

## **Licence overview and Award Process for Individual Fixed Services Licence (IFSL)**

### **Introduction and status of this document**

Bahrain has opened its telecommunications market to competition. Matters relating to this liberalisation process are referenced in this website and in particular within the Publications page. IFSL licence is an individual licence, issued by the Telecommunication Regulatory Authority. For relevant background see 'A Guide for potential entrants to the Bahrain market' (TRA reference CCA/DC/003) and 'Guidance on TRA Licence Application Process'.

An IFSL licence is available from the Telecommunication Regulatory Authority (TRA) to qualified and competent applicants. The remainder of this document outlines the licensing process, the associated licence fees and provides an application form.

Legislative Decree no. 48 promulgating the Telecommunications Law governs applications for, and the content and grant of licences. This document is issued in accordance with Section 29(c) of the Telecommunications Law. Nothing in the document shall be construed to conflict with, or amend, the Telecommunications Law and applicants should familiarise themselves with the Law also available on this website.

### **Process for licence award**

All applicants for IFSL licence are invited to submit their proposals to the Telecommunications Regulatory Authority (TRA) on the appended form. TRA will consider the IFSL Licence application on a case-by-case basis and will seek dialogue with each Applicant in order to ensure clear understanding of their proposal.

TRA will notify the Applicant in writing within 14 days of receipt of the application as specified in section 27(a) of the Telecommunications Law that it has received the application. If no acknowledgement has been returned within this period, then please contact TRA to ensure that the application has been received. TRA reserves the right to request additional information or to seek clarification of information supplied.

TRA will recommend or reject complete and comprehensive licence application within 90 days of receipt. If recommended, IFSL licence awards will normally be approved within 30 days of recommendation with no more than a further 30 days if necessary.

The licensing process must, amongst other matters, ensure that licensees are qualified, as defined by the Law, financially sound, technically competent, and capable/willing to comply with the Telecommunications Law, this to the general end that TRA is able to fulfil its obligations and exercise its rights under the Telecommunications Law. Notable among the obligations imposed upon TRA by the Law are the following:

1. protection of the interests of subscribers and users in respect of: the tariffs charged for services; the availability and provision of service; quality of services; and protection of personal particulars and privacy of services;

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2. promotion of effective and fair competition among new and existing licensed operators; and
3. ensuring that, when assessing applications involving provision of public telecommunications services, that any applicant or any person to whom any such service falls to be provided, shall be able to provide those services.

Evaluation of each application will be on the basis of the above criteria. Once a licence is awarded, the licensee is added to a list held by TRA, which is open to public inspection.

### **Licence terms, eligibility and fee structures**

IFSL Licence is granted by TRA, under the terms of the Law, for fifteen years. No limit is set upon the number of IFSL licence that may be granted by TRA.

In order for a licence to be granted, the following is required:

1. that the licence applicant be a juristic entity incorporated in the Kingdom, or a branch of a foreign company licensed to operate in the Kingdom in accordance with the Commercial Companies Law.
2. that substantially all the infrastructure and personnel associated with the provisions of telecommunications service be located in the Kingdom.

Licence fees are detailed in 'Guidance on TRA Licence Application Process'. Irrespective of licence type, an initial fee payment of BHD 35,000 is due for the first year and there is then an annual licence fee payable to TRA, which is 2% of gross turnover arising from the licensed activities.

Applicants for the IFSL licence should note that, upon becoming licensees, they might, in addition, be required to pay an annual fee, set by the Ministry of Commerce, which relates to Commercial Registration. Applicants must direct any questions relating to Commercial Registration directly to the Ministry of Commerce.

Before submitting an application to TRA, the applicant should have read all relevant documentation, including 'Guidance on TRA Licence Application Process'. Licence applicants are responsible for the accuracy of all information submitted and should not base their decision solely on the information contained in this document or material hosted on TRA's website.