments, however, cannot alone provide the solution to creating a digital innovative society. The private sector has a pivotal role to play, especially in terms of providing capital to entrepreneurs. To date, the MENA region largely

has shied away from investing in innovation or entrepreneurship ventures in favor of investing in lower-risk opportunities such as real estate or the stock market, where exits are easier. But without funding, neither innovators nor entrepreneurs in ICT can develop new products or commercialize their ideas. According to the Global Entrepreneurship Monitor 2009 MENA report, family members provided the funding for nearly 80 percent of all projects launched by entrepreneurs in seven MENA countries. That same study revealed that only approximately 10 percent of entrepreneurs tapped into government programs for their funding. While government-subsidized programs are now picking up across the MENA region, these funds are not enough to foster a globally competitive innovation ecosystem.

The private sector needs to step in and bridge the gap and provide funding to entrepreneurs. This will require accelerating the development of the region's network of venture capital (VC) firms and angel investors — which currently is less mature than networks elsewhere. VCs and angel investors are a critical component of any innovation ecosystem because they provide entrepreneurs access to "smart capital"— funding along with access to a pool of experts who can direct the growth of promising young companies. The VCs that set up shop early on will gain access to the most attractive investments at the lowest prices. An example of a successful investment is Jordan's Maktoob, which was acquired by Yahoo in 2009 for an unofficial amount of \$85 million.

The worldwide growth of ICT — and its impact on economies and societies — over the last 10 years shows little signs of slowing down. In recent months, the multi-billion-dollar valuations of ICT firms such as Facebook, Skype, and Groupon sends a strong signal that this sector will continue to generate value, even in the face of a potential bubble in valuation. Developing markets — such as China, Russia and Latin American countries — also have witnessed similar growth and high valuations for ICT companies, indicating that the industry is not constrained by geography.

We forecast that the MENA region's ICT market will grow to reach approximately \$120 billion within just four years, a sharp gain from its \$90 billion level today. That 33 percent surge in business by 2015 presents entrepreneurs and investors with significant opportunity. The path to ICT innovation in the MENA region might take some time and it might be smoother in some countries than in others, especially when it comes to finding the right balance between government and private sector involvement. However, governments and the private sector can work together to clear major hurdles — funding, infrastructure, policy, and talent development. That in turn, would allow the MENA region to realize its potential as a regional incubator of digital innovation for years to come.

Louay Abou Chanab
Principal and Tarek El Zein
Associate with Booz & Company



How M2M is broadening the mobile horizon

As a matter of basic human nature, people need to interact and communicate with other people on a regular basis. It is the evolution of these human social tendencies which have in effect led to the development and subsequent success of the telecommunications industry, and as this market has evolved, so too have the requirements of its consumers. Just as the basic telephone has become not only a functional item, but really an extension of our lives, the arrival of other technologically advanced services are facilitating our lives further still.

For instance, today it is a real rarity to find someone who does not own a mobile phone. Indeed, according to statistics, there is a 200 per cent mobile saturation rate in the UAE, and nine out of ten Americans also own a cellular device, making the wireless market seem more saturated than a dripping wet sponge. Therefore, faced with an ever limited pool of potential handset buyers, carriers and operators are turning their attention toward inanimate objects and, more specifically, toward the embedded space and the sci-fi sounding machine-to-machine (M2M) technology segment.

Understanding the M2M market

M2M allows both wireless and wired systems to communicate and exchange information with other devices using the machine language of telemetry. It uses a device (such as a sensor or meter) to capture an event (such as temperature, inventory level etc), which is relayed through a network (wireless, wired or hybrid) to an application (software programme), that translates the captured event into meaningful information (for example, items need to be restocked). Such communication was originally accomplished by having a remote network of machines relay information back to a central hub for analysis, which would then be rerouted into a system like a personal computer.

Many businesses are finding the technology useful in terms of allowing for remote monitoring of operations via very low-maintenance device interconnectivity, allowing them to address service issues and restore functionality with little or no interruption to productivity.

Whereas M2M communication started out as one-to-one connection, it soon became a system of networks that transmits data to personal appliances and involves a central system that is able to connect with other systems at various

locations. The connection allows the central – or “mother” – system to collect or send data to each remote location for processing.

