



United Arab Emirates



DETERMINATION NO (1) OF 2011

Relevant Markets for Telecommunication Services and Related Products in the UAE

Issue Date: 23 January 2011

Telecommunications Regulatory Authority (TRA)
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1. Legal Background

- 1.1** Article 12 of Federal Law by Decree No. (3) of 2003 as amended, (the “Law”) established the TRA as the, “...*competent body to oversee the telecommunications sector in the State and all Licensees...*”.
- 1.2** Article 14 of the Law stipulates that the TRA shall have the competence to issue regulations, instructions, decisions and rules “...*regulating and ensuring competition in the telecommunications sector...*”.
- 1.3** Article 7 in Etisalat’s Telecommunication License No. 1/2006, as well as EITC’s Telecommunications License No. 2/2006, stipulates that “*the Licensee shall not alone or together with others, engage in or continue, or knowingly acquiesce in any anti-competitive practices...*”.
- 1.4** Articles 19 of
- a) Nedaa Corporation’s PAMR Licence No 1/2009 (1);
 - b) Al Yah Satellite Communications Company’s Satellite Services License No 1/2010 (2);
 - c) Alyah Advanced Satellite Communications Services’ Satellite Services Licence No 2/2010 (3); and
 - d) Star Satellite Communications Company’s Satellite Services and Broadcasting Services Licence No 3/2010 (4),
- stipulate that “*the Licensee shall comply with the rules regarding anti-competitive conduct as set out in the Regulatory Framework*”
- 1.5** Article 2.3 of the TRA’s Ex Ante Competition Safeguards Regulatory Policy, Version 1.1 issued 30th September 2010, indicates that the purpose of the TRA’s “*ex ante Regulatory Policy is to institute a framework for the TRA to define relevant retail and wholesale telecommunications markets in the UAE, and to undertake a competition assessment of these relevant markets for the purpose of determining Market Power*”.
- 1.6** Article 4.1 of the above mentioned TRA’s Ex Ante Competition Safeguards Regulatory Policy, stipulates that “*the TRA will, at its discretion determine, from time to time, what are the Relevant Markets for the purposes of this Regulatory Policy, in accordance with the principles set out in this Regulatory Policy*”.



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2. History

- 2.1** On 30th December 2009, the TRA issued its Ex Ante Competition Safeguards Regulatory Policy, Version 1.0 with the purpose to *“institute a framework for the TRA to define relevant retail and wholesale telecommunications markets in the UAE, and to undertake a competition assessment of these relevant markets for the purpose of determining Market Power”*.
- 2.2** On 30th December 2009, the TRA issued its Competition Safeguards Regulatory Policy, Version 1.0, in which the TRA identifies the factors (Article 4) that it considers relevant when defining Relevant Markets, including:
- the geographical boundaries of the market,
 - the functional level of the market,
 - the type of customer that the market serves, and
 - the temporal limits of the market.
- 2.3** On 30th September 2010, the TRA issued the version 1.1 of its Ex Ante Competition Safeguards Regulatory Policy and its Competition Safeguards Regulatory Policy, following an update on some definitions used in these Policies.
- 2.4** On 30th September 2010, the TRA issued its Market Definition and Competition Assessment Guidelines, Version 1.0, wherein, in line with Article 4 of the Competition Safeguards Regulatory Policy and Article 4.2 of the Ex Ante Competition Safeguards Regulatory Policy, it outlines *“a comprehensive set of principles that the TRA intends to apply in defining Relevant Markets in the UAE telecommunications sector for the purpose of an ex ante market review...”*.
- 2.5** On 4th October 2010, the TRA issued a consultation document (*“The definition of Relevant markets for the purposes of ex ante market reviews”*) inviting for comments from Licensed Operators in the UAE on the TRA’s proposed definition of Relevant Markets for the purposes of conducting its ex ante market review, with 3rd November 2010 as response date for submission of comments from the interested parties.



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2.6 The TRA received comments from the following parties:

- Emirates Telecommunications Corporation (“Etisalat”),
- UAE Communication and Media Industry Group (“UCMIP”),
- Al Yah Satellite Communications (“Yahsat”), and
- Emirates Intergrated Telecommunications Company (“du”).

3. The Determination

3.1 The TRA has determined Relevant Retail and Wholesale Markets for Telecommunication Services and related products in the UAE, as set out in paragraphs 3.2 and 3.3 below.

3.2 The lists of Relevant Markets (as defined in paragraphs 3.2 and 3.3 below) are not necessarily exhaustive, nor are they necessarily fixed. The Relevant Markets have been defined based on an analysis of the sector at the time of preparing this Determination. As circumstances change the lists of defined Relevant Markets may also change. The TRA reserves the right to amend the lists of defined Relevant Markets at some future stage if and when relevant circumstances change.



