



United Arab Emirates



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## Violation Decision No. (1) of 2009

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### Non-Compliance with Directive No. (3) of 2008

Issue Date: 16<sup>th</sup> March 2009

REDACTED VERSION

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Telecommunications Regulatory Authority (TRA)  
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**Violation Decision No. (1) of 2009, Non-Compliance with Directive No. (3) of 2008, Issued 16<sup>th</sup> March 2009**

**1. Background**

1.1. On 8<sup>th</sup> June 2008, the TRA issued its Directive No. (3) of 2008 wherein the TRA ordered that Etisalat, *"...offer a commercially viable and technically functional Carrier Pre-Selection Interconnection Service within its entire network within six (6) months from the date of receipt of any request for CPS Interconnection Service."*

1.2. In its Directive No. (3) of 2008, the TRA specifically noted that, *"...Etisalat has maintained an unwarranted and unnecessarily prolonged virtual monopoly on the provision of fixed network national and international call services in the UAE."*

1.3. Furthermore, the TRA noted that, *"...during this period of virtual monopoly, Etisalat's fixed net customers were deprived of their choice of providers of national and international call services..."*, and that, *"...EITC was deprived of the opportunity to provide national and international call services via CPS Interconnection Service to Etisalat's current customers."*

Additionally, the TRA's Directive No. (3) of 2008 required that Etisalat, *"...notify the TRA in writing if/when it receives notice of any request for CPS Interconnection Service."*

1.4. **REDACTED**

1.5. On 8<sup>th</sup> July 2008, the TRA was carbon copied on EITC's letter (to Etisalat) reference RA/ETC/08/209 dated 8<sup>th</sup> July 2008. In its letter EITC made a formal written request for Etisalat to offer CPS Interconnection Service within six (6) months, as described in the TRA's Directive. As per the TRA's Directive No. (3) of 2008, this request established Etisalat's performance deadline as 8<sup>th</sup> January 2009.

1.6. **REDACTED**

1.7. **REDACTED**

1.8. **REDACTED**

1.9. **REDACTED**

1.10. **REDACTED**



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1.11. **REDACTED**

1.12. **REDACTED**

**2. Legal Reference**

2.1. The following references were taken into consideration with respect to Etisalat's obligation to offer Carrier Pre Selection (CPS) Interconnection Service:

2.2. Article 14 of Federal Law by Decree No. (3) of 2003, as amended, ("the Law") provides the General Authority for Regulating the Telecommunications Sector (TRA) with the power to issue regulations, orders, resolutions and procedures with respect to the telecommunications sector.

2.3. Specifically, Article 14 (2) of the Law relates that power directly to, "...*the Interconnection and access to Telecommunication Networks and Telecommunication Services provided by the Licensees...*".

2.4. Additionally, Article 49 of Executive Order No. (3) of 2004 ("the Executive Order") provides that the TRA may issue Instructions, Guidelines and Directives in relation to network interconnection.

2.5. Article 13.4.1 of Etisalat's Telecommunications License No. 1/2006 ("the License") stipulates that Etisalat shall, "...*implement carrier selection and carrier pre-selection according to the Regulatory Framework in effect at the time.*"

2.6. Furthermore, Article 13.4.2 of the License stipulates that Etisalat shall, "...*cooperate with Other Licensed Operators in the technical specification, development and implementation of carrier selection and carrier pre-selection in accordance with the Regulatory Framework in effect at the time.*"

2.7. Article 3 of the TRA's Interconnection Instructions, Version 1.2 identifies Carrier Pre Selection as one of the minimum Interconnection Services which Etisalat must offer, "...*for the purpose of enabling interoperability.*"

2.8. Article 1 of the TRA's Carrier Selection and Carrier Pre-Selection Policy ("CS/CPS Policy") stipulates that the, "...*TRA has determined that subscribers of fixed line telecommunication services shall have a choice of their provider for national and international calls.*"



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2.9. Article 2 of the CS/CPS Policy stipulates that, *“Licensees shall ensure that their network equipment has the appropriate functionality to implement CS and CPS in a manner as determined by the TRA.”*

2.10. Article 4.1 of the TRA’s Directive No. (3) of 2008 ordered that Etisalat, *“...offer a commercially viable and technically functional Carrier Pre-Selection Interconnection Service within its entire network within six (6) months from the date of receipt of any request for CPS Interconnection Service.”*

2.11. Based on the foregoing, the provisions of Etisalat’s Public Telecommunications License No. 1/2006, Article 16.3.2 are applicable.

**3. Findings**

3.1. As referenced above, the TRA’s Regulatory Framework as well as Etisalat’s Telecommunications License No. 1/2006 specifically create an obligation, and provide notice thereof, for Etisalat to offer Carrier Pre Selection Interconnection Service.

3.2. Additionally, the TRA’s Directive No. (3) of 2008 requires that Etisalat offer the Service within six (6) months of a formal request.

3.3. Accordingly, the TRA considers that EITC’s letter reference RA/ETC/08/209 dated 8<sup>th</sup> July 2008 was sufficient in form and content to satisfy the request requirement and commence the six (6) month period referenced above. Based on this schedule, the deadline for Etisalat’s offer of Carrier Pre Selection Interconnection Service was 8<sup>th</sup> January 2009.

**3.4. REDACTED**

**4. The Violation Decision**

4.1. At its discretion and without prejudice to the TRA’s rights regarding any future actions with regard to this violation or any other incident, either related or unrelated, this Violation Decision shall serve as a formal sanction for Etisalat’s failure to comply with the TRA’s Directive No. (3) of 2008.

Furthermore, the TRA has assessed a financial penalty in the amount of Dirhams 200,000.



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4.2. At its discretion and without prejudice to the TRA's rights regarding any future actions with regard to this violation or any other incident, either related or unrelated, the TRA hereby orders that Etisalat comply with the TRA's Directive No. (3) of 2008 by 15<sup>th</sup> April 2009.

**5. Payment**

Payment of the aforementioned penalty shall be made by Etisalat to the Telecommunications Regulatory Authority by 26<sup>th</sup> March 2009.

**6. Publication**

At its sole discretion, the TRA reserves the right to make public this Violation Decision, or any parts thereof.

**7. Acknowledgement and Compliance**

7.1. Etisalat shall notify the TRA in writing of its receipt of this Violation Decision within one (1) day of the date thereof.

7.2. Etisalat shall notify the TRA in writing on the day it has paid the penalty assessment.

7.3. Etisalat shall notify the TRA in writing of its compliance or non-compliance with Article 4.2 of this Violation Decision by 15<sup>th</sup> April 2009.