The expansion of wireless networks across the world has made it far easier for M2M communication to take place and has lessened the amount of power and time necessary for information to be communicated between machines. These networks also allow an array of new business opportunities and connections between consumers and producers in terms of the products being sold.

In recent years, SMS has become an increasingly important transmission mechanism for M2M communication, with the ubiquity of GSM and the relatively low cost of SMS being cited as advantages.

The key applications for high speed wireless M2M

M2M combines machine connectivity, communications, and information technology to help organisations control, monitor and acquire data from their entire extended enterprise. Wireless M2M business applications can broadly be grouped into five main categories: Telemetry, Monitoring/alerting, control, payment/transaction and tracking. Broadband M2M application addresses high-bandwidth and potentially interactive content requirement. Applications could include remote information display with rich content (eg video), point of sale content delivery (eg remote video control of a street advertisement) and in-vehicle camera systems.

Several operators in the Middle East offer M2M services such as fleet management solutions for vehicle tracking, monitoring and management and M2M solutions for data and information exchange. →Worldwide revenue for embedded mobile modems for M2M applications is forecast to more than triple in 2010 over 2009, and to continue growing strongly through at least 2014, at a 66% compound annual growth rate (CAGR). The number of connections for embedded mobile M2M applications hit 87 million in 2009 and is forecast to jump to 428 million by 2014, driven by wider availability of services, new M2M applications, and 'Connected Society' regulatory and policy initiatives, according to market research firm Infonetics Research.

Does M2M hold lessons on how to charge for mobile data?

Cellular connections were first used in M2M as a means of transmitting vehicle location data in fleet management applications, but it has rapidly expanded into numerous vertical markets. M2M modules are now embedded in home security systems, video surveillance cameras, smart meters, medical equipment and any number of off-the-lot automobiles. Each of those applications uses the wireless networks in different ways: some transmit only the minutest

amounts of data and only intermittently while others consume much more network resources. For those kinds of applications, the typical subscription-based mobile data business models simply don't work.

The result has been a huge degree of flexibility in how operators charge for machine connections. Rather than charge customers a monthly subscription fee for each device, operators can tailor the pricing plan to the particular application using that device, taking into account not only the total network resources consumed, but the particular resource the application emphasises.

M2M to stimulate stagnating cellular penetration potential

As the mobile market reaches (or exceeds) saturation in developed regions, a new mobile market is starting to receive more and more attention from industry players. A report from Juniper Research anticipates that the number of mobile connected M2M and embedded devices will rise to almost 412 million globally by 2014 - and that represents the tip of the iceberg of its future potential.

Mobile SIM cards have the potential to link up just about any object to the cellular networks. And though most will not have the revenue generating potential of a human mobile subscriber, ultimately the market will go far beyond the utility meters, buildings, cars and trucks that represent today's first round of connected machines.

Some figures are already projecting that the market for M2M technology could boost US wireless penetration from the current 90 per cent to a staggering 500 per cent over the next few years, with M2M connections far outpacing handset buyers in a huge growth spurt for the telecom industry.

Indeed, at this rate there are going to be a lot more connections and a lot more customers in the emerging device space than there are today in the current space of mobility.

Hatem Bamatraf

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SATELLITE NEWS

Thuraya Opens Regional Office in Singapore

Thuraya, a global satellite services provider in the Middle East, has opened a regional office in Singapore as part of plans to expand into Asia. The new unit will be headed by regional director, who is to drive growth in Asia. Chief executive of Thuraya said, "We are wholesalers, so we don't deal directly with end customers. We deal through our network of partners and in Singapore we have the largest base of partners so we chose Singapore to establish our office in Asia." Thuraya has a range of products, including maritime offerings, which caters to low to high-end consumers. These include Thuraya Marine and Seagull 5000i for narrowband voice and data services and a soon-to-be-launched marine-grade broadband product.

NTD AP Transfers Satellite Signal to Chunghwa's ST-2 Satellite

NTD's viewers in Asia can now receive our programming on Taiwan's Chunghwa Telecom's ST-2 Satellite. The signal was successfully transferred from the previous satellite. The signal frequency is now 3655MHz to 3659MHz. Our partner station in Taiwan, NTD Asia Pacific, secured its satellite contract renewal with Chunghwa at the end of June. Taiwan's largest, government backed Telecom Company, and Chunghwa had originally refused the contract renewal. Some suspected the Chinese regime was pressuring NTD because of our news and programming—which exposes issues censored by the Chinese regime. This prompted active lobbying by NTD AP and Taiwan's public. The station received support from both local and international lawmakers and media freedom advocates along the way.