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Relevant Markets for Retail Telecommunication Services and related products

3.3 The following table sets out the list of Relevant Markets for retail Telecommunication Services and related products defined by the TRA in this Determination.

Market number	Telecommunication Services and related products	Customer group	Geographic market definition
RM1A ¹	Residential fixed line access and domestic call services <i>Includes line rental and installation, fixed to fixed (on-net and off-net) local and national calls, fixed to mobile calls and dial-up internet calls originated by residential Customers</i>	Residential	That part of the UAE where Etisalat provides direct fixed network connections to Customers
RM1B	Residential fixed line access and domestic call services <i>Includes line rental and installation, fixed to fixed (on-net and off-net) local and national calls, fixed to mobile calls and dial-up internet calls originated by residential Customers</i>	Residential	That part of the UAE where du provides direct fixed network connections to Customers
RM2A	Business fixed line access and domestic call services <i>Includes line rental and installation, fixed to fixed (on-net and off-net) local and national calls, fixed to mobile calls and dial-up internet calls originated by business Customers²</i>	Business	That part of the UAE where Etisalat provides direct fixed network connections to Customers

¹ Retail Market

² For the avoidance of doubt, the term business Customers includes all non-residential Customers (for example, private firms, government entities, schools and other academic institutions, hospitals, etc.)



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Market number	Telecommunication Services and related products	Customer group	Geographic market definition
RM2B	Business fixed line access and domestic call services <i>Includes line rental and installation, fixed to fixed (on-net and off-net) local and national calls, fixed to mobile calls and dial-up internet calls originated by business Customers</i>	Business	That part of the UAE where du provides direct fixed network connections to Customers
RM3A	International calls originated on fixed networks in the UAE by residential Customers <i>Includes international calls made originated on a fixed network by residential Customers as well as international calls made from public payphones</i>	Residential	That part of the UAE where Etisalat provides direct fixed network connections to Customers
RM3B	International calls originated on fixed networks in the UAE by residential Customers <i>Includes international calls made originated on a fixed network by residential Customers as well as international calls made from public payphones</i>	Residential	That part of the UAE where du provides direct fixed network connections to Customers
RM4A	International calls originated on fixed networks in the UAE by business Customers <i>Includes international calls made originated on a fixed network by business Customers</i>	Business	That part of the UAE where Etisalat provides direct fixed network connections to Customers
RM4B	International calls originated on fixed networks in the UAE by business Customers <i>Includes international calls made originated on a fixed network by business Customers</i>	Business	That part of the UAE where du provides direct fixed network connections to Customers
RM5	Post-pay retail mobile voice and data services <i>Includes mobile subscriptions, domestic and international call and data (including SMS, MMS, mobile broadband) services provided on mobile networks in the UAE to post-pay Customers</i>	All post-pay Customers	National



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Market number	Telecommunication Services and related products	Customer group	Geographic market definition
RM6	Pre-pay retail mobile voice and data services <i>Includes mobile connections, domestic and international call and data (including SMS, MMS, mobile broadband) services provided on mobile networks in the UAE to pre-pay Customers</i>	All pre-pay Customers	National
RM7A	Fixed residential broadband access services <i>Includes broadband internet access, as well as provision of bundled services including broadband access (e.g. Voice+ Internet+ IPTV), provided over fixed networks to residential Customers</i>	Residential	That part of the UAE where Etisalat provides direct fixed network connections to Customers
RM7B	Fixed residential broadband access services <i>Includes broadband internet access, as well as provision of bundled services including broadband access (e.g. Voice+ Internet+ IPTV), provided over fixed networks to residential Customers</i>	Residential	That part of the UAE where du provides direct fixed network connections to Customers
RM8A	Fixed business broadband access services <i>Includes broadband internet access (including dedicated internet access), as well as provision of bundled services including broadband access (e.g. Voice+ Internet+ IPTV), provided over fixed networks to business Customers</i>	Business	That part of the UAE where Etisalat provides direct fixed network connections to Customers
RM8B	Fixed business broadband access services <i>Includes broadband internet access (including dedicated internet access), as well as provision of bundled services including broadband access (e.g. Voice+ Internet+ IPTV), provided over fixed networks to business Customers</i>	Business	That part of the UAE where du provides direct fixed network connections to Customers
RM9A	Business connectivity services <i>Includes physical and virtual leased lines encompassing both point to point and multipoint services</i>	Business	That part of the UAE where Etisalat provides direct fixed network connections to Customers



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Market number	Telecommunication Services and related products	Customer group	Geographic market definition
RM9B	Business connectivity services <i>Includes physical and virtual leased lines encompassing both point to point and multipoint services</i>	Business	That part of the UAE where du provides direct fixed network connections to Customers

Relevant Markets for Wholesale Telecommunication Services and related products

3.4 The following table sets out the list of Relevant Markets for Wholesale Telecommunication Services and related products defined by the TRA in this Determination.