Inmarsat, SkyWave Launch IsatData Pro

Inmarsat and SkyWave Mobile Communications have launched the IsatData Pro, a low data rate service for managing and communicating with remote assets around the world. IsatData Pro offers an increase in payload capacity, delivering up to 10,000 bytes to the device and up to 6,400 bytes from the device. By delivering up to 37 times more data, IsatData Pro can meet the demand for information in M2M applications, and allows businesses to share more data across diverse operations, via e-mails, electronic forms and workflow information. Applications include vehicle telemetry information, text-messaging remote workers, maintaining up-to-date driver logs, and the remote management and control of fixed assets. A number of partners around the world are now integrating IsatData Pro into their applications that support the transportation, oil & gas, utilities, Scada, maritime, defense and security, commercial fishing and heavy equipment sectors.

Satellite Launch for Pakistan Signals China's Growing Space Ambitions

China launched Pakistan's first communications satellite. The PAKSAT-1R satellite, carried into orbit by a Long March-3B carrier rocket, carries 30 transponders on board and will provide communications services, including broadband Internet, telecom and broadcasting, covering parts of South Asia, Europe, West Asia and eastern Africa. The PAKSAT-1R satellite was China's first "in-orbit delivery" for an Asian country, as well as the country's first commercial satellite export this year. Pakistan Foreign Secretary said that the launch was "yet another shining illustration of the time-tested friendship between Pakistan and China and has ushered in a new era of cooperation in space technology between the two countries." The launch comes amid a recent push by China's state-owned telecommunications companies to expand their interests overseas.

RSCC to Launch Broadband Services in Spitsbergen

Russian satellite operator RSCC has started work to upgrade telecommunications infrastructure in the Barentsburg agglomeration on Spitsbergen Island in Norway. Broadband access services will be launched in the archipelago in the coming years. It will invest RUB 39.8 million in Spitsbergen in 2011, which will include deployment of two satellite connection stations and a fiber optic line to be deployed there this year. The infrastructure will mainly be used to meet the needs of Russian coal-mining trust Arktugol, operating in Spitsbergen.

China, Bolivia Launch Telecom Satellite Project

China and Bolivia jointly launched a communications satellite project that will be completed within three years. The construction of the Tupac Katari satellite, named after an 18th century indigenous hero who fought Bolivia's Spanish colonizers, will benefit the Bolivian people, said Bolivian President at the launching ceremony. According to the deal signed between the Bolivian state-run space agency and China Great Wall Industry Corporation, a subsidiary of China Aerospace Science and Technology Corporation (CASTC), Bolivia will have its first communications satellite by the end of 2013 or the beginning of 2014. Once completed, the satellite will be launched at Xichang Satellite Launch Center in southwest China's Sichuan Province and is expected to provide telecommunication services in Bolivia and support the country's educational and medical initiatives.

Verizon Announces the Addition of Mobile Satellite Solutions to Private IP Service Suite

Verizon announced that it is adding Mobile Satellite Solutions to its Private IP service suite to deliver services where terrestrial services are unavailable or expensive. Leveraging Verizon's multiprotocol label switching (MPLS) private IP network, these satellite services provide Private IP customers with access to their private networks from any place within the satellite coverage area. Mobile Satellite Solutions include auto deploy kits, communications trailers and an executive coach to offer dependable backup service and enhanced disaster recovery for customers looking for primary access, business continuity, digital signage, IPTV and content delivery. Vice president of marketing and strategy for Verizon Business said, "Our Mobile Satellite Solutions offer the powerful combination of satellite technology and Verizon's Private IP network."



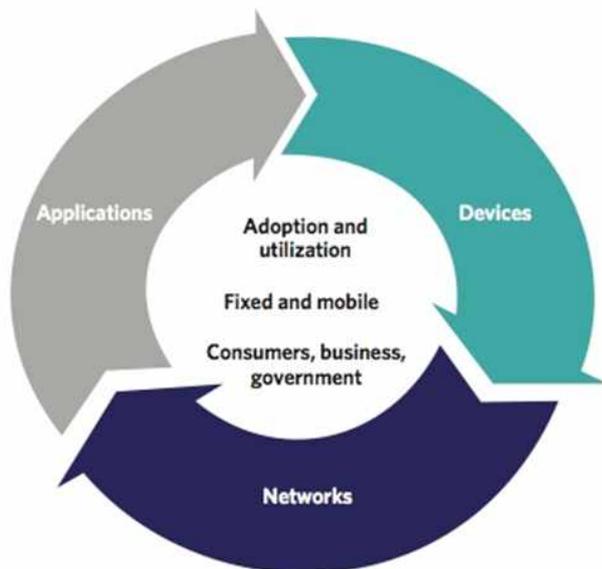
Evolution of regional satellite broadband ecosystem

Broadband is swiftly becoming a necessity. Enterprise, government, military and residential users alike continue to demand for high-speed internet in areas where traditional broadband services (DSL, Cable, FTTX, etc) are not offered and this is where satellite broadband comes into action. Satellite, no doubt, is one of the cost effective backhaul alternative for cellular operations in areas where traditional approaches such as fiber and copper cable are not available.

In the SAMENA region, where satellite broadband is immensely increasing, the necessity for applications such as digital content is anticipated to further stimulate the growth of satellite broadband. Satellite broadband appears to experience massive growth over the next few years with services such as video-on-demand (VOD), Internet TV, data, VoIP and cellular backhaul. How the satellite operators will manage to tackle this situation and to get maximum return on investment is an important area that needs attention.

Satellite broadband appears to experience massive growth over the next few years with services such as video-on-demand (VOD), Internet TV, data, VoIP and cellular backhaul

The region is most likely to experience substantial growth and that is why many global players are looking into the SAMENA region's markets for satellite broadband services. Reportedly, a number of operators are planning to launch new satellites in near future to improve the bandwidths and to further boost the creation of new services and both service-based and content-based competition in the region.



Broadband Ecosystem

Source: <http://itlaw.wikia.com>

Keeping in view regional potential in terms of business for satellite broadband providers, an increasing number of operators are eyeing Middle East and North Africa, the demand for capacity is expected to grow. Operators are investigating different means to get maximum business from the potential markets. This includes alliances, sales partnerships to target region's fragmented market more effectively.

Satellite broadband market is still in its nascent state in the SAMENA region

As demand for the digital content is increasing, the satellite broadband market is still in its nascent state in the SAMENA region, some significant advances are expected with the launch of a satellite with Ka-band capacity by a regional operator. Most of the countries in the SAMENA region still have very low broadband penetration. Industry analysts

ViaSat and Asia Broadcast Satellite will be offering Ka-band satellite service in key areas of the Middle East using the ABS-7 satellite

predict that there will be a strong business case for satellite broadband services across the region and the sector is expected to flourish over the next few years with multimedia application such as video-on-demand and Internet TV services.

Reduction in backhaul-related costs is among the major cost cuts that telecoms operators are trying to achieve. With increasing level of technologies and increasing bandwidth and data-rate requirements, it is essential to look into possible alternatives in backhaul architectures other than the mainly employed T1/E1 lines or Ethernet for packet intensive switching. We already have full IP backhaul, WiMAX backhaul and satellite backhaul options available.

Ongoing strategic collaboration in the satellite communications industry are gaining momentum which will result on a wide spread, and more cost effective availability of the satellite broadband service in the emerging markets. A recent agreement that was signed between ViaSat and Asia Broadcast Satellite will result in offering Ka-band satellite service in key areas of the Middle East using the ABS-7 satellite. The bandwidth capacity from this collaboration will be used for fixed and mobile satellite services as a part of service expansion in the region. ABS-7 has considerable capacity with 600 MHz of Ka-band being considered for mobile broadband services, cellular backhaul, VSAT services, and other requirements in the Middle East.