Market number	Telecommunication Services and related products	Customer group	Geographic market definition
WM 1A ³	Fixed call termination on Etisalat's network <i>Includes all fixed network call termination provided on Etisalat's fixed network</i>	All Customers	National
WM 1B	Fixed call termination on du's network <i>Includes all fixed network call termination provided on du's fixed network</i>	All Customers	National
WM 2A	Mobile call and data termination on Etisalat's mobile network <i>Includes termination of voice calls and messaging services on Etisalat's mobile network</i>	All Customers	National
WM 2B	Mobile call and data termination on du's mobile network <i>Includes termination of voice calls and messaging services on du's</i>	All Customers	National

³ Wholesale Market



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Market number	Telecommunication Services and related products	Customer group	Geographic market definition
	<i>mobile network</i>		
WM 3A	Residential fixed call origination <i>Includes the origination of fixed network calls for third party Licensees and self-supply of call origination</i>	Residential	That part of the UAE where Etisalat provides direct fixed network connections to Customers
WM 3B	Residential fixed call origination <i>Includes the origination of fixed network calls for third party Licensees and self-supply of call origination</i>	Residential	That part of the UAE where du provides direct fixed network connections to Customers
WM 4A	Business fixed call origination <i>Includes the origination of fixed network calls for third party Licensees and self-supply of call origination</i>	Business	That part of the UAE where Etisalat provides direct fixed network connections to Customers
WM 4B	Business fixed call origination <i>Includes the origination of fixed network calls for third party Licensees and self-supply of call origination</i>	Business	That part of the UAE where du provides direct fixed network connections to Customers
WM 5	Mobile access and call origination (including wholesale data access) <i>Includes self-supply and supply to third parties of wholesale mobile access, used to provide call and data services to retail Customers</i>	All Customers	National
WM 6A	Residential wholesale fixed broadband access <i>Includes self-supply and supply to third parties of wholesale Telecommunication Services and related products used to provide broadband fixed network internet access, as well as bundled services including broadband access (e.g. Voice+ Internet+ IPTV) to residential Customers</i>	Residential	That part of the UAE where Etisalat provides direct fixed network connections to Customers
WM 6B	Residential wholesale fixed broadband access <i>Includes self-supply and supply to third party Licensees of wholesale Telecommunication Services and related products used to provide broadband fixed network internet, as well as bundled services</i>	Residential	That part of the UAE where du provides direct fixed network connections to Customers

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Market number	Telecommunication Services and related products	Customer group	Geographic market definition
	<i>including broadband access (e.g. Voice+ Internet+ IPTV) to residential Customers</i>		
WM 7A	Business wholesale fixed broadband access <i>Includes self-supply and supply to third party Licensees of wholesale Telecommunication Services and related products used to provide broadband fixed network internet access (including dedicated internet access), as well as bundled services including broadband access (e.g. Voice+ Internet+ IPTV) to business Customers</i>	Business	That part of the UAE where Etisalat provides direct fixed network connections to Customers
WM 7B	Business wholesale fixed broadband access <i>Includes self-supply and supply to third party Licensees of wholesale Telecommunication Services and related products used to provide broadband fixed network internet access (including dedicated internet access), as well as bundled services including broadband access (e.g. Voice+ Internet+ IPTV) to business Customers</i>	Business	That part of the UAE where du provides direct fixed network connections to Customers
WM 8A	Wholesale terminating segments of fixed connectivity services <i>Includes terminating segments of wholesale physical and/or virtual connectivity access, including backhaul services and self-supply</i>	Business	That part of the UAE where Etisalat provides direct fixed network connections to Customers
WM 8B	Wholesale terminating segments of fixed connectivity services <i>Includes terminating segments of wholesale physical and/or virtual connectivity access, including backhaul services and self-supply</i>	Business	That part of the UAE where du provides direct fixed network connections to Customers
WM 8C	Wholesale trunk segments of fixed connectivity services <i>Includes trunk segments of wholesale physical and/or virtual connectivity access, including backhaul services and self-supply</i>	Business	National



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3.5 A detailed explanation of the process involved in the definition of the Relevant Markets for Telecommunication Services and related products in the UAE can be found in Annex 1 to this Determination.

4. Effective Date

4.1 This Determination shall become effective upon issuance.

5. Acknowledgement

5.1 Each Licensee shall notify the TRA in writing of receipt of this Determination within one (1) business day of the date it is received.