Bocar A. BA
President
SAMENA Telecommunications Council

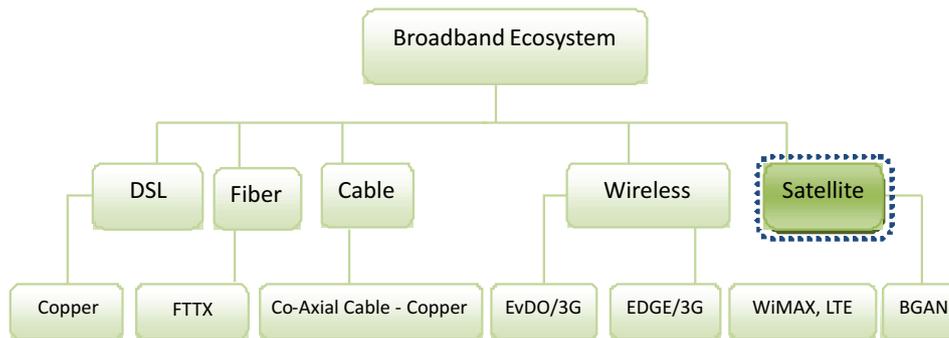


Satellite Broadband: Emerging trends in the satellite industry and its future in the SAMENA region

Today, broadband is not just seen as an economic good or service! Its cultural, educational, social and strategic values are generally seen to be at least as important as its economic value. With the ongoing convergence and innovation in the ICT sector globally, countries have taken strong measures to ensure that prompt broadband proliferation policies are put into effect, supported by regulatory environment and congenial policies. Within the SAMENA region at large, the focus toward broadband is no different; both companies and governments are showing gradually more willingness to invest in, and expand broadband connectivity in their markets. However, it appears that the state of broadband is comparatively less visible in this part of the world, that is, South Asia-Middle East-North Africa. The evolving broadband ecosystem and the associated domains necessitate congenial ICT policies and regulations to help bridge the digital divide on a global scale. Markets in the SAMENA region have so far shown strong commitment towards ICTs progress and have influenced the markets' potential well.

“Markets in the SAMENA region, particularly in the Middle East, have shown significant gain in terms of broadband penetration over the past few years”

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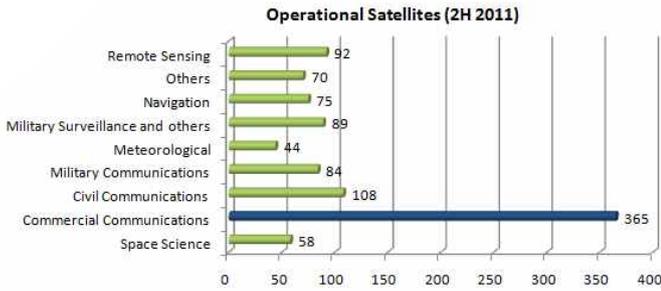
To date, the overall development in the broadband sector and ICT industry in general, has been remarkable but there are still markets in the region where broadband proliferation has so far been very low¹. Markets in the SAMENA region, particularly in the Middle East, have shown significant gain in terms of broadband penetration over the past few years. Today, broadband can be rightly considered as imperative bases for providing firsthand and most recent information in addition to providing an influential role of communication and has thus become an exciting part of life.

Mobile broadband revenue will increase manifold in the SAMENA region by 2014. Only Egypt, Morocco, Saudi Arabia, and UAE are expected to generate 60% of MENA region’s mobile broadband revenue by 2014⁴. For the purpose of progress in the overall ICT sector, governments and other stake holders are attention towards applications such as e- Health, e- Learning and e- Government, as well as establishing national broadband networks. Today, there seems to be reason as to why this region is behind in broadband proliferation. This is because we have some very good markets in terms of investments potential, making a good case for prospective investors. Satellite is one of the cost effective backhaul alternatives for cellular operations in areas where traditional mediums of Internet access such as fiber and copper cable are not available.

“ Satellite is one of the cost effective backhaul alternatives for cellular operations in areas where traditional mediums of Internet access such as fiber and copper cable are not available ”

With the introduction of innovative value-added services and content rich applications, broadband is swiftly becoming a necessity today. Enterprise, government, military and residential users alike continue to demand for high-speed Internet in areas where traditional broadband services (DSL, Cable, FTTX, etc) are not offered and this is where satellite broadband comes into action. Satellite is one of the cost effective backhaul alternatives for cellular operations in areas traditional mediums of Internet access such as fiber and copper cable are not available. Within the SAMENA region, majority of the markets covering a large geographic footprint, satellite based communication services appear to be part of the quick and cost effective broadband network rollouts. Additionally, it is also considered as the only consumer broadband option in the areas where traditional broadband networks have not been deployed yet. Satellite broadband is expected to experience significant growth over the next few years with the emergence of Ka-band for it has ample capacity and the capability for broadband services. Additionally, growing demand for services such as video-on-demand, Internet TV, data, VoIP and cellular backhaul is also accelerating the need for satellite broadband access. The satellite broadband industry appears to gain momentum as there are now more than one million users worldwide. These subscribers quite often opt for satellite broadband because they cannot get the high speed connectivity from traditional services such as DSL, Cable, FTTX, among others in their respective markets.

The increasing importance of high-end digital content can not be ignored in the emerging markets today. So, the necessity for regulatory policies and broadband progress thus need to accentuate each other’s development to produce development and progression in the ICTs. With the availability of a number of access technologies in the SAMENA region, the state of broadband appears to be evolving. The Middle East mobile broadband market is expected to reach 50 million subscribers by 2013 from seven million in 2008 as technologies such as 3.5G gain popularity this year². With just around 7 million mobile broadband subscribers in the region in 2008, and after experiencing an industry project CAGR rate of over 45%, 50 million subscribers are expected by 2013³. General predictions can be made that over the next two years, there could be at least 1 billion users of the broadband; by 2013, this may easily reach about 2.5 billion broadband users.³

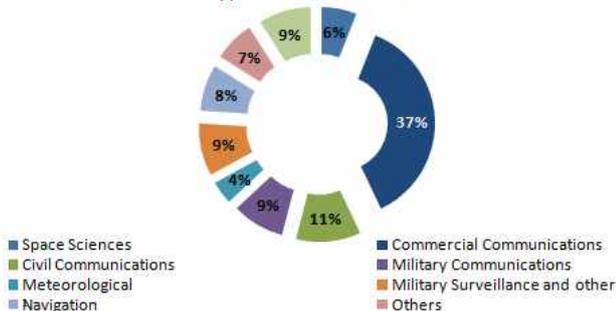


Commercial communications satellites represent 37% of the total number of satellites. With a number of international players looking into the regional markets for investment in satellite industry, the satellite broadband sector is expected experience considerable growth. Reportedly, a number of operators are planning to launch new satellites over the next year to improve the bandwidths and for further boosting the demand for new services and both service-based and content-based competition in the region. An increasing in number of operators are eyeing Middle East and North Africa keeping in view of the growing bandwidth demand in these regions. Different means are being considered to get maximum business from the potential segments in the regional markets.

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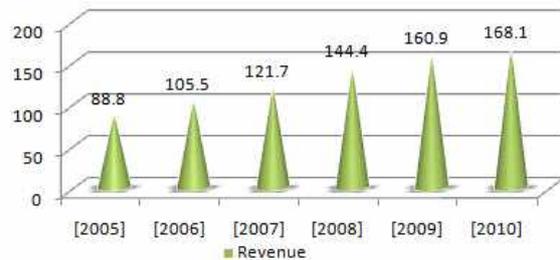
“Satellite broadband is expected to experience significant growth over the next few years with the emergence of Ka-band for it has ample capacity and the capability for broadband services.”

Types of Satellites Launched



In total, NSR forecasts that broadband VSAT networking, satellite broadband access, and broadband trunking & backhaul services will generate nearly US\$8.8 billion by 2019, which is a 135% increase as compared to the revenues for these services in 2009. Satellite broadband services separately are forecasted to produce around US\$4.1 billion between 2009 and 2019.

Satellite Industry Revenues (US\$ Billions)

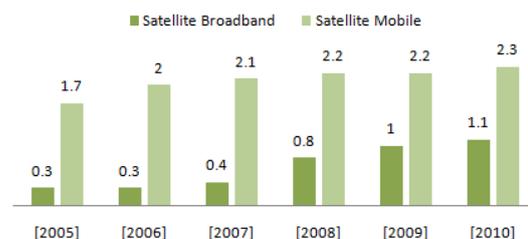


The global satellite industry revenues were increased by 11.2% during the period 2005 through 2010³. According to SIA’s recent report, consumer satellite broadband service revenues increased by almost 10% from US\$1 billion in 2009 to US\$1.1 billion in 2010. Similarly, mobile satellite services revenues grew by 5%, from US\$2.2 billion in 2009 to US\$2.3 billion in 2010.

This rapid transition of ICTs in the regional markets needs to be regulated to provide collective positivity for the general public

“This rapid transition of ICTs in the regional markets needs to be regulated to provide collective positivity for the general public.”

Satellite Services Revenue Growth (US\$ Billions)



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Demand for satellite capacity is evolving and satellite operators are thus exploring new ways to offer satellite broadband services in an efficient and cost effective way. It appears that a number of key applications will quickly adopt Ka band technology over legacy C and Ku band technologies. It is thus important that satellite operators offer the bandwidth that is required in certain regions. The increasing demand of the bandwidth that is resulting from the growth of the internet demand on both fixed and mobile devices (92% CAGR, 2010-2015⁶) appears to result in the shift of LOW demand regions into MEDIUM demand regions in the near future. This rapid transition of ICTs in the regional markets needs to be regulated to provide collective positivity for the general public. It is essential that the growth of the ICT is regulated to ensure that there is no digital divide. Emerging satellite band such as Ka is considered to be scalable, and spectrally efficient that will lead to reduced tariffs and thus increased broadband proliferation and more usage.

This places the onus on the satellite industry (and traditional broadband service providers) to progressively work towards understanding the dynamics of the market and the demands of the end consumer of broadband service. With constantly evolving technologies, increasing consumer demand, emergence of cutting content applications, the need for broadband is growing. Hence, the satellite industry has to play a decisive role in order to ensure continual progress of broadband in a manner that will intelligently help to service the pre-existing short fall and demands in the regional markets.

Zakir Syed,
Research Analyst (Telecom & ICT)
SAMENA Telecommunications Council

¹ Some of the potentially big markets in the SAMENA region, such as Bangladesh, Iran, Syria, Sudan, Libya, and Pakistan still have broadband penetration below 1 percent.

² Value Partners

³ Informa Telecom & Media

⁴ Onda Analytics

⁵ SIA – Satellite Industry Association, overall industry revenues grew in 2010, led by Satellite Services at 9% growth rate. Overall, satellite industry's revenue growth was 5% in 2010.

⁶ Cisco Visual Networking Index: Global Mobile Data, Traffic Forecast Update, 2010–2015



ROAMING NEWS

LightSquared and ClearTalk Wireless Announce Bilateral 4G Roaming Agreement

LightSquared and ClearTalk have entered into a 4G bilateral roaming agreement. This agreement will provide ClearTalk with a nationwide 4G-LTE network that will offer advanced broadband services to their customers. Additionally, LightSquared's integrated satellite network will provide connectivity in rural communities in states served by ClearTalk, including Arizona, California, Colorado, New Mexico and Texas. Chief executive officer of ClearTalk said, "This agreement extends a national, reliable, state-of-the-art 4G-LTE network throughout the ClearTalk service area. Our customers deserve great broadband services, and we are delivering these services to them" while the Chairman and Chief Executive of LightSquared said, "We are thrilled to partner with ClearTalk to deliver advanced 4G-LTE and satellite services to attract new subscribers."

Orange Offers Roaming Services in More than 150 Countries

Orange announced the extension of the number of its roaming partners. Both customers of the company prepaid or postpaid services, can benefit from full voice roaming services in over 150 countries, which is an advantage offered by Orange as an international operator. Orange Marketing Director, said: "The roaming service is designed to make activation and usage as simple as possible: all customers enjoy real time charging, which means that they have full cost-control and never experience a bill shock, no deposit is necessary and the activation is done through simple menu on the phone: just by dialing *121#. Moreover, Orange customers can enjoy the benefits offered by Orange as a European operator. They will make calls in the countries included in Orange Zone for the exclusive 250 AMD/min tariff."

Bulgaria to Drop Mobile Termination Rate

Bulgaria's watchdog, the Communication Regulation Commission (CRC), has announced that it will be lowering mobile termination rates (MTR) – the price charged by an operator for terminating calls from another network. CRC chairman said that Bulgaria's MTR, currently amongst the highest in Europe, could be reduced by up to 25%. The CRC is currently conducting market analysis on MTR which will be completed in September. Acting on the results of the analysis, the CRC will then draw up a timetable for MTR reduction. The CRC has also denied allegations that it will face sanctions if it does not bring MTR in line with the recommendations of the European Commission (EC), saying that relations with the office are excellent. The primary purpose of dropping termination rates is to decrease the cost to the end user; however, according to the EC it will also increase competition and investment. The EC will review the plan to shrink MTR, and will make its own proposals based on whether or not it believes the CRC's strategy complies with its obligation to set MTR at a 'cost-efficient, symmetric level'.

Telenor Montenegro Offers New Postpaid Roaming Add-On

Telenor Montenegro launched a postpaid roaming add-on that offers discounts of up to 70 percent on all inbound and outgoing calls. The roaming add-on can be used in all the networks in the world, except for Telenor Serbia. Activating the add-on is possible in Montenegro as well as while roaming by calling My Menu *123#. End-users receive a notification message at the time of the activation.

China Mobile Reduces Roaming Fees by up to 80 Percent to Boost Usage

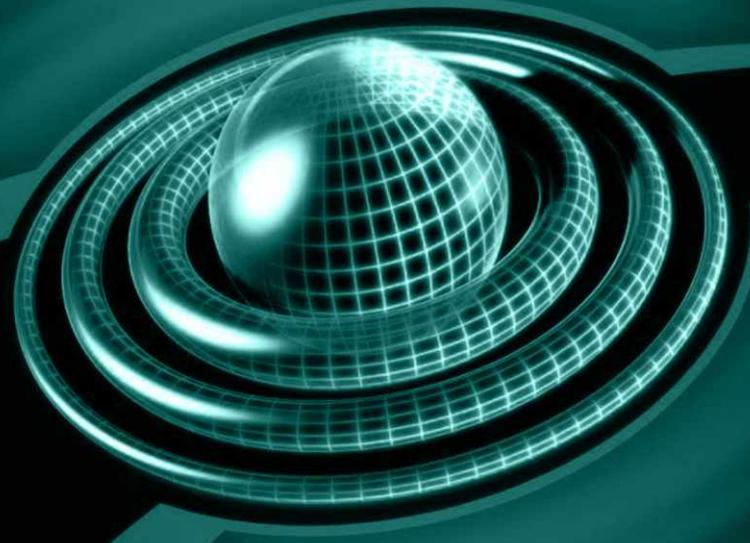
China Mobile Communications Corp. cut international roaming fees by as much as 80 percent to encourage subscribers to use their phones more on trips outside the nation. Charges for users traveling to 38 countries, including the U.K., France and Australia, will be reduced. Subscribers who are using non-voice services on the network of Canada's Rogers Communications Inc. on their travels are entitled to an 80 percent fee-reduction. Rate cuts for phone use in countries including the U.K., France, Germany and Italy exceed 50 percent. China Mobile faces increased competition as smaller rivals including China Telecom Corp. upgrade their third-generation, or 3G, networks and offer more advanced handsets. Growth in the Chinese economy, the world's second biggest, is boosting overseas business travel and tourism.

Taiwan Mobile Launches Bridge DataRoamUnlimited Plan

Taiwanese communications provider Taiwan Mobile has launched the Bridge DataRoamUnlimited plan for flat-rate data roaming with Bridge Alliance members. Bridge DataRoamUnlimited offers unlimited data roaming for USD 10 on a one-day plan. The service is valid for roaming on Bridge Alliance member operator networks in Australia, Hong Kong, India, Indonesia, Korea, Macau, Malaysia, Philippines, Taiwan, and Thailand. The plan is being rolled out across eleven Bridge Alliance members, with Airtel (India) and Optus (Australia) expected to launch the plan in the coming months. President, Taiwan Mobile said, "At Taiwan Mobile, we endeavor to offer the best value-add solution to our customers. The launch of Bridge DataRoamUnlimited is a testament to that. With Bridge DataRoamUnlimited, customers will be able to fully utilize their mobile phones, for work or play, at a highly affordable rate, when roaming overseas."